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): **March 18, 2013 (March 12, 2013)**

iStar Financial Inc.
(Exact name of registrant as specified in its charter)

Maryland	**1-15371**	**95-6881527**
(State or other jurisdiction of incorporation)	(Commission File Number)	(IRS Employer Identification Number)

1114 Avenue of the Americas, 39th Floor New York, New York	**10036**
(Address of principal executive offices)	(Zip Code)

Registrant's telephone number, including area code: **(212) 930-9400**

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

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

o Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

o Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

o Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

o 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 March 12, 2013, iStar Financial Inc., a Maryland corporation (the "**Company**"), entered into an Underwriting Agreement, dated March 12, 2013 (the "**Underwriting Agreement**"), by and among the Company and Barclays Capital Inc. and the other several underwriters named therein with respect to the issuance and sale by the Company of 3,500,000 shares of its 4.50% Series J Cumulative Convertible Perpetual Preferred Stock, liquidation preference $50.00 per share (which included an option for the underwriters to purchase an additional 500,000 shares) (together, the "**Series J Preferred Stock**"). The Series J Preferred Stock (including the additional 500,000 option shares) was issued and delivered to the underwriters on March 18, 2013. The Company intends to use the net proceeds from the issuance and sale of the Series J Preferred Stock for new investment activities and general corporate purposes.

On March 15, 2013, the Company executed Articles Supplementary designating the rights and preferences of the Series J Preferred Stock (the "**Articles Supplementary**"). Each share of the Series J Preferred Stock has a liquidation preference of $50.00 per share and is convertible, at the holder's option at any time, initially into 3.9087 shares of the Company's common stock (equal to an initial conversion price of approximately $12.79 per share), subject to specified adjustments. If a fundamental change occurs as specified in the Articles Supplementary, the Company may be required to pay a make-whole premium on the Series J Preferred Stock converted in connection with the fundamental change.

The Company may not redeem the Series J Preferred Stock prior to March 15, 2018. On or after March 15, 2018, the Company may, at its option, redeem the Series J Preferred Stock, in whole or in part, at any time and from time to time, for cash at a redemption price equal to 100% of the liquidation preference of $50.00 per share, plus accrued and unpaid dividends, if any, to the redemption date.

The Series J Preferred Stock was registered with the Securities and Exchange Commission pursuant to the Company's shelf registration statement on Form S-3 (File No. 333-181470) (as the same may be amended or supplemented, the "**Registration Statement**"), under the Securities Act of 1933, as amended (the "**Securities Act**").

The Company made certain customary representations, warranties and covenants concerning the Company and the Registration Statement in the Underwriting Agreement and also agreed to indemnify the underwriters against certain liabilities, including liabilities under the Securities Act, or to contribute to payments the underwriters may be required to make in respect of those liabilities.

Copies of the Underwriting Agreement and Articles Supplementary are attached to this Report as Exhibits 1.1 and 3.1, respectively, and incorporated herein by reference. The summary set forth above is qualified in its entirety by reference to Exhibits 1.1 and 3.1.

Item 9.01. Financial Statements and Exhibits.

Exhibit No.	Description
1.1	Underwriting Agreement, dated March 12, 2013, by and among the Company and Barclays Capital Inc. and the other several underwriters named therein, relating to the Series J Preferred Stock.
3.1	Articles Supplementary designating the Series J Preferred Stock.
5.1	Opinion of Clifford Chance US LLP regarding the legality of the Series J Preferred Stock.

23.1	Consent of Clifford Chance US LLP (included in exhibit 5.1).

SIGNATURES

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

iSTAR FINANCIAL INC.

Date: March 18, 2013

By: /s/ Jay Sugarman
Jay Sugarman
Chairman and Chief Executive Officer

Date: March 18, 2013

By: /s/ David DiStaso
David DiStaso
Chief Financial Officer

UNDERWRITING AGREEMENT

March 12, 2013

BARCLAYS CAPITAL INC.
As Representative of the Underwriters

c/o Barclays Capital Inc.
745 Seventh Avenue
New York, New York 10019

Ladies and Gentlemen:

Introductory. iStar Financial Inc., a Maryland corporation (the "**Company**"), confirms its agreement with Barclays Capital Inc. ("**Barclays**") and the other several underwriters named in Schedule A hereto (collectively, the "**Underwriters**"), with respect to (i) the sale by the Company and the purchase by the Underwriters, acting severally and not jointly, of the respective number of shares set forth in such Schedule A of 3,500,000 shares of the Company's 4.50% Series J Cumulative Convertible Perpetual Preferred Stock (the "**Initial Securities**") and (ii) the grant by the Company to the Underwriters, acting severally and not jointly, of the option to purchase all or any part of an additional 500,000 shares of its 4.50% Series J Cumulative Convertible Perpetual Preferred Stock (the "**Option Securities**" and, together with the Initial Securities, the "**Securities**"). Barclays has agreed to act as the representative of the several Underwriters (the "**Representative**") in connection with the offering and sale of the Securities.

The Securities will be issued pursuant to Articles Supplementary designating the rights and preferences of the Securities (the "**Articles Supplementary**") to be filed with the State Department of Assessments and Taxation of Maryland (the "**SDAT**"). The Securities will be issued only in book-entry form in the name of Cede & Co., as nominee of The Depository Trust Company (the "**Depositary**") pursuant to a letter of representations, to be dated on or before the Closing Date (as defined in Section 2 hereof), between the Company and the Depositary.

This Agreement, the Securities and the Articles Supplementary are referred to herein as the "**Transaction Documents**."

The Company has prepared and filed with the Securities and Exchange Commission (the "**Commission**") a registration statement on Form S-3 (File No. 333-181470), which contains a base prospectus (the "**Base Prospectus**"), to be used in connection with the public offering and sale of preferred securities, including the Securities, and other securities of the Company under the Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder (collectively, the "**Securities Act**"), and the offering thereof from time to time in accordance with Rule 415 under the Securities Act. Such registration statement, including the financial

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statements, exhibits and schedules thereto, in the form in which it became effective under the Securities Act, including any required information deemed to be a part thereof at the time of effectiveness pursuant to Rule 430B under the Securities Act, is called the "**Registration Statement**." The term "**Prospectus**" shall mean the final prospectus supplement relating to the Securities, together with the Base Prospectus, that is first filed pursuant to Rule 424(b) after the date and time that this Agreement is executed by the parties hereto. The term "**Preliminary Prospectus**" shall mean any preliminary prospectus supplement relating to the Securities, together with the Base Prospectus, that is used in connection with the offering of the Securities. Any reference herein to the Registration Statement, the Preliminary Prospectus or the Prospectus shall be deemed to refer to and include the documents that are or are deemed to be incorporated by reference therein pursuant to Item 12 of Form S-3 under the Securities Act. All references in this Agreement to the Registration Statement, the Preliminary Prospectus, the Prospectus, or any amendments or supplements to any of the foregoing, shall include any copy thereof filed with the Commission pursuant to its Electronic Data Gathering, Analysis and Retrieval System ("**EDGAR**").

All references in this Agreement to financial statements and schedules and other information which is "contained," "included" or "stated" (or other references of like import) in the Registration Statement, the Prospectus or the Preliminary Prospectus shall be deemed to mean and include all such financial statements and schedules and other information which is or is deemed to be incorporated by reference in the Registration Statement, the Prospectus or the Preliminary Prospectus, as the case may be, prior to the Applicable Time (which for the purposes of this Agreement is 5:00 p.m., New York City time, on March 12, 2013); and all references in this Agreement to amendments or supplements to the Registration Statement, the Prospectus or the Preliminary Prospectus shall be deemed to include the filing of any document under the Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder (collectively, the "**Exchange Act**"), which is or is deemed to be incorporated by reference in the Registration Statement, the Prospectus or the Preliminary Prospectus, as the case may be, after the Applicable Time.

The Company hereby confirms its agreements with the Underwriters as follows:

SECTION 1. **Representations and Warranties**. The Company hereby represents, warrants and covenants to each Underwriter that, as of the Applicable Time, as of the Closing Date and any Date of Delivery (as defined in Section 2 hereof) (in each case, a "**Representation Date**"):

(a) **Compliance with Registration Requirements.** The Company meets the requirements for use of Form S-3 under the Securities Act. The Registration Statement has become effective under the Securities Act and no stop order suspending the effectiveness of the Registration Statement has been issued under the Securities Act and no proceedings for that purpose have been instituted or are pending or, to the knowledge of the Company, are contemplated or threatened by the Commission, and any request on the part of the Commission for additional information has been complied with.

At the respective times the Registration Statement and any post-effective amendments thereto became effective and at each Representation Date, the Registration

Statement and any amendments thereto (i) complied and will comply in all material respects with the requirements of the Securities Act, and (ii) did not and will not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading. At the date of the Prospectus, at the Closing Date and at any Date of Delivery, neither the Prospectus nor any amendments or supplements thereto (including any prospectus wrapper) included or will include an untrue statement of a material fact or omitted or will omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading. Notwithstanding the foregoing, the representations and warranties in this subsection shall not apply to statements in or omissions from the Registration Statement or any post-effective amendment or the Prospectus or any amendments or supplements thereto made in reliance upon and in conformity with information furnished to the Company in writing by any of the Underwriters through the Representative expressly for use therein, it being understood and agreed that the only such information furnished by any Underwriter through the Representative consists of the information described as such in Section 7 hereof.

Each Preliminary Prospectus and the Prospectus, at the time each was filed with the SEC, complied in all material respects with the requirements of the Securities Act, and the Preliminary Prospectus and the Prospectus delivered to the Underwriters for use in connection with the offering of the Securities, at the time of such delivery, was or will be, as the case may be, be identical to any electronically transmitted copies thereof filed with the Commission pursuant to EDGAR, except to the extent permitted by Regulation S-T.

(b) **Pricing Disclosure Package.** The term "**Pricing Disclosure Package**" shall mean (i) the Preliminary Prospectus dated March 12, 2013, (ii) the issuer free writing prospectuses as defined in Rule 433 of the Securities Act (each, an "**Issuer Free Writing Prospectus**"), if any, identified in Schedule B hereto and (iii) any other free writing prospectus as defined in Rule 405 of the Securities Act (each a "**Free Writing Prospectus**") that the parties hereto shall hereafter expressly agree in writing to treat as part of the Pricing Disclosure Package. As of the Applicable Time, the Pricing Disclosure Package did not contain any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading. The preceding sentence does not apply to statements in or omissions from the Pricing Disclosure Package based upon and in conformity with written information furnished to the Company by any Underwriter through the Representative specifically for use therein, it being understood and agreed that the only such information furnished by any Underwriter through the Representative consists of the information described as such in Section 7 hereof.

(c) **Incorporated Documents.** The documents incorporated or deemed to be incorporated by reference in the Pricing Disclosure Package and the Prospectus at the time they were or hereafter are filed with the Commission (collectively, the "**Incorporated Documents**") complied and will comply in all material respects with the requirements of the Exchange Act. Each such Incorporated Document, when taken together with the Pricing Disclosure Package, did not as of the Applicable Time, and at

the Closing Date and at any Date of Delivery will not, contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(d) **Issuer Free Writing Prospectuses.** Each Issuer Free Writing Prospectus, as of its issue date and at all subsequent times through the completion of the offering of Securities under this Agreement or until any earlier date that the Company notified or notifies the Representative as described in the next sentence, did not, does not and will not include any information that conflicted, conflicts or will conflict with the information contained in the Registration Statement, the Preliminary Prospectus or the Prospectus. If at any time following issuance of an Issuer Free Writing Prospectus there occurred or occurs an event or development as a result of which such Issuer Free Writing Prospectus conflicted or would conflict with the information contained in the Registration Statement, the Preliminary Prospectus or the Prospectus the Company has promptly notified or will promptly notify the Representative and has promptly amended or supplemented or will promptly amend or supplement, at its own expense, such Issuer Free Writing Prospectus to eliminate or correct such conflict. Any Issuer Free Writing Prospectus not identified on Schedule B, when taken together with the Pricing Disclosure Package, did not, and at the Closing Date will not, contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading. The foregoing three sentences do not apply to statements in or omissions from any Issuer Free Writing Prospectus based upon and in conformity with written information furnished to the Company by any Underwriter through the Representative specifically for use therein, it being understood and agreed that the only such information furnished by any Underwriter through the Representative consists of the information described as such in Section 7 hereof. Each Issuer Free Writing Prospectus, at the time each was filed with the SEC, complied in all material respects with the requirements of the Securities Act.

(e) **Company Not Ineligible Issuer.** At the time of filing the Registration Statement and any post-effective amendment thereto, at the earliest time thereafter that the Company or another offering participant made a bona fide offer (within the meaning of Rule 164(h)(2) of the Securities Act) of the Securities and at the date hereof, the Company was not and is not an "ineligible issuer," as defined in Rule 405, without taking account of any determination by the Commission pursuant to Rule 405 that it is not necessary that the Company be considered an ineligible issuer.

(f) **Distribution of Offering Material By the Company.** The Company has not distributed and will not distribute, prior to the later of the Closing Date, any Date of Delivery and the completion of the Underwriters' distribution of the Securities, any offering material in connection with the offering and sale of the Securities other than the Preliminary Prospectus, the Prospectus, any Issuer Free Writing Prospectus reviewed and consented to by the Representative and included in Schedule B hereto or the Registration Statement.

(g) **Accuracy of Exhibits.** There are no franchises, contracts or documents which are required to be described in the Registration Statement, the Pricing Disclosure

Package, the Prospectus or the documents incorporated by reference therein or to be filed as exhibits to the Registration Statement which have not been so described and filed as required.

(h) **The Underwriting Agreement.** This Agreement has been duly authorized, executed and delivered by the Company.

(i) **Authorization of the Common Stock.** The shares of common stock, par value $0.001 per share, of the Company ("**Common Stock**") issuable upon conversion of the Securities have been duly authorized and reserved for issuance upon such conversion by all necessary corporate action and such shares, when issued upon such conversion, will be validly issued and will be fully paid and non-assessable; no holder of such shares will be subject to personal liability by reason of being such a holder; and the issuance of such shares upon such conversion will not be subject to the preemptive or other similar rights of any securityholder of the Company.

(j) **Authorization of the Securities.** The Securities have been duly authorized for issuance and sale to the Underwriters pursuant to this Agreement, on or before the Closing Date the Articles Supplementary shall have been duly filed with the SDAT and, when issued and delivered by the Company pursuant to this Agreement against payment of the consideration set forth herein, the Securities will be validly issued and fully paid and non-assessable; no holder of the Securities will be subject to personal liability by reason of being such a holder; and the issuance of the Securities is not subject to the preemptive or other similar rights of any securityholder of the Company.

(k) **Description of the Transaction Documents and the Common Stock.** The Transaction Documents will conform in all material respects to the respective statements relating thereto contained or incorporated by reference in the Registration Statement, the Pricing Disclosure Package and the Prospectus. The Common Stock conforms to all statements relating thereto contained or incorporated by reference in the Registration Statement, the Pricing Disclosure Package and the Prospectus and such description conforms to the rights set forth in the instruments defining the same.

(l) **No Material Adverse Change.** Except as otherwise disclosed in the Pricing Disclosure Package and the Prospectus (exclusive of any amendment or supplement thereto), subsequent to the respective dates as of which information is given in the Pricing Disclosure Package and the Prospectus (exclusive of any amendment or supplement thereto): (i) neither the Company nor any of its subsidiaries has sustained any material loss or interference with their respective businesses or properties from fire, flood, hurricane, accident or other calamity, whether or not covered by insurance, or from any labor dispute or any legal or governmental proceeding, and there has been no materially adverse change, or development involving a prospective materially adverse change, in the condition (financial or otherwise), management, earnings, property, business affairs or business prospects, stockholders' equity, net worth or results of operations of the Company or any of its subsidiaries, taken as a whole (any such change is called a "**Material Adverse Change**"); (ii) the Company and its subsidiaries, considered as one entity, have not incurred any material liability or obligation, indirect,

direct or contingent, not in the ordinary course of business nor entered into any material transaction or agreement not in the ordinary course of business; and (iii) except for regular quarterly dividends paid on the outstanding preferred stock of the Company, there has been no dividend or distribution of any kind declared, paid or made by the Company or repurchase or redemption by the Company of any class of capital stock.

(m) **Independent Accountants.** PricewaterhouseCoopers LLP, who have certified certain financial statements of the Company and its consolidated subsidiaries and delivered their report with respect to the audited consolidated financial statements and schedules included or incorporated in the Registration Statement, the Pricing Disclosure Package and the Prospectus, are independent registered public accountants with respect to the Company and its subsidiaries within the applicable rules and regulations adopted by the Commission and the Public Company Accounting Oversight Board and as required by the Securities Act.

(n) **Preparation of the Financial Statements.** The consolidated financial statements and schedules of the Company and its consolidated subsidiaries included or incorporated in the Registration Statement, the Pricing Disclosure Package and the Prospectus were prepared in accordance with generally accepted accounting principles ("**GAAP**") consistently applied throughout the periods involved (except as otherwise noted therein or in the Registration Statement, the Pricing Disclosure Package and the Prospectus) and they present fairly, in all material respects, the financial condition of the Company as at the dates at which they were prepared and the results of operations of the Company in respect of the periods for which they were prepared. No other financial statements are required to be included in the Registration Statement, Pricing Disclosure Package and the Prospectus. The financial data set forth in the Preliminary Prospectus and the Prospectus fairly present the information set forth therein on a basis consistent with that of the audited financial statements contained in the Registration Statement, the Pricing Disclosure Package and the Prospectus. The interactive data in eXtensible Business Reporting Language included or incorporated by reference in the Registration Statement, the Pricing Disclosure Package and the Prospectus fairly present the information called for in all material respects and have been prepared in accordance with the Commission's rules and guidelines applicable thereto.

(o) **Statistical Data and Forward-Looking Statements.** The statistical and market-related data and forward-looking statements included in the Registration Statement, the Preliminary Prospectus and the Prospectus are based on or derived from sources that the Company and its subsidiaries believe to be reliable and accurate in all material respects and represent their good faith estimates that are made on the basis of data derived from such sources.

(p) **Incorporation and Good Standing of the Company and its Subsidiaries.** The Company has been duly incorporated and is validly existing as a corporation in good standing under the law of its jurisdiction of incorporation with full power and authority to own, lease and operate its properties and assets and conduct its business as described in the Pricing Disclosure Package and the Prospectus, is duly qualified to transact business and is in good standing in each jurisdiction in which its

ownership, leasing or operation of its properties or assets or the conduct of its business requires such qualification, except where the failure to be so qualified does not amount to a material liability or disability to the Company and its subsidiaries, taken as a whole, and has full power and authority to execute and perform its obligations under the Transaction Documents; each subsidiary of the Company is duly organized and validly existing and in good standing under the laws of its jurisdiction of organization and is duly qualified to transact business and is in good standing in each jurisdiction in which its ownership, leasing or operation of its properties or assets or the conduct of its business requires such qualification, except

where the failure to be so qualified does not amount to a material liability or disability to the Company and its subsidiaries, taken as a whole, and each has full power and authority to own, lease and operate its properties and assets and conduct its business as described in the Pricing Disclosure Package and the Prospectus; all of the issued and outstanding shares of capital stock of each of the Company's subsidiaries have been duly authorized and are fully paid and nonassessable and, except as otherwise set forth in the Pricing Disclosure Package and the Prospectus (including the equity interests in the Company's subsidiaries that have been pledged to lenders under the Company's secured indebtedness disclosed in the Pricing Disclosure Package and the Prospectus), such shares held by the Company are owned beneficially by the Company free and clear of any security interests, liens, encumbrances, equities or claims.

(q) **Capitalization.** The Company has an authorized, issued and outstanding capitalization as set forth in the Pricing Disclosure Package and the Prospectus under the caption "Capitalization" (other than for subsequent issuances of capital stock, if any, pursuant to employee benefit plans described in the Pricing Disclosure Package and the Prospectus or upon exercise of outstanding options described in the Pricing Disclosure Package and the Prospectus). All of the issued shares of capital stock of the Company have been duly authorized and validly issued and are fully paid and nonassessable. Except for the shares of capital stock of each of the subsidiaries owned by the Company and such subsidiaries, neither the Company nor any such subsidiary owns any shares of stock or any other equity securities of any corporation or has any equity interest in any firm, partnership, association or other entity, except in entities in which the Company has made an investment in its ordinary course of business or as a result of the enforcement of rights and remedies of the Company, or as otherwise described in or contemplated by the Pricing Disclosure Package and the Prospectus.

(r) **Dividends and Distributions**. No subsidiary of the Company is currently prohibited, directly or indirectly, from paying any dividends to the Company, making any other distribution on such subsidiary's capital stock, repaying to the Company any loans or advances to such subsidiary from the Company or transferring any of such subsidiary's property or assets to the Company or any other subsidiary of the Company, in each case except for restrictions upon the occurrence of a default or failure to meet financial covenants or conditions under existing agreements or restrictions that require a subsidiary to service its debt obligations before making dividends, distributions or advancements in respect of its capital stock.

(s) **Non-Contravention of Existing Instruments; No Further Authorizations or Approvals Required.** Neither the Company nor any of its

subsidiaries is (i) in violation of its charter, bylaws or other constitutive document or (ii) in default (or, with the giving of notice or lapse of time, would be in default) ("**Default**") under any indenture, mortgage, loan or credit agreement, note, contract, franchise, lease or other instrument to which the Company or any of its subsidiaries is a party or by which it or any of them may be bound, or to which any of the property or assets of the Company or any of its subsidiaries is subject (each, an "**Existing Instrument**"), except, in the case of clause (ii) above, for such Defaults as would not, individually or in the aggregate, result in a Material Adverse Change. The execution, delivery and performance of the Transaction Documents by the Company, the issuance and delivery of the Securities and the issuance and delivery of the Common Stock issuable upon the conversion of the Securities, and consummation of the transactions contemplated hereby and thereby and by the Pricing Disclosure Package and the Prospectus (i) have been duly authorized by all necessary corporate action and will not result in any violation of the provisions of the charter, bylaws or other constitutive document of the Company or any subsidiary, (ii) will not conflict with or constitute a breach of, or Default or a Debt Repayment Triggering Event (as defined below) under, or result in the creation or imposition of any lien, charge or encumbrance upon any property or assets of the Company or any of its subsidiaries pursuant to, or require the consent of any other party to, any Existing Instrument, except for such conflicts, breaches, Defaults, liens, charges or encumbrances as would not, individually or in the aggregate, result in a Material Adverse Change or materially adversely affect the consummation by the Company of the transactions contemplated hereby, and (iii) will not result in any violation of any law, administrative regulation or administrative or court decree applicable to the Company or any subsidiary. No consent, approval, authorization or other order of, or registration or filing with, any court or other governmental or regulatory authority or agency is required for the execution, delivery and performance of the Transaction Documents by the Company to the extent a party thereto, the issuance and delivery of the Securities or the issuance and delivery of the Common Stock issuable upon the conversion of the Securities, or consummation of the transactions contemplated hereby and thereby and by the Pricing Disclosure Package and the Prospectus, except such as have been obtained or made by the Company and are in full force and effect under the Securities Act, applicable securities laws of the several states of the United States or provinces of Canada. As used herein, a "**Debt Repayment Triggering Event**" means any event or condition which gives, or with the giving of notice or lapse of time would give, the holder of any note, debenture or other evidence of indebtedness (or any person acting on such holder's behalf) the right to require the repurchase, redemption or repayment of all or a portion of such indebtedness by the Company or any of its subsidiaries.

(t) **No Material Actions or Proceedings.** No legal or governmental proceedings are pending or threatened to which the Company or any of its subsidiaries is a party or to which the property of the Company or any of its subsidiaries is subject that are required to be described in the Registration Statement or the Prospectus that are not described in the Registration Statement, the Pricing Disclosure Package and the Prospectus.

(u) **Intellectual Property Rights.** Except as otherwise disclosed in the Pricing Disclosure Package and the Prospectus, the Company and its subsidiaries own or

possess, or can acquire on reasonable terms, all material patents, patent applications, trademarks, service marks, trade names, licenses, know-how, copyrights, trade secrets and proprietary or other confidential information necessary to operate the business now operated by them, and neither the Company nor any such subsidiary has received any notice of infringement of or conflict with asserted rights of any third party with respect to any of the foregoing which, singly or in the aggregate, if the subject of an unfavorable decision, ruling or finding, would result in a Material Adverse Change.

(v) **All Necessary Permits, etc.** Except as otherwise disclosed in the Pricing Disclosure Package and the Prospectus, the Company and its subsidiaries possess all consents, licenses, certificates, authorizations and permits issued by the appropriate federal, state or foreign regulatory authorities necessary to conduct their respective businesses, and neither the Company nor any such subsidiary has received any notice of proceedings relating to the revocation or modification of any such certificate, authorization or permit which, singly or in the aggregate, if the subject of an

unfavorable decision, ruling or finding, would have a constitute a Materially Adverse Change, or constitute a development involving a prospective Material Adverse Change.

(w) **Title to Properties.** Except as otherwise disclosed in the Pricing Disclosure Package and the Prospectus (including liens granted in favor of lenders under the Company's secured indebtedness disclosed in the Pricing Disclosure Package and the Prospectus), the Company and each of its subsidiaries have good and marketable title in fee simple to all items of real property and marketable title to all personal property owned by each of them, in each case free and clear of any security interests, liens, encumbrances, equities, claims and other defects, except such as do not materially and adversely affect the value of such property and do not interfere with the use made or proposed to be made of such property by the Company or such subsidiary, and any real property and buildings held under lease by the Company or any such subsidiary are held under valid, subsisting and enforceable leases, with such exceptions as are not material and do not interfere with the use made or proposed to be made of such property and buildings by the Company or such subsidiary.

(x) **Tax Law Compliance.** The Company is organized in conformity with the requirements for qualification as a real estate investment trust ("**REIT**") under Sections 856 through 860 of the Internal Revenue Code of 1986, as amended, including the regulations and published interpretations thereunder (the "**Code**"), and its proposed method of operation as described in the Pricing Disclosure Package and the Prospectus will enable it to continue to meet the requirements for taxation as a REIT under the Code. The Company has filed all foreign, federal, state and local tax returns that are required to be filed or has requested extensions thereof (except in any case in which the failure so to file would not have a materially adverse effect on the Company and its subsidiaries, taken as a whole) and has paid all taxes required to be paid by it and any other assessment, fine or penalty levied against it (except in any case in which the failure to so pay would not result in a a Material Adverse Change), to the extent that any of the foregoing is due and payable, except for any such assessment, fine or penalty that is currently being contested in good faith or as described in or contemplated by the Pricing Disclosure Package and the Prospectus.

(y) **Company Not an "Investment Company".** The Company is not an "investment company" and, after giving effect to the offering of the Securities and the application of the proceeds therefrom, will not be an "investment company", as such term is defined in the Investment Company Act of 1940, as amended (the "**Investment Company Act**").

(z) **Insurance**. The Company and each of its subsidiaries are insured by insurers of recognized financial responsibility against such losses and risks and in such amounts as are prudent and customary in the businesses in which they are engaged; neither the Company nor any such subsidiary has been refused any insurance coverage sought or applied for; and neither the Company nor any such subsidiary has any reason to believe that it will not be able to renew its existing insurance coverage as and when such coverage expires or to obtain similar coverage from similar insurers as may be necessary to continue its business at a cost that would not result in a Material Adverse Change, except as described in or contemplated by the Pricing Disclosure Package and the Prospectus.

(aa) **No Price Stabilization or Manipulation.** Neither the Company nor any of its affiliates has taken, nor will the Company or any of its affiliates take, directly or indirectly, any action which is designed, or would be expected, to cause or result in, or which has constituted the stabilization or manipulation of the price of any security of the Company to facilitate the sale or resale of the Securities.

(bb) **Solvency.** No receiver or liquidator (or similar person) has been appointed in respect of the Company or any subsidiary of the Company or in respect of any part of the assets of the Company or any subsidiary of the Company, except in connection with non-performing assets held by the Company and its subsidiaries; no resolution, order of any court, regulatory body, governmental body or otherwise, or petition or application for an order, has been passed, made or presented for the winding up of the Company or any subsidiary of the Company or for the protection of the Company or any such subsidiary from its creditors; and the Company has not, and no subsidiary of the Company has, stopped or suspended payments of its debts, become unable to pay its debts or otherwise become insolvent. Immediately after the completion of the offering of the Securities (after giving effect to the consummation of the offering and the issuance of the Securities), the Company will be Solvent. As used herein, the term "**Solvent**" means, with respect to any person, that the fair saleable value of such person's assets exceeds the indebtedness of such person.

(cc) **Compliance with Sarbanes-Oxley.** The Company and its subsidiaries and their respective officers and directors are in compliance with the applicable provisions of the Sarbanes-Oxley Act of 2002 and the rules and regulations of the Commission promulgated thereunder.

(dd) **Company's Accounting System.** The Company and each of its subsidiaries maintain a system of internal accounting controls sufficient to provide reasonable assurance that (v) transactions are executed in accordance with management's

general or specific authorizations; (w) transactions are recorded as necessary to permit preparation of financial statements in conformity with GAAP and to maintain asset accountability; (x) access to assets is permitted only in accordance with management's general or specific authorization; (y) the recorded balance for assets is compared with the existing assets at reasonable intervals and appropriate action is taken with respect to any differences; and (z) interactive data in eXtensible Business Reporting Language incorporated by reference in the Pricing Disclosure Package and the Prospectus is prepared in accordance with the Commission's rules and guidelines applicable thereto. Since the date of the filing of the Company's Annual Report on Form 10-K for the year ended December 31, 2012, the Company has not advised its auditors, and the audit committee of the board of directors of the Company have not been advised, of (i) any significant deficiencies in the design or operation of internal controls which could adversely affect the Company's ability to record, process, summarize and report financial data nor any material weaknesses in internal controls; or (ii) any fraud, whether or not material, that involves management or other employees who have a significant role in the Company's internal controls. Since the date of the filing of the Company's Annual Report on Form 10-K for the year ended December 31, 2012, there have been no significant changes in internal controls or in other factors that could significantly affect internal controls, including any corrective actions with regard to significant deficiencies and material weaknesses.

(ee) **Disclosure Controls and Procedures.** The Company has established and maintains disclosure controls and procedures (as defined in Exchange Act Rules 13a-14 and 15d-14) that are adequate and effective and designed to ensure that material information relating to the Company, including its consolidated subsidiaries, is made known to its chief executive officer and chief financial officer by others within those entities.

(ff) **Compliance with and Liability Under Environmental Laws.** Except as otherwise disclosed in the Pricing Disclosure Package and the Prospectus or as would not, individually or in the aggregate, reasonably be expected to result in a Material Adverse Change (A) the Company and each of its subsidiaries is in compliance with and not subject to any known liability under applicable Environmental Laws (as defined below), (B) the Company and each of its subsidiaries has made all filings and provided all notices required under any applicable Environmental Law, (C) there is no civil, criminal or administrative action, suit, demand, claim, hearing, notice of violation, investigation, proceeding, notice or demand letter or request for information pending or, to the best knowledge of the Company, threatened against the Company or any of its subsidiaries under any Environmental Law, (D) no lien, charge, encumbrance or restriction has been recorded under any Environmental Law with respect to any assets, facility or property owned, operated or leased by the Company or any of its subsidiaries, (E) neither the Company nor any of its subsidiaries has received notice that it has been identified as a potentially responsible party under the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended ("**CERCLA**"), or any comparable law, (F) no property owned or operated by the Company or any of its subsidiaries is (i) listed or, to the best knowledge of the Company, proposed for listing on the National Priorities List under CERCLA or (ii) listed in the Comprehensive

Environmental Response, Compensation and Liability Information System List promulgated pursuant to CERCLA, or on any comparable list maintained by any governmental authority, (G) neither the Company nor any of its subsidiaries is subject to any order, decree or agreement requiring, or otherwise obligated or required to perform any response or corrective action under any Environmental Law, (H) there are no past or present actions, occurrences or operations which could reasonably be expected to prevent or interfere with compliance by the Company with any applicable Environmental Law or to result in liability under any applicable Environmental Law. For purposes of this Agreement, "**Environmental Laws**" means the common law and all applicable foreign, federal, provincial, state and local laws or regulations, codes, orders, decrees, judgments or injunctions issued, promulgated, approved or entered thereunder, relating to pollution or protection of public or employee health and safety or the environment (including, without limitation, ambient air, surface water, groundwater, land surface or subsurface strata), including, without limitation, laws relating to (i) emissions, discharges, releases or threatened releases of Hazardous Materials into the environment, (ii) the manufacture, processing, distribution, use, generation, treatment, storage, disposal, transport or handling of Hazardous Materials and (iii) underground and aboveground storage tanks and related piping, and emissions, discharges, releases or threatened releases therefrom. "**Hazardous Material**" means any pollutant, contaminant, waste, chemical, substance or constituent, including, without limitation, petroleum or petroleum products subject to regulation or which can give rise to liability under any Environmental Laws.

(i) **Pensions.** The Company and each of its subsidiaries are in compliance in all material respects with all presently applicable provisions of the Employee Retirement Income Security Act of 1974, as amended, including the regulations and published interpretations thereunder ("**ERISA**"); no "reportable event" (as defined in ERISA) has occurred with respect to any "pension plan" (as defined in ERISA) for which the Company would reasonably be expected to have any liability; the Company has not incurred and does not expect to incur liability under (x) Title IV of ERISA with respect to termination of, or withdrawal from, any "pension plan" or (y) Sections 412 or 4971 of the Code; and each "pension plan" for which the Company would have any liability that is intended to be qualified under Section 401(a) of the Code has received a determination letter from the Internal Revenue Service to the effect that it is so qualified in all material respects and nothing has occurred, whether by action or by failure to act, which would cause the plan to not be adversely affected by such determination.

(gg) **Labor.** No labor dispute with the employees of the Company or any of its subsidiaries exists or is threatened or imminent that could result in a Material Adverse Change, except as described in or contemplated by the Pricing Disclosure Package and the Prospectus.

(hh) **Related Party Transactions.** No relationship, direct or indirect, exists between or among any of the Company or any affiliate of the Company, on the one hand, and any director, officer, member, stockholder, customer or supplier of the Company or any affiliate of the Company, on the other hand, which is required by the Securities Act to be disclosed in a registration statement on Form S-11 which is not so disclosed in the Pricing Disclosure Package and the Prospectus. There are no outstanding loans, advances

(except advances for business expenses in the ordinary course of business) or guarantees of indebtedness by the Company or any affiliate of the Company to or for the benefit of any of the officers or directors of the Company or any affiliate of the Company or any of their respective family members.

(ii) **No Unlawful Contributions or Other Payments.** Neither the Company nor any of its subsidiaries nor, to the knowledge of the Company, any director, officer, agent, employee or affiliate of the Company or any of its subsidiaries is aware of or has taken any action, directly or indirectly, that would result in a violation by such persons of the FCPA, including, without limitation, making use of the mails or any means or instrumentality of interstate commerce corruptly in furtherance of an offer, payment, promise to pay or authorization of the payment of any money, or other property, gift, promise to give, or authorization of the giving of anything of value to any "foreign official" (as such term is defined in the FCPA) or any foreign political party or official thereof or any candidate for foreign political office, in contravention of the FCPA and the Company, its subsidiaries and, to the knowledge of the Company, its affiliates have conducted their businesses in compliance with the FCPA and have instituted and maintain policies and procedures designed to ensure, and which are reasonably expected to continue to ensure, continued compliance therewith. "**FCPA**" means Foreign Corrupt Practices Act of 1977, as amended, and the rules and regulations thereunder.

(jj) **No Conflict with Money Laundering Laws.** The operations of the Company and its subsidiaries are and have been conducted at all times in compliance with applicable financial recordkeeping and reporting requirements of the Currency and Foreign Transactions Reporting Act of 1970, as amended, the money laundering statutes of all applicable jurisdictions, the rules and regulations thereunder and any related or similar rules, regulations or guidelines issued, administered or enforced by any governmental agency (collectively, the "**Money Laundering Laws**") and no

action, suit or proceeding by or before any court or governmental agency, authority or body or any arbitrator involving the Company or any of its subsidiaries with respect to the Money Laundering Laws is pending or, to the best knowledge of the Company, threatened.

(kk) **No Conflict with Sanctions Laws.** Neither the Company nor any of its subsidiaries nor, to the knowledge of the Company, any director, officer, agent, employee or affiliate of the Company or any of its subsidiaries is currently subject to any U.S. sanctions administered by the Office of Foreign Assets Control of the U.S. Treasury Department, the U.S. Department of Commerce, the U.S. Department of State (collectively, "**Sanctions**"), nor is the Company or any of its subsidiaries located, organized or resident in a country or territory that is the subject of Sanctions. The Company will not, directly or indirectly, use the proceeds of the offering, or lend, contribute or otherwise make available such proceeds to any subsidiary, joint venture partner or other person, (i) to fund any activities of or business with any person that, at the time of such funding, is the subject of Sanctions, or is in Burma/Myanmar, Cuba, Iran, Libya, North Korea, Sudan, Syria or in any other country or territory, that, at the time of such funding, is the subject of Sanctions, or (ii) in any other manner that will result in a violation by any person (including any person participating in the offering, whether as underwriter, advisor, investor or otherwise) of Sanctions.

(ll) **Payment of Commission Filing Fees.** The Company has paid the required Commission filing fees relating to the Securities within the time period required by Rule 456 under the 1933 Act Regulations without regard to the proviso therein and otherwise in accordance with Rules 456(b) and 457(r) under the 1933 Act Regulations and, if applicable, has updated the "Calculation of Registration Fee" table in accordance with Rule 456(b)(1)(ii) either in a post-effective amendment to the Registration Statement or on the cover page of a prospectus filed pursuant to Rule 424(b).

Any certificate signed by an officer of the Company and delivered to the Underwriters or to counsel for the Underwriters shall be deemed to be a representation and warranty by the Company to each Underwriter as to the matters set forth therein.

SECTION 2. **Purchase, Sale and Delivery of the Securities.**

(a) **The Initial Securities.** The Company agrees to issue and sell to the Underwriters, severally and not jointly, all of the Initial Securities, and, subject to the conditions set forth herein, the Underwriters agree, severally and not jointly, to purchase from the Company the number of Initial Securities set forth opposite their names on Schedule A, at a purchase price of $48.50 per share payable on the Closing Date, in each case, on the basis of the representations, warranties and agreements herein contained, and upon the terms and conditions herein set forth.

(b) **The Option Securities**. In addition, on the basis of the representations, warranties and agreements herein contained and subject to the terms and conditions herein set forth, the Company hereby grants an option to the Underwriters, severally and not jointly, to purchase the Option Securities, at a purchase price of $48.50 per share. The option hereby granted may be exercised for 30 days after the date hereof and may be exercised in whole or in part at any time from time to time upon notice by the Representative to the Company setting forth the amount of Option Securities as to which the several Underwriters are then exercising the option and the time and date of payment and delivery for such Option Securities. Any such time and date of delivery (a "**Date of Delivery**") shall be determined by the Representative, but shall not be later than seven full business days after the exercise of said option, nor in any event prior to the Closing Date. If the option is exercised as to all or any portion of the Option Securities, each of the Underwriters, acting severally and not jointly, will purchase that proportion of the total principal amount of Option Securities then being purchased which the number of Initial Securities set forth in Schedule A opposite the name of such Underwriter bears to the total number of Initial Securities, subject in each case to such adjustments as Barclays in its discretion shall make to eliminate any sales or purchases of fractional shares.

(c) **The Closing Date and Dates of Delivery.** Delivery of certificates for the Initial Securities to be purchased by the Underwriters and payment therefor shall be made at the offices of Simpson Thacher & Bartlett LLP (or such other place as may be agreed to by the Company and Barclays) at 9:00 a.m., New York City time, on March 18, 2013, or such other time and date as Barclays shall designate by notice to the Company (the time and date of such closing are called the "**Closing Date**"). The Company hereby acknowledges that circumstances under which Barclays may provide notice to postpone the Closing Date as originally scheduled include, but are in no way limited to, any determination by the Company or the Underwriters to

recirculate to investors copies of an amended or supplemented Prospectus or a delay as contemplated by the provisions of Section 17 hereof.

In addition, in the event that any or all of the Option Securities are purchased by the Underwriters, payment of the purchase price for, and delivery of certificates for, such Option Securities shall be made at the above-mentioned offices, or at such other place as shall be agreed upon by the Representative and the Company, on each Date of Delivery as specified in the notice from Barclays to the Company.

(d) **Delivery of the Securities.** The Company shall deliver, or cause to be delivered by Computershare, the transfer agent for the Securities, to the accounts of the several Underwriters certificates for the Initial Securities at the Closing Date, and Option Securities at the applicable Date of Delivery, against the irrevocable release of a wire transfer of immediately available funds for the amount of the purchase price therefor. The certificates for the Securities shall be registered in the name of Cede & Co., as nominee of the Depositary, and delivered through the facilities of the Depositary, and shall be made available for inspection on the business day preceding the Closing Date or Date of Delivery, as the case may be, at a location in New York City, as Barclays may designate. Time shall be of the essence, and delivery at the time and place specified in this Agreement is a further condition to the obligations of the Underwriters.

(e) **Payment.** Payment shall be made to the Company by wire transfer of immediately available funds to a bank account designated by the Company, against delivery to the Representative for the respective accounts of the Underwriters of certificates for the Securities to be purchased by them. It is understood that each Underwriter has authorized the Representative, for its account, to accept delivery of, receipt for, and make payment of the purchase price for, the Initial Securities and the Option Securities, if any, which it has agreed to purchase. Barclays, individually and not as representative of the Underwriters, may (but shall not be obligated to) make payment of the purchase price for the Initial Securities or the Option Securities to be purchased by any Underwriter whose funds have not been received by the Closing Date or the relevant Date of Delivery but such payment shall not relieve such Underwriter from its obligations hereunder.

SECTION 3. **Covenants and Agreements.** The Company further covenants and agrees with each Underwriter that:

(a) The Company will:

(i) file the Prospectus and any amendment or supplement thereto with the Commission in the manner and within the time period required by Rule 424(b) under the Securities Act. During any time when a prospectus relating to the Securities is required to be delivered under the Securities Act, the Company (x) will comply with all requirements imposed upon it by the Securities Act and the Exchange Act, and the respective rules and regulations of the Commission thereunder to the extent necessary to permit the continuance of sales of or dealings in the Securities in accordance with the provisions hereof and of the Prospectus, as then amended or supplemented, and (y) will not file with the Commission any amendment or supplement to the Base Prospectus

(including the Prospectus or any Preliminary Prospectus), any amendment to the Registration Statement or any Free Writing Prospectus unless the Underwriters previously have been advised of, and furnished with a copy within a reasonable period of time prior to, the proposed filing and the Representative shall have given its consent to such filing, which shall not be unreasonably withheld. The Company will prepare and file with the Commission, in accordance with the rules and regulations of the Commission, promptly upon request by the Representative or counsel for the Underwriters, any amendments to the Registration Statement or amendments or supplements to the Prospectus that may be necessary to comply with law, in the reasonable judgment of the Representative or counsel for the Underwriters, in connection with the distribution of the Securities by the Underwriters. The Company has advised or will advise, as applicable, the Underwriters, promptly after receiving notice thereof, of the time when the Registration Statement or any amendment thereto has been filed or become effective or the Prospectus or any amendment or supplement thereto has been filed and will provide evidence satisfactory to the Representative and counsel for the Underwriters of each such filing or effectiveness;

(ii) without charge, so long as a prospectus relating to the Securities is required to be delivered under the Securities Act (including in circumstances where such requirement may be satisfied pursuant to Rule 172), as many copies of each Preliminary Prospectus, the Prospectus and each Issuer Free Writing Prospectus or any amendment or supplement thereto as the Representative may reasonably request; and

(iii) advise the Underwriters, promptly after receiving notice or obtaining knowledge thereof, of (w) the issuance by the Commission of any stop order suspending the effectiveness of the Registration Statement or any amendment thereto or any order preventing or suspending the use of any Preliminary Prospectus or the Prospectus or any Free Writing Prospectus or any amendment or supplement thereto, (x) the suspension of the qualification of the Securities for offering or sale in any jurisdiction, (y) the institution, threatening or contemplation of any proceeding for any purpose identified in the preceding clause (w) or (x), or (z) any request made by the Commission for amending the Registration Statement, for amending or supplementing the Prospectus or for additional information. The Company will use commercially reasonable efforts to prevent the issuance of any such stop order and, if any such stop order is issued, to obtain the withdrawal thereof as promptly as possible.

(b) The Company will cooperate with the Underwriters in qualifying the Securities for offering and sale in each jurisdiction as the Representatives shall designate including, but not limited to, pursuant to applicable state securities ("**Blue Sky**") laws of certain states of the United States of America or other U.S. jurisdictions, and the Company shall maintain such qualifications in effect for so long as may be necessary in order to complete the placement of the Securities; *provided*, *however*, that the Company shall not be obliged to file any general consent to service of process or to qualify as a foreign corporation or as a securities dealer in any jurisdiction or to subject itself to taxation in respect of doing business in any jurisdiction in which it is not otherwise so subject.

(c) The Company agrees that, unless it obtains the prior written consent of the Representative, and each Underwriter, severally and not jointly, agrees with the Company that, unless it has obtained or will obtain, as the case may be, the prior written consent of the Company, it has not made and will not make any offer relating to the Securities that would constitute an Issuer Free Writing Prospectus or that would otherwise constitute a Free Writing Prospectus required to be filed by the Company with the Commission or retained by the Company under Rule 433; *provided* that the prior written consent of the parties hereto shall be deemed to have been given in respect of the Free Writing Prospectuses included in Schedule B hereto, any electronic road show and term sheets relating to the Securities containing customary transaction announcement or pricing information. Any such Free Writing Prospectus consented to by the Representative or the Company is hereinafter referred to as a "**Permitted Free Writing Prospectus**." The Company agrees that (x) it has treated and will treat, as the case may be, each Permitted Free Writing Prospectus as an Issuer Free Writing Prospectus and (y) it has complied and will comply, as the case may be, with the requirements of Rules 164 and 433 applicable to any Permitted Free Writing Prospectus, including in respect of timely filing with the Commission, legending and record keeping. For the avoidance of doubt, Underwriter Free Writing Prospectuses that are not required to be filed by the Company with the Commission or retained by the Company under Rule 433 are permitted hereby.

(d) The Company will comply with the Securities Act and the Exchange Act so as to permit the completion of the distribution of the Securities as contemplated in this Agreement and in the Registration Statement, the Pricing Disclosure Package and the Prospectus. If, at any time prior to the final date when a prospectus relating to the Securities is required to be delivered under the Securities Act (including in circumstances where such requirement may be satisfied pursuant to Rule 172), any event occurs as a result of which the Registration Statement, the Pricing Disclosure Package or the Prospectus, as then amended or supplemented, would include any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading, or if for any other reason it shall be necessary at any time to amend the Registration Statement or amend or supplement the Pricing Disclosure Package or the Prospectus to comply with the Securities Act or the Exchange Act or the respective rules or regulations of the Commission thereunder or applicable law, the Company will promptly notify the Underwriters thereof and will promptly, at its own expense, but subject to the second sentence of Section 3(a)(i) hereof: (x) prepare and file with the Commission an amendment to the Registration Statement or amendment or supplement to the Pricing Disclosure Package or the Prospectus which will correct such statement or omission or effect such compliance; and (y) supply any amended Registration Statement or amended or supplemented Pricing Disclosure Package or Prospectus to the Underwriters in such quantities as the Underwriters may reasonably request. If there occurs an event or development as a result of which the Pricing Disclosure Package or the Prospectus would include an untrue statement of material fact or would omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances then

prevailing, not misleading, the Company will notify promptly the Underwriters so that any use of the Pricing Disclosure Package or the Prospectus may cease until it is amended or supplemented. The foregoing two sentences do not apply to statements in or omissions from the Pricing Disclosure Package or the Prospectus based upon and in conformity with written information furnished to the Company by any Underwriter specifically for use therein, it being understood and agreed that the only such information furnished by or on behalf of any Underwriter consists of the information described as such in Section 7 hereof.

(e) The Company will make generally available to the Company's securityholders and to the Underwriters as soon as practicable an earnings statement that satisfies the provisions of Section 11(a) of the Securities Act, including Rule 158 thereunder. If the Company makes such earnings statement publicly available by press release or filing with the Commission, it shall be deemed to have satisfied its obligations under this paragraph (e).

(f) The Company will apply the net proceeds from the sale of the Securities as set forth under "Use of Proceeds" in the Pricing Disclosure Package and the Prospectus.

(g) The Company agrees to pay the required Commission filing fees relating to the Securities in accordance with Rules 456 and 457 of the Securities Act.

(h) During a period of 60 days from the date of the Prospectus, the Company will not, without the prior written consent of Barclays, (i) directly or indirectly, offer, pledge, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase or otherwise transfer or dispose of any shares of Common Stock or any securities convertible into or exercisable or exchangeable for Common Stock or file any registration statement under the Securities Act with respect to any of the foregoing or (ii) enter into any swap or any other agreement or any transaction that transfers, in whole or in part, directly or indirectly, the economic consequence of ownership of the Common Stock, whether any such swap or transaction described in clause (i) or (ii) above is to be settled by delivery of Common Stock or such other securities, in cash or otherwise. The foregoing sentence shall not apply to (A) the Securities to be sold hereunder, (B) any shares of Common Stock issued by the Company upon the exercise of an option or warrant or the conversion of a security outstanding on the date hereof and referred to in the Registration Statement, the Pricing Disclosure Package and the Prospectus, (C) any shares of Common Stock or restricted stock units issued or options to purchase Common Stock granted pursuant to employee benefit plans of the Company approved by the Board of Directors of the Company, (D) any shares of Common Stock issued pursuant to any non-employee director stock plan or dividend reinvestment plan referred to in the Registration Statement, the Pricing Disclosure Package and the Prospectus, or (E) any shares of Common Stock issued in mergers, acquisitions or other business combinations. Notwithstanding the foregoing, if (1) during the last 17 days of the 60-day restricted period the Company issues an earnings release or material news or a material event relating to the Company occurs or (2) prior to

the expiration of the 60-day restricted period, the Company announces that it will issue an earnings release or becomes aware that material news or a material event will occur during the 16-day period beginning on the last day of the 60-day restricted period, the restrictions imposed in this clause (i) shall continue to apply until the expiration of the 18-day period beginning on the date of the issuance of the earnings release or the occurrence of the material news or material event, unless Barclays waives, in writing, such extension.

The Representative on behalf of the several Underwriters, may, in its sole discretion, waive in writing the performance by the Company of any one or more of the foregoing covenants or extend the time for their performance.

SECTION 4. **Payment of Expenses.** The Company shall bear and pay all costs and expenses incurred incident to the performance of its obligations under this Agreement, whether or not the transactions contemplated herein are consummated or this Agreement is terminated pursuant to Section 9 hereof, including: (i) fees and expenses of preparation, issuance and delivery of this Agreement and the Securities to the Underwriters and of the Common Stock issuable upon conversion of the Securities; (ii) all necessary issue, transfer and other stamp taxes in connection with the issuance and sale of the Securities to the Underwriters; (iii) the fees and expenses of its counsel, accountants and any other experts or advisors retained by the Company; (iv) fees and expenses incurred in connection with the registration of the Securities under the Securities Act and the preparation and filing of the Registration Statement, the Prospectus and all amendments and supplements thereto; (v) the fees and expenses incurred in connection with the printing and distribution of the Prospectus, any Preliminary Prospectus and any Permitted Free Writing Prospectus and the printing and production of all other documents connected with the offering of the Securities (including this Agreement and any other related agreements); (vi) expenses related to the qualification or registration (or the obtaining exemptions from the qualification or registration of) all or any part of the Securities for offer and sale under the securities laws of the several states of the United States, the provinces of Canada or other jurisdictions designated by the Underwriters (including, without limitation, the cost of preparing, printing and mailing preliminary and final blue sky or legal investment memoranda and any related supplements to the Pricing Disclosure Package and/or the Prospectus); (vi) the filing fees and expenses, if any, incurred with respect to any filing with the Financial Industry Regulatory Authority, Inc. ("**FINRA**"), including the fees and disbursements of counsel for the Underwriters in connection therewith; (vii) all arrangements relating to the preparation, issuance and delivery to the Underwriters of any certificates evidencing the Securities and all fees and expenses (including reasonable fees and expenses of counsel) of the Company in connection with approval of the Securities by the Depositary for "book-entry" transfer, and the performance by the Company of its other obligations under this Agreement; (viii) any fees charged by investment rating agencies for the rating of the Securities; (ix) the fees and expenses of the transfer agent and/or registrar for the Securities and the Common Stock issuable upon conversion of the Securities; (x) the fees and expenses incurred in connection with the listing of the Common Stock issuable upon conversion of the Securities on the New York Stock Exchange ("**NYSE**"); (xi) the costs and expenses of the "roadshow" and any other meetings with prospective investors in the Securities (other than as shall have been specifically approved by the Underwriters to be paid for by the Underwriters); and (xii) the costs and expenses of advertising relating to the

offering of the Securities (other than as shall have been specifically approved by the Underwriters to be paid for by the Underwriters).

SECTION 5. **Conditions of the Obligations of the Underwriters.**

(i) **Conditions to Purchase of Initial Securities** The obligations of the several Underwriters to purchase and pay for the Initial Securities as provided herein on the Closing Date shall be subject to the accuracy of the representations and warranties on the part of the Company set forth in Section 1 hereof as of the date hereof and as of the Closing Date as though then made and to the timely performance by the Company of its covenants and other obligations hereunder, and to each of the following additional conditions:

(a) **Effectiveness of Registration Statement.** The Registration Statement has become effective and, at the Closing Date, no stop order suspending the effectiveness of the Registration Statement or any post-effective amendment thereto has been issued under the Securities Act, no order preventing or suspending the use of any Preliminary Prospectus or the Prospectus has been issued and no proceedings for any of those purposes or pursuant to Section 8A of the Securities Act have been instituted or are pending or, to the Company's knowledge, contemplated; and the Company has complied with each request (if any) from the Commission for additional information.

(b) **Articles Supplementary.** The Articles Supplementary establishing the Securities has been duly filed with the SDAT and evidence of such filing reasonably satisfactory to the counsel to the Underwriters shall have been delivered to the Underwriters.

(c) **Accountants' Comfort Letter.** On the date hereof, the Underwriters shall have received from PricewaterhouseCoopers LLP, the independent registered public accounting firm for the Company, a "comfort letter" dated the date hereof addressed to the Underwriters, in form and substance satisfactory to the Representative, covering the financial information in the Pricing Disclosure Package and other customary matters. In addition, on the Closing Date, the Underwriters shall have received from such accountants a "bring-down comfort letter" dated the Closing Date addressed to the Underwriters, in form and substance satisfactory to the Representative, in the form of the "comfort letter" delivered on the date hereof, except that (i) it shall cover the financial information in the Prospectus and any amendment or supplement thereto and (ii) procedures shall be brought down to a date no more than 3 days prior to the Closing Date.

(d) **No Material Adverse Change or Ratings Agency Change.** For the period from and after the date of this Agreement and prior to the Closing Date:

(i) in the judgment of the Representative there shall not have occurred any Material Adverse Change; and

(ii) there shall not have occurred any downgrading, nor shall any notice have been given of any intended or potential downgrading or of any review for a possible change that does not indicate the direction of the possible change, in the rating accorded the Company or any of its subsidiaries or any of their

securities or indebtedness by any "nationally recognized statistical rating organization" as such term is defined for purposes of Section 3(a)(62) of the Exchange Act.

(e) **Opinion of Counsel for the Company.** On the Closing Date the Underwriters shall have received the favorable opinion of (i) Clifford Chance US LLP, counsel for the Company, dated as of such Closing Date, the form of which is attached as Exhibit A and (ii) Venable LLP, Maryland counsel for the Company, dated as of such Closing Date, the form of which is attached as Exhibit B.

(f) **Opinion of Counsel for the Underwriters.** On the Closing Date the Underwriters shall have received the favorable opinion of Simpson Thacher & Bartlett LLP, counsel for the Underwriters, dated as of such Closing Date, with respect to such matters as may be reasonably requested by the Underwriters.

(g) **Officers' Certificate.** On the Closing Date, the Underwriters shall have received a written certificate executed by the Chairman of the Board, Chief Executive Officer or Chief Investment Officer of the Company and the Chief Financial Officer or Chief Accounting Officer of the Company, dated as of the Closing Date, to the effect set forth in Section 5(i)(d)(ii) hereof, and further to the effect that:

(i) for the period from and after the date of this Agreement and prior to the Closing Date there has not occurred any Material Adverse Change;

(ii) the representations, warranties and covenants of the Company set forth in Section 1 hereof are true and correct as of the Closing Date with the same force and effect as though expressly made on and as of the Closing Date; and

(iii) the Company has complied with all the agreements and satisfied all the conditions on its part to be performed or satisfied at or prior to the Closing Date.

(h) **Listing.** At the Closing Date, the Common Stock issuable upon conversion of the Initial Securities shall have been approved for listing on the NYSE, subject only to official notice of issuance.

(i) **Lock-up Agreements.** At the date of this Agreement, the Representative shall have received an agreement substantially in the form of Exhibit C hereto signed by each of the persons listed on Schedule C hereto.

(j) **Additional Documents.** On or before the Closing Date, the Underwriters and counsel for the Underwriters shall have received such information, documents and opinions as they may reasonably require for the purposes of enabling them to pass upon the issuance and sale of the Initial Securities as contemplated herein, or in order to evidence the accuracy of any of the representations and warranties, or the satisfaction of any of the conditions or agreements, herein contained.

(ii) **Conditions to Purchase of Option Securities**. In the event that the Underwriters exercise their option provided in Section 2(b) hereof to purchase all or any portion of the Option Securities, the representations and warranties of the Company contained herein and the statements in any certificates furnished by the Company and any of its subsidiaries hereunder shall be true and correct as of each Date of Delivery, the condition specified in Section 5(i)(a) hereof shall be satisfied as of each Date of Delivery and, on the relevant Date of Delivery, each of the following additional conditions shall have been satisfied:

(a) **Accountants' Comfort Letter.** On such Date of Delivery, the Underwriters shall have received from PricewaterhouseCoopers LLP, the independent registered public accounting firm for the Company, a "bring-down comfort letter" dated such Date of Delivery addressed to the Underwriters, in form and substance satisfactory to the Representative, substantially in the same form and substance as the "comfort letter" delivered on the date hereof pursuant to Section 5(i)(c) hereof, except that (i) it shall cover the financial information in the Prospectus and any amendment or supplement thereto and (ii) procedures shall be brought down to a date no more than 3 days prior to such Date of Delivery.

(b) **No Material Adverse Change or Ratings Agency Change.** For the period from and after the date of this Agreement and prior to such Date of Delivery:

(i) in the judgment of the Representative there shall not have occurred any Material Adverse Change; and

(ii) there shall not have occurred any downgrading, nor shall any notice have been given of any intended or potential downgrading or of any review for a possible change that does not indicate the direction of the possible change, in the rating accorded the Company or any of its subsidiaries or any of their securities or indebtedness by any "nationally recognized statistical rating organization" as such term is defined for purposes of Section 3(a)(62) of the Exchange Act.

(c) **Opinion of Counsel for the Company.** On such Date of Delivery, the Underwriters shall have received the favorable opinion of (i) Clifford Chance US LLP, counsel for the Company, dated as of such Date of Delivery, the form of which is attached as Exhibit A, and (ii) Venable LLP, Maryland counsel for the Company, dated as of such Date of Delivery, the form of which is attached as Exhibit B.

(d) **Opinion of Counsel for the Underwriters.** On such Date of Delivery, the Underwriters shall have received the favorable opinion of Simpson Thacher & Bartlett LLP, counsel for the Underwriters, dated as of such Date of Delivery, with respect to such matters as may be reasonably requested by the Underwriters.

(e) **Officers' Certificate.** On such Date of Delivery, the Underwriters shall have received a written certificate executed by the Chairman of the Board, Chief Executive Officer or Chief Investment Officer of the Company and the Chief Financial

Officer or Chief Accounting Officer of the Company, dated as of such Date of Delivery, to the effect set forth in Section 5(ii)(b)(ii) hereof, and further to the effect that:

(iii) for the period from and after the date of this Agreement and prior to such Date of Delivery there has not occurred any Material Adverse Change;

(iv) the representations, warranties and covenants of the Company set forth in Section 1 hereof are true and correct as of such Date of Delivery with the same force and effect as though expressly made on and as of such Date of Delivery; and

(v) the Company has complied with all the agreements and satisfied all the conditions on its part to be performed or satisfied at or prior to such Date of Delivery.

(f) **Listing.** On such Date of Delivery, the Common Stock issuable upon conversion of the Option Securities shall have been approved for listing on the NYSE, subject only to official notice of issuance.

(g) **Additional Documents.** On or before such Date of Delivery, the Underwriters and counsel for the Underwriters shall have received such information, documents and opinions as they may reasonably require for the purposes of enabling them to pass upon the issuance and sale of the Option Securities as contemplated herein, or in order to evidence the accuracy of any of the representations and warranties, or the satisfaction of any of the conditions or agreements, herein contained.

If any condition specified in this Section 5 is not satisfied when and as required to be satisfied, this Agreement or, in the case of any condition to the purchase of Option Securities on a Date of Delivery which is after the Closing Date, the obligations of the several Underwriters to purchase the relevant Option Securities, may be terminated by the Representative by notice to the Company at any time at or prior to Closing Date or such Date of Delivery, as the case may be, and such termination shall be without liability of any party to any other party, except that Sections 4, 6, 8, 9, 13 and 15 hereof shall at all times be effective and shall survive such termination.

SECTION 6. **Reimbursement of Underwriters' Expenses.** If this Agreement is terminated by the Representative pursuant to Section 5 or 9 hereof, including if the sale to the Underwriters of the Securities on the Closing Date or any Date of Delivery is not consummated because of any refusal, inability or failure on the part of the Company to perform any agreement herein or to comply with any provision hereof (other than by reason of a default of one or more of the Underwriters), the Company agrees to reimburse the Underwriters, severally, upon demand for all out-of-pocket expenses that shall have been reasonably incurred by the Underwriters in connection with the proposed purchase and the offering and sale of the Securities, including, without limitation, fees and disbursements of counsel, printing expenses, travel expenses, postage, facsimile and telephone charges.

SECTION 7. **Indemnification.**

(a) **Indemnification of the Underwriters.** The Company agrees to indemnify and hold harmless each Underwriter, its affiliates, directors, officers and employees, and each person, if any, who controls any Underwriter within the meaning of the Securities Act and the Exchange Act against any loss, claim, damage, liability or expense, as incurred, to which such Underwriter, affiliate, director, officer, employee or controlling person may become subject, under the Securities Act, the Exchange Act or other federal or state statutory law or regulation, or at common law or otherwise (including in settlement of any litigation, if such settlement is effected with the written consent of the Company or as otherwise permitted by paragraph (d)), insofar as such loss, claim, damage, liability or expense (or actions in respect thereof as contemplated below) arises out of or is based upon (i) any untrue statement or alleged untrue statement of a material fact contained in the Registration Statement, or the omission or alleged omission therefrom of a material fact required to be stated therein or necessary in order to make the statements therein not misleading, or (ii) any untrue statement or alleged untrue statement of a material fact contained in the Preliminary Prospectus, the Pricing Disclosure Package, the Prospectus or any Issuer Free Writing Prospectus (or any amendment or supplement thereto), or the omission or alleged omission therefrom of a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; and to reimburse each Underwriter and each such affiliate, director, officer, employee or controlling person for any and all expenses (including the fees and disbursements of counsel chosen by Barclays) as such expenses are reasonably incurred by such Underwriter or such affiliate, director, officer, employee or controlling person in connection with investigating, defending, settling, compromising or paying any such loss, claim, damage, liability, expense or action; provided, however, that the foregoing indemnity agreement shall not apply, with respect to an Underwriter, to any loss, claim, damage, liability or expense to the extent, but only to the extent, arising out of or based upon any untrue statement or alleged untrue statement or omission or alleged omission made in reliance upon and in conformity with written information furnished to the Company by such Underwriter through the Representative expressly for use in the Registration Statement, the Preliminary Prospectus, the Pricing Disclosure Package, the Prospectus or any Issuer Free Writing Prospectus (or any amendment or supplement thereto). The indemnity agreement set forth in this Section 7(a) shall be in addition to any liabilities that the Company may otherwise have.

(b) **Indemnification of the Company.** Each Underwriter agrees, severally and not jointly, to indemnify and hold harmless the Company, its affiliates, directors, officers and employees and each person, if any, who controls the Company within the meaning of the Securities Act or the Exchange Act, against any loss, claim, damage, liability or expense, as incurred, to which the Company or any such director or controlling person may become subject, under the Securities Act, the Exchange Act, or other federal or state statutory law or regulation, or at common law or otherwise (including in settlement of any litigation, if such settlement is effected with the written consent of such Underwriter or as otherwise permitted by paragraph (d)), insofar as such loss, claim, damage, liability or expense (or actions in respect thereof as contemplated below) arises out of or is based upon (i) any untrue statement or alleged untrue statement of a material fact contained in the Registration Statement, or the omission or alleged omission therefrom of a material fact required to be stated therein or necessary in order to make the statements therein not misleading, or (ii) any untrue statement or alleged untrue statement of

a material fact contained in the Preliminary Prospectus, the Pricing Disclosure Package, the Prospectus or any Issuer Free Writing Prospectus (or any amendment or supplement thereto), or the omission or alleged omission therefrom of a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading, in each case to the extent, but only to the extent, that such untrue statement or alleged untrue statement or omission or alleged omission was made in the Registration Statement, the Preliminary Prospectus, the Pricing Disclosure Package, the Prospectus or any Issuer Free Writing Prospectus (or any amendment or supplement thereto), in reliance upon and in conformity with written information furnished to the Company by such Underwriter through the Representative expressly for use therein; and to reimburse the Company and each such director or controlling person for any and all expenses (including the fees and disbursements of counsel) as such expenses are reasonably incurred by the Company or such director or controlling person in connection with investigating, defending, settling, compromising or paying any such loss, claim, damage, liability, expense or action. The Company hereby acknowledges that the only information that the Underwriters through the Representative have furnished to the Company expressly for use in the Registration Statement, the Preliminary Prospectus, the Pricing Disclosure Package, the Prospectus or any Issuer Free Writing Prospectus (or any amendment or supplement thereto) are the statements set forth in the fourth, twelfth and thirteenth paragraphs under the caption "Underwriting" in the Preliminary Prospectus and the Prospectus. The indemnity agreement set forth in this Section 7(b) shall be in addition to any liabilities that each Underwriter may otherwise have.

(c) **Notifications and Other Indemnification Procedures**. Promptly after receipt by an indemnified party under this Section 7 of notice of the commencement of any action, such indemnified party will, if a claim in respect thereof is to be made against an indemnifying party under this Section 7, notify the indemnifying party in writing of the commencement thereof; provided that the failure to so notify the indemnifying party will not relieve it from any liability which it may have to any indemnified party under this Section 7 except to the extent that it has been materially prejudiced by such failure (through the forfeiture of substantive rights and defenses) and shall not relieve the indemnifying party from any liability that the indemnifying party may have to an indemnified party other than under this Section 7. In case any such action is brought against any indemnified party and such indemnified party seeks or intends to seek indemnity from an indemnifying party, the indemnifying party will be entitled to participate in and, to the extent that it shall elect, jointly with all other indemnifying parties similarly notified, by written notice delivered to the indemnified party promptly after receiving the aforesaid notice from such indemnified party, to assume the defense thereof with counsel reasonably satisfactory to such indemnified party; provided, however, if the defendants in any such action include both the indemnified party and the indemnifying party and the indemnified party shall have reasonably concluded that a conflict may arise between the positions of the indemnifying party and the indemnified party in conducting the defense of any such action or that there may be legal defenses available to it and/or other indemnified parties which are different from or additional to those available to the indemnifying party, the indemnified party or parties shall have the right to select separate counsel to assume such legal defenses and to otherwise participate in the defense of such action on behalf of such indemnified party or parties. Upon receipt of notice from the indemnifying party to such indemnified party of such indemnifying party's election so to assume the defense of such action and approval by the indemnified party of counsel, the indemnifying party will not be liable to such indemnified party under this Section 7 for any legal or other

expenses subsequently incurred by such indemnified party in connection with the defense thereof unless (i) the indemnified party shall have employed separate counsel in accordance with the proviso to the immediately preceding sentence (it being understood, however, that the indemnifying party shall not be liable for the expenses of more than one separate counsel (together with local counsel (in each jurisdiction)), which shall be selected by Barclays (in the case of counsel representing the Underwriters or their related persons), representing the indemnified parties who are parties to such action) or (ii) the indemnifying

party shall not have employed counsel satisfactory to the indemnified party to represent the indemnified party within a reasonable time after notice of commencement of the action, in each of which cases the fees and expenses of counsel shall be at the expense of the indemnifying party.

(d) **Settlements.** The indemnifying party under this Section 7 shall not be liable for any settlement of any proceeding effected without its written consent, which will not be unreasonably withheld, but if settled with such consent or if there be a final judgment for the plaintiff, the indemnifying party agrees to indemnify the indemnified party against any loss, claim, damage, liability or expense by reason of such settlement or judgment. Notwithstanding the foregoing sentence, if at any time an indemnified party shall have requested an indemnifying party to reimburse the indemnified party for fees and expenses of counsel as contemplated by this Section 7, the indemnifying party agrees that it shall be liable for any settlement of any proceeding effected without its written consent if (i) such settlement is entered into more than 30 days after receipt by such indemnifying party of the aforesaid request and (ii) such indemnifying party shall not have reimbursed the indemnified party in accordance with such request prior to the date of such settlement. No indemnifying party shall, without the prior written consent of the indemnified party, effect any settlement, compromise or consent to the entry of judgment in any pending or threatened action, suit or proceeding in respect of which any indemnified party is or could have been a party and indemnity was or could have been sought hereunder by such indemnified party, unless such settlement, compromise or consent (i) includes an unconditional release of such indemnified party from all liability on claims that are the subject matter of such action, suit or proceeding and (ii) does not include any statements as to or any findings of fault, culpability or failure to act by or on behalf of any indemnified party.

SECTION 8. **Contribution.** If the indemnification provided for in Section 7 hereof is for any reason held to be unavailable to or otherwise insufficient to hold harmless an indemnified party in respect of any losses, claims, damages, liabilities or expenses referred to therein, then each indemnifying party shall contribute to the aggregate amount paid or payable by such indemnified party, as incurred, as a result of any losses, claims, damages, liabilities or expenses referred to therein (i) in such proportion as is appropriate to reflect the relative benefits received by the Company, on the one hand, and the Underwriters, on the other hand, from the offering of the Securities pursuant to this Agreement or (ii) if the allocation provided by clause (i) above is not permitted by applicable law, in such proportion as is appropriate to reflect not only the relative benefits referred to in clause (i) above but also the relative fault of the Company, on the one hand, and the Underwriters, on the other hand, in connection with the statements or omissions which resulted in such losses, claims, damages, liabilities or expenses, as well as any other relevant equitable considerations. The relative benefits received by the Company, on the one hand, and the Underwriters, on the other hand, in connection with the offering of the Securities pursuant to this Agreement shall be deemed to be in the same respective proportions as the total net proceeds from the offering of the Securities pursuant to this Agreement (before

deducting expenses) received by the Company, and the total discount received by the Underwriters bear to the aggregate initial offering price of the Securities. The relative fault of the Company, on the one hand, and the Underwriters, on the other hand, shall be determined by reference to, among other things, whether any such untrue or alleged untrue statement of a material fact or omission or alleged omission to state a material fact relates to information supplied by the Company, on the one hand, or the Underwriters, on the other hand, and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission.

The amount paid or payable by a party as a result of the losses, claims, damages, liabilities and expenses referred to above shall be deemed to include, subject to the limitations set forth in Section 7 hereof, any legal or other fees or expenses reasonably incurred by such party in connection with investigating or defending any action or claim. The provisions set forth in Section 7 hereof with respect to notice of commencement of any action shall apply if a claim for contribution is to be made under this Section 8; provided, however, that no additional notice shall be required with respect to any action for which notice has been given under Section 7 hereof for purposes of indemnification.

The Company and the Underwriters agree that it would not be just and equitable if contribution pursuant to this Section 8 were determined by pro rata allocation or by any other method of allocation which does not take account of the equitable considerations referred to in this Section 8.

Notwithstanding the provisions of this Section 8, no Underwriter shall be required to contribute any amount in excess of the discount received by such Underwriter in connection with the Securities distributed by it. No person guilty of fraudulent misrepresentation (within the meaning of Section 11 of the Securities Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation. The Underwriters' obligations to contribute pursuant to this Section 8 are several, and not joint, in proportion to their respective commitments as set forth opposite their names in Schedule A. For purposes of this Section 8, each affiliate, director, officer and employee of an Underwriter and each person, if any, who controls an Underwriter within the meaning of the Securities Act and the Exchange Act shall have the same rights to contribution as such Underwriter, and each director of the Company, and each person, if any, who controls the Company with the meaning of the Securities Act and the Exchange Act shall have the same rights to contribution as the Company.

SECTION 9. **Termination of this Agreement.** Prior to the Closing Date, this Agreement may be terminated by the Representative by notice given to the Company if at any time: (i) trading or quotation in any of the Company's securities shall have been suspended or limited by the Commission or by the NYSE, or trading in securities generally on either the NASDAQ Stock Market or the NYSE shall have been suspended or limited, or minimum or maximum prices shall have been generally established on any of such quotation system or stock exchange by the Commission or FINRA; (ii) a general banking moratorium shall have been declared by any of federal or New York authorities; (iii) there shall have occurred any outbreak or escalation of national or international hostilities or any crisis or calamity, or any change in the United States or international financial markets, or any substantial change or development involving a prospective substantial change in United States' or international political, financial or

economic conditions, as in the judgment of the Representative is material and adverse and makes it impracticable or inadvisable to proceed with the offering sale or delivery of the Securities in the manner and on the terms described in the Pricing Disclosure Package or to enforce contracts for the sale of securities; (iv) in the judgment of the Representative there shall have occurred any Material Adverse Change; or (v) the Company shall have sustained a loss by strike, fire, flood, earthquake, accident or other calamity of such character as in the judgment of the Representative is reasonably likely to interfere materially with the conduct of the business and operations of the Company regardless of whether or not such loss shall have been insured. Any termination pursuant to this Section 9 shall be without liability on the part of (i) the Company to any Underwriter, except that the Company shall be obligated to reimburse the expenses of the Underwriters pursuant to Sections 4 and 6 hereof, (ii) any Underwriter to the Company, or (iii) any party hereto to any other party except that the provisions of Sections 7 and 8 hereof shall at all times be effective and shall survive such termination.

SECTION 10. **Representations and Indemnities to Survive Delivery.** The respective indemnities, agreements, representations, warranties and other statements of the Company, its officers and the several Underwriters set forth in or made pursuant to this Agreement will remain in full force and effect, regardless of any investigation made by or on behalf of any Underwriter, the Company or any of their partners, officers or directors or any controlling person, as the case may be, and will survive delivery of and payment for the Securities sold hereunder and any termination of this Agreement.

SECTION 11. **Notices.** All communications hereunder shall be in writing and shall be mailed, hand delivered, couriered or facsimiled and confirmed to the parties hereto as follows:

If to the Underwriters:

Barclays Capital Inc.
745 Seventh Avenue
New York, New York 10019
Facsimile: (646) 834-8133
Attention: Syndicate Registration

If to the Company:

iStar Financial Inc.
1114 Avenue of the Americas
New York, New York 10036
Facsimile: (212) 930-930 9494
Attention: Chief Executive Officer
General Counsel

with a copy to

Clifford Chance US LLP
31 West 52 Street
New York, New York 10019

Facsimile: (212) 878-8375
Attention: Kathleen Werner

Any party hereto may change the address or facsimile number for receipt of communications by giving written notice to the others.

SECTION 12. **Successors.** This Agreement will inure to the benefit of and be binding upon the parties hereto, and to the benefit of the indemnified parties referred to in Sections 7 and 8 hereof, and in each case their respective successors, and no other person will have any right or obligation hereunder. The term "successors" shall not include any subsequent purchaser or other purchaser of the Securities as such from any of the Underwriters merely by reason of such purchase.

SECTION 13. **Authority of the Representative.** Any action by the Underwriters hereunder may be taken by Barclays on behalf of the Underwriters, and any such action taken by Barclays shall be binding upon the Underwriters.

SECTION 14. **Partial Unenforceability.** The invalidity or unenforceability of any section, paragraph or provision of this Agreement shall not affect the validity or enforceability of any other section, paragraph or provision hereof. If any section, paragraph or provision of this Agreement is for any reason determined to be invalid or unenforceable, there shall be deemed to be made such minor changes (and only such minor changes) as are necessary to make it valid and enforceable.

SECTION 15. **Governing Law Provisions.** THIS AGREEMENT AND ANY CLAIM, CONTROVERSY OR DISPUTE RELATING TO OR ARISING OUT OF THIS AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE INTERNAL LAWS OF THE STATE OF NEW YORK APPLICABLE TO AGREEMENTS MADE AND TO BE PERFORMED IN SUCH STATE WITHOUT REGARD TO CONFLICTS OF LAW PRINCIPLES THEREOF.

SECTION 16. **Default of One or More of the Several Underwriters.** If any one or more of the several Underwriters shall fail or refuse to purchase Securities that it or they have agreed to purchase hereunder on the Closing Date or a Date of Delivery, and the aggregate number of Securities which such defaulting Underwriter or Underwriters agreed but failed or refused to purchase does not exceed 10% of the aggregate number of the Securities to be purchased on such date, the other Underwriters shall be obligated, severally, in the proportions that the number of Securities set forth opposite their respective names on Schedule A bears to the aggregate number of Securities set forth opposite the names of all such non-defaulting Underwriters, or in such other proportions as may be specified by the Underwriters with the consent of the non-defaulting Underwriters, to purchase the Securities which such defaulting Underwriter or Underwriters agreed but failed or refused to purchase on the Closing Date or Date of Delivery, as the case may be. If any one or more of the Underwriters shall fail or refuse to purchase Securities and the aggregate number of Securities with respect to which such default occurs exceeds 10% of the aggregate number of Securities to be purchased on the Closing Date or Date of Delivery, as the case may be, and arrangements satisfactory to the Underwriters and the Company for the purchase of such Securities are not made within 48 hours after such default,

this Agreement shall terminate without liability of any party to any other party except that the provisions of Sections 4, 6, 7 and 8 hereof shall at all times be effective and shall survive such termination. In any such case either the Underwriters or the Company shall have the right to postpone the Closing Date or

Date of Delivery, as the case may be, but in no event for longer than seven days in order that the required changes, if any, to the Prospectus or any other documents or arrangements may be effected.

As used in this Agreement, the term "**Underwriter**" shall be deemed to include any person substituted for a defaulting Underwriter under this Section 17. Any action taken under this Section 16 shall not relieve any defaulting Underwriter from liability in respect of any default of such Underwriter under this Agreement.

SECTION 17. **No Advisory or Fiduciary Responsibility.** The Company acknowledges and agrees that: (i) the purchase and sale of the Securities pursuant to this Agreement, including the determination of the offering price of the Securities and any related discounts and commissions, is an arm's-length commercial transaction between the Company, on the one hand, and the several Underwriters, on the other hand, and the Company is capable of evaluating and understanding and understands and accepts the terms, risks and conditions of the transactions contemplated by this Agreement; (ii) in connection with each transaction contemplated hereby and the process leading to such transaction each Underwriter is and has been acting solely as a principal and is not the agent or fiduciary of the Company, or its respective affiliates, stockholders, creditors or employees or any other party; (iii) no Underwriter has assumed or will assume an advisory or fiduciary responsibility in favor of the Company with respect to any of the transactions contemplated hereby or the process leading thereto (irrespective of whether such Underwriter has advised or is currently advising the Company on other matters) or any other obligation to the Company except the obligations expressly set forth in this Agreement; (iv) the several Underwriters and their respective affiliates may be engaged in a broad range of transactions that involve interests that differ from those of the Company, and the several Underwriters have no obligation to disclose any of such interests by virtue of any fiduciary or advisory relationship; and (v) the Underwriters have not provided any legal, accounting, regulatory or tax advice with respect to the offering contemplated hereby, and the Company has consulted its own legal, accounting, regulatory and tax advisors to the extent deemed appropriate.

This Agreement supersedes all prior agreements and understandings (whether written or oral) between the Company and the several Underwriters, or any of them, with respect to the subject matter hereof. The Company hereby waives and releases, to the fullest extent permitted by law, any claims that the Company may have against the several Underwriters with respect to any breach or alleged breach of fiduciary duty.

SECTION 18. **General Provisions.** This Agreement constitutes the entire agreement of the parties to this Agreement and supersedes all prior written or oral and all contemporaneous oral agreements, understandings and negotiations with respect to the subject matter hereof. This Agreement may be executed in two or more counterparts, each one of which shall be an original, with the same effect as if the signatures thereto and hereto were upon the same instrument. Delivery of an executed counterpart of a signature page to this Agreement by telecopier, facsimile or other electronic transmission (i.e., a "pdf" or "tif") shall be effective as delivery of a

manually executed counterpart thereof. This Agreement may not be amended or modified unless in writing by all of the parties hereto, and no condition herein (express or implied) may be waived unless waived in writing by each party whom the condition is meant to benefit. The section headings herein are for the convenience of the parties only and shall not affect the construction or interpretation of this Agreement.

If the foregoing is in accordance with your understanding of our agreement, kindly sign and return to the Company the enclosed copies hereof, whereupon this instrument, along with all counterparts hereof, shall become a binding agreement in accordance with its terms.

Very truly yours,

ISTAR FINANCIAL INC.

By: /s/ David M. DiStaso
Name: David M. DiStaso
Title: Chief Financial Officer

The foregoing Underwriting Agreement is hereby confirmed and accepted by the Underwriters as of the date first above written.

BARCLAYS CAPITAL INC.

Acting on behalf of itself and as the Representative ofthe several Underwriters

By: BARCLAYS CAPITAL INC.

By: /s/ Victoria Hale
Managing Director

SCHEDULE A

Underwriters	Number of Initial Securities to be Purchased
Barclays Capital Inc.	1,400,000
Merrill Lynch, Pierce, Fenner & Smith Incorporated	1,050,000
J.P. Morgan Securities LLC	1,050,000
Total	3,500,000

SCHEDULE B

[Pricing Term Sheet]

iSTAR FINANCIAL INC.

Articles Supplementary

4.50% Series J Cumulative Convertible Perpetual

Preferred Stock

iStar Financial Inc., a Maryland corporation, or the "Corporation," hereby certifies to the State Department of Assessments and Taxation of Maryland that:

FIRST: Under a power contained in Article V of the Charter of the Corporation, or the "Charter," the Board of Directors of the Corporation, or the "Board of Directors," by duly adopted resolutions classified and designated 4,000,000 shares of authorized but unissued Preferred Stock (as defined in the Charter) as shares of 4.50% Series J Cumulative Convertible Perpetual Preferred Stock, with the following preferences, conversion and other rights, voting powers, restrictions, limitations as to dividends and other distributions, qualifications, and terms and conditions of redemption, which, upon any restatement of the Charter, shall become part of Article V of the Charter, with any necessary or appropriate renumbering or relettering of the sections or subsections hereof.

4.50% Series J Cumulative Convertible Perpetual Preferred Stock

(1) DESIGNATION AND NUMBER. A series of Preferred Stock, designated the "4.50% Series J Cumulative Convertible Perpetual Preferred Stock" (the "Series J Preferred Stock"), is hereby established. The number of shares of the Series J Preferred Stock shall be 4,000,000.

(2) RANKING; MATURITY. (a) The Series J Preferred Stock shall, with respect to dividend rights or rights upon liquidation, dissolution or winding-up of the Corporation, rank:

(i) senior to all classes of Common Stock (as defined in the Charter) of the Corporation and each other class of Capital Stock (as defined in the Charter) or series of Preferred Stock established after the original issue date of the Series J Preferred Stock, or the "Issue Date," the terms of which do not expressly provide that such class or series ranks senior to or on parity with the Series J Preferred Stock as to dividend rights or rights upon liquidation, winding-up or dissolution of the Corporation;

(ii) on parity, in all respects, with the Corporation's outstanding 8.000% Series D Cumulative Redeemable Preferred Stock, $0.001 par value (liquidation preference $25.00 per share), 7.875% Series E Cumulative Redeemable Preferred Stock, $0.001 par value (liquidation preference $25.00 per share), 7.800% Series F Cumulative Redeemable Preferred Stock, $0.001 par value (liquidation preference $25.00 per share), 7.650% Series G Cumulative Redeemable Preferred Stock, $0.001 par value (liquidation preference $25.00 per share), and 7.500% Series I Cumulative Redeemable Preferred Stock, $0.001 par value (liquidation preference $25.00 per share), and any class of Capital Stock or series of Preferred Stock established after the Issue Date, the terms of which expressly provide that such class or series will rank on parity with the Series J Preferred Stock as to dividend rights or rights upon liquidation, winding-up or dissolution of the Corporation; and

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(iii) junior to each class of Capital Stock or series of Preferred Stock established after the Issue Date, the terms of which expressly provide that such class or series will rank senior to the Series J Preferred Stock as to dividend rights or rights upon liquidation, winding-up or dissolution of the Corporation.

(b) The Series J Preferred Stock shall have no stated maturity.

(c) The terms "Common Stock" and "Capital Stock" shall not include convertible debt securities.

(3) DIVIDENDS.

(a) Holders of the then outstanding shares of the Series J Preferred Stock shall be entitled to receive, when, as and if authorized by the Board of Directors and declared by the Corporation, out of funds legally available for the payment of dividends, cumulative preferential cash dividends at the rate of 4.50% per annum of the $50.00 liquidation preference (equivalent to a fixed annual amount of $2.25 per share). Such dividends shall be cumulative from March 18, 2013, and shall be payable to investors quarterly in arrears on or before the 15th day of each March, June, September and December or, if not a business day, the next succeeding business day (without interest or additional payment for such delay), each, a "Dividend Payment Date." The first dividend, which shall be payable on June 15, 2013, will be for less than a full quarter. The first dividend and any dividend payable on the Series J Preferred Stock for any partial dividend period shall be computed on the basis of a 360-day year consisting of twelve 30-day months. Dividends shall be payable to holders of record as they appear in the Corporation's stock records at the close of business on the applicable record date, which shall be the first day of the calendar month in which the applicable Dividend Payment Date falls or on such other date designated by the Board of Directors for the payment of dividends that is not more than 30 nor less than 10 days prior to the applicable Dividend Payment Date, each, a "Dividend Record Date."

(b) No dividends on shares of the Series J Preferred Stock shall be declared by the Corporation or paid or set apart for payment by the Corporation at such time as the terms and provisions of any agreements of the Corporation, including any agreement relating to its indebtedness, prohibit such declaration, payment or setting apart for payment or provide that such declaration, payment or setting apart for payment would constitute a breach thereof or a default thereunder, or if such declaration or payment shall be restricted or prohibited by law.

(c) Notwithstanding the foregoing, dividends on the Series J Preferred Stock shall accrue whether or not the terms and provisions set forth in Section 3(b) hereof at any time prohibit the current payment of dividends, whether or not the Corporation has earnings,

whether or not there are funds legally available for the payment of such dividends and whether or not such dividends are declared. Accrued but unpaid dividends on the Series J Preferred Stock shall accumulate as of the Dividend Payment Date on which they first become payable.

(d) Except as set forth in Section 3(e) hereof, unless full cumulative dividends on the Series J Preferred Stock have been or contemporaneously are declared and paid or declared and a sum sufficient for the payment thereof is set apart for payment for all past dividend periods, no dividends (other than in shares of Common Stock of the Corporation or in shares of any series of Preferred Stock ranking junior to the Series J Preferred Stock as to dividends and upon liquidation) shall be declared and paid or set apart for payment nor shall any other distribution be declared and made upon any Common Stock or Preferred Stock of the Corporation ranking junior to or on parity with the Series J Preferred Stock as to dividends or upon liquidation, nor shall any shares of the Common Stock or

Preferred Stock of the Corporation ranking junior to or on parity with the Series J Preferred Stock as to dividends or upon liquidation be redeemed, purchased or otherwise acquired for any consideration (or any moneys be paid to or made available for a sinking fund for the redemption of any such shares) by the Corporation (except by conversion into or exchange for other Capital Stock of the Corporation ranking junior to the Series J Preferred Stock as to dividends and upon liquidation and except for transfers made pursuant to the provisions of Article IX of the Charter relating to restrictions on ownership and transfers of Capital Stock of the Corporation).

(e) When dividends are not paid in full (or a sum sufficient for such full payment is not so set apart) upon the Series J Preferred Stock and the shares of any other series or classes of Preferred Stock ranking on parity as to dividends with the Series J Preferred Stock, all dividends declared upon the Series J Preferred Stock and any other series or classes of Preferred Stock ranking on parity as to dividends with the Series J Preferred Stock shall be declared pro rata so that the amount of dividends declared per share of Series J Preferred Stock and such other series of Preferred Stock shall in all cases bear to each other the same ratio that accrued dividends per share on the Series J Preferred Stock and such other series of Preferred Stock (which shall not include any accrual in respect of unpaid dividends for prior dividend periods if such Preferred Stock does not have a cumulative dividend) bear to each other. No interest, or sum of money in lieu of interest, shall be payable in respect of any dividend payment or payments on the Series J Preferred Stock which may be in arrears.

(f) Holders of shares of the Series J Preferred Stock shall not be entitled to any dividend, whether payable in cash, property or stock, in excess of full cumulative dividends on the Series J Preferred Stock as provided above. Any dividend payment made on shares of the Series J Preferred Stock shall first be credited against the earliest accrued but unpaid dividend due with respect to such shares which remains payable.

(4) LIQUIDATION PREFERENCE.

(a) Upon any voluntary or involuntary liquidation, dissolution or winding-up of the affairs of the Corporation, the holders of shares of the Series J Preferred Stock then outstanding are entitled to be paid out of the assets of the Corporation that are legally available for distribution to its stockholders a liquidation preference of $50.00 per share, plus an amount equal to any accrued and unpaid dividends to the date of payment, before any distribution of assets is made to holders of Common Stock of the Corporation or any series of our Preferred Stock that ranks junior to the Series J Preferred Stock as to liquidation rights.

(b) In the event that, upon any such voluntary or involuntary liquidation, dissolution or winding-up, the available assets of the Corporation are insufficient to pay the amount of the liquidating distributions on all outstanding shares of the Series J Preferred Stock and the corresponding amounts payable on all shares of other classes or series of the Capital Stock of the Corporation ranking on parity with the Series J Preferred Stock in the distribution of assets, then the holders of the Series J Preferred Stock and all other such classes or series of Capital Stock of the Corporation shall share ratably in any such distribution of assets in proportion to the full liquidating distributions to which they would otherwise be respectively entitled.

(c) After payment of the full amount of the liquidating distributions to which they are entitled, the holders of the Series J Preferred Stock will have no right or claim to any of the remaining assets of the Corporation.

(d) Written notice of any such liquidation, dissolution or winding-up of the Corporation, stating the payment date or dates when, and the place or places where, the amounts

distributable in such circumstances shall be payable, shall be given by first class mail, postage pre-paid, not less than 30 nor more than 60 days prior to the payment date stated therein, to each record holder of the Series J Preferred Stock at the respective addresses of such holders as the same shall appear on the stock transfer records of the Corporation.

(e) The consolidation or merger of the Corporation with or into any other corporation, trust or entity or of any other corporation with or into the Corporation, or the sale, lease or conveyance of all or substantially all of the assets or business of the Corporation, shall not be deemed to constitute a liquidation, dissolution or winding-up of the Corporation.

(5) REDEMPTION.

(a) *Right of Optional Redemption*. The Series J Preferred Stock shall not be redeemable prior to March 15, 2018. On or after March 15, 2018, the Corporation may redeem, at its option upon not less than 30 nor more than 60 days' written notice, shares of the Series J Preferred Stock, in whole or in part, at any time or from time to time, for cash at a redemption price equal to 100% of

the liquidation preference of $50.00 per share, plus any accrued and unpaid dividends thereon to the date fixed for redemption (except as set forth on clause 5(c) below), without interest. If less than all of the outstanding shares of the Series J Preferred Stock are to be redeemed, the Series J Preferred Stock to be redeemed shall be selected pro rata (as nearly as may be practicable without creating fractional shares) or by any other equitable method determined by the Corporation.

(b) *Limitations on Redemption*. Unless full cumulative dividends on all shares of the Series J Preferred Stock shall have been or contemporaneously are declared and paid or declared and a sum sufficient for the payment thereof set apart for payment for all past dividend periods, no shares of the Series J Preferred Stock shall be redeemed unless all outstanding shares of Series J Preferred Stock are simultaneously redeemed and the Corporation shall not purchase or otherwise acquire directly or indirectly any shares of the Series J Preferred Stock (except by exchange for Capital Stock of the Corporation ranking junior to the Series J Preferred Stock as to dividends and upon liquidation); *provided*, however, that the foregoing shall not prevent the purchase by the Corporation of shares transferred to a Charitable Trust (as defined in the Charter) in accordance with Article IX of the Charter to assist the Corporation in remaining qualified as a real estate investment trust for federal income tax purposes, or the purchase or acquisition of shares of the Series J Preferred Stock pursuant to a purchase or exchange offer made on the same terms to holders of all outstanding shares of the Series J Preferred Stock.

(c) *Rights to Dividends on Shares Called for Redemption*. Immediately prior to any redemption of Series J Preferred Stock, the Corporation shall pay, in cash, any accrued and unpaid dividends to and including the redemption date, unless a redemption date falls after a Dividend Record Date and prior to the corresponding Dividend Payment Date, in which case each holder of Series J Preferred Stock at the close of business on such Dividend Record Date shall be entitled to the dividend payable on such shares on the corresponding Dividend Payment Date notwithstanding the redemption of such shares before such Dividend Payment Date. Except as provided above, the Corporation will make no payment or allowance for unpaid dividends, whether or not in arrears, on Series J Preferred Stock which is redeemed.

(d) *Procedures for Redemption*. Notice of redemption shall be mailed by the Corporation, postage prepaid, not less than 30 nor more than 60 days prior to the redemption date, addressed to the respective holders of record of the Series J Preferred Stock to be redeemed at their respective addresses as they appear on the stock transfer records of the Corporation. No failure to give such notice or any defect thereto or in the mailing thereof shall affect the validity of the proceedings for the redemption of any shares of the Series J

Preferred Stock except as to the holder to whom notice was defective or not given. In addition to any information required by law, each such notice shall state:

(i) the redemption date;

(ii) the redemption price;

(iii) the number of shares of Series J Preferred Stock to be redeemed;

(iv) the place or places where the Series J Preferred Stock is to be surrendered for payment of the redemption price; and

(v) that dividends on the shares to be redeemed shall cease to accrue on such redemption date.

If less than all of the Series J Preferred Stock held by any holder is to be redeemed, the notice mailed to such holder shall also specify the number of shares of Series J Preferred Stock held by such holder to be redeemed.

If notice of redemption of any shares of Series J Preferred Stock has been given and if the funds necessary for such redemption have been set aside by the Corporation in trust for the benefit of the holders of any shares of Series J Preferred Stock so called for redemption, then, from and after the redemption date, dividends shall cease to accrue on such shares of Series J Preferred Stock, such shares of Series J Preferred Stock shall no longer be deemed outstanding and all rights of the holders of such shares will terminate, except the right to receive the redemption price. Holders of Series J Preferred Stock to be redeemed shall surrender such Series J Preferred Stock at the place designated in such notice and, upon surrender in accordance with said notice of the certificates for shares of Series J Preferred Stock so redeemed (properly endorsed or assigned for transfer, if the Corporation shall so require and the notice shall so state) to the extent that the shares are not then held by a depositary, such shares of Series J Preferred Stock shall be redeemed by the Corporation at the redemption price plus any accrued and unpaid dividends payable upon such redemption. In case less than all the shares of Series J Preferred Stock represented by any such certificate are redeemed, a new certificate or certificates shall be issued representing the unredeemed shares of Series J Preferred Stock without cost to the holder thereof.

The deposit of funds with a bank or trust corporation for the purpose of redeeming Series J Preferred Stock shall be irrevocable except that:

(i) the Corporation shall be entitled to receive from such bank or trust corporation the interest or other earnings, if any, earned on any money so deposited in trust, and the holders of any shares redeemed shall have no claim to such interest or other earnings; and

(ii) any balance of monies so deposited by the Corporation and unclaimed by the holders of the Series J Preferred Stock entitled thereto at the expiration of two years from the applicable redemption dates shall be repaid, together with any interest or other earnings thereon, to the Corporation, and after any such repayment, the holders of the shares entitled to the funds so repaid to the Corporation shall look only to the Corporation for payment without interest or other earnings.

(e) *Status of Redeemed Shares.* Any shares of Series J Preferred Stock that shall at any time have been redeemed or otherwise acquired by the Corporation shall, after such

redemption or acquisition, have the status of authorized but unissued Preferred Stock, without designation as to series until such shares are once more classified and designated as part of a particular class or series by the Board of Directors.

(6) VOTING RIGHTS. Holders of the Series J Preferred Stock shall not have any voting rights, except as set forth below:

(a) Whenever dividends on any shares of the Series J Preferred Stock are in arrears for six or more quarterly periods, or a "Preferred Dividend Default," the number of directors on the Board of Directors shall increase by two and the holders of such shares of the Series J Preferred Stock, voting together as a single class with all other series or classes of Preferred Stock ranking on a parity with the Series J Preferred Stock as to dividends or upon liquidation upon which like voting rights have been conferred and are exercisable, shall be entitled to vote for the election of a total of two additional members of the Board of Directors, or the "Preferred Stock Directors," at a special meeting called by the holders of record of at least 20% of the Series J Preferred Stock or any other series or classes of Preferred Stock ranking on a parity with the Series J Preferred Stock as to dividends or upon liquidation so in arrears or at the next annual meeting of stockholders (unless such request is received less than 90 days before the date fixed for the next annual or special meeting of the stockholders), and at each subsequent annual meeting until all accrued dividends on such shares of the Series J Preferred Stock for the past dividend periods shall have been fully paid or declared and a sum sufficient for the payment thereof set apart for payment.

(b) If and when all accrued dividends on the Series J Preferred Stock shall have been paid in full or set apart for payment in full, the holders thereof shall be divested of the foregoing voting rights (subject to revesting in the event of each and every subsequent Preferred Dividend Default) and, if all accrued dividends have been paid in full or set apart for payment in full on all series or classes of Preferred Stock ranking on a parity with the Series J Preferred Stock as to dividends or upon liquidation upon which like voting rights have been conferred and are exercisable, the term of office of each Preferred Stock Director so elected shall terminate and the number of directors on the Board of Directors shall decrease by two. Any Preferred Stock Director may be removed at any time with or without cause by the vote of, and shall not be removed otherwise than by the vote of, the holders of record of a majority of the outstanding shares of the Series J Preferred Stock when they have the voting rights described above, voting together as a single class with all series or classes of Preferred Stock ranking on a parity with the Series J Preferred Stock as to dividends or upon liquidation upon which like voting rights have been conferred and are exercisable. So long as a Preferred Dividend Default shall continue, any vacancy in the office of a Preferred Stock Director may be filled by the written consent of the Preferred Stock Directors remaining in office, or if none remains in office, by a vote of the holders of record of a majority of the outstanding shares of the Series J Preferred Stock when they have the voting rights described above, voting together as a single class with all series or classes of Preferred Stock ranking on a parity with the Series J Preferred Stock as to dividends or upon liquidation upon which like voting rights have been conferred and are exercisable. The Preferred Stock Directors shall each be entitled to one vote per director on any matter.

(c) So long as any shares of the Series J Preferred Stock remain outstanding, the Corporation shall not, without the affirmative vote or consent of the holders of at least two-thirds of the shares of the Series J Preferred Stock outstanding at the time, voting together as a single class with all series or classes of Preferred Stock ranking on a parity with the Series J Preferred Stock as to dividends or upon liquidation upon which like voting rights have been conferred and are exercisable, given in person or by proxy, either in writing or at a meeting: (a) authorize or create, or increase the authorized or issued amount of, any class or series of, or reclassify any of the Corporation's authorized capital stock into

shares of, any class or series of Capital Stock ranking senior to the Series J Preferred Stock with respect to payment of dividends or the distribution of assets upon liquidation, dissolution or winding-up, or reclassify any of the Corporation's authorized Capital Stock into shares of any class or series of Capital Stock ranking senior to the Series J Preferred Stock with respect to payment of dividends or the distribution of assets upon liquidation, dissolution or winding-up or create, authorize or issue any obligation or security convertible into or evidencing the right to purchase any shares of any class or series of Capital Stock ranking senior to the Series J Preferred Stock with respect to payment of dividends or the distribution of assets upon liquidation, dissolution or winding-up; or (b) amend, alter or repeal the provisions of the Corporation's Charter, whether by merger, consolidation or otherwise, or an "Event," so as to materially and adversely affect any right, preference, privilege or voting power of the Series J Preferred Stock; *provided*, *however*, with respect to the occurrence of any Event set forth in (b) above, so long as the Series J Preferred Stock remains outstanding with the terms thereof materially unchanged, the occurrence of any such Event shall not be deemed to materially and adversely affect such rights, preferences, privileges or voting power of holders of the Series J Preferred Stock and, *provided further*, that any increase in the amount of the authorized preferred stock, including the Series J Preferred Stock, or the creation or issuance of any additional shares of the Series J Preferred Stock or any other series or classes of preferred stock, or any increase in the amount of authorized shares of such series, in each case ranking on parity with or junior to the Series J Preferred Stock with respect to payment of dividends or the distribution of assets upon liquidation, dissolution or winding-up, shall not be deemed to materially and adversely affect such rights, preferences, privileges or voting powers.

(d) The foregoing voting provisions shall not apply if, at or prior to the time when the act with respect to which such vote would otherwise be required shall be effected, all outstanding shares of the Series J Preferred Stock shall have been redeemed or called for redemption upon proper notice and sufficient funds shall have been deposited in trust to effect such redemption.

(7) CONVERSION RIGHTS.

(a) A holder may convert any shares of the Series J Preferred Stock into shares of Common Stock of the Corporation at any time, unless the shares have been previously redeemed by the Corporation. A holder may convert any shares of the Series J Preferred Stock into Common Stock of the Corporation at an initial conversion rate of 3.9087 shares of such Common Stock per share of Series J Preferred Stock (equal to an initial conversion price of approximately $12.79 per share). The conversion rate shall be subject to adjustment under certain circumstances, as described below in Section 8. Upon conversion in connection with a Make-whole Fundamental Change, the Corporation shall pay a Fundamental Change Make-Whole Premium to holders of the Series J Preferred Stock upon the conversion of their shares by increasing the conversion rate, as described below in Section 12.

(b) The conversion rate and the equivalent conversion price in effect at any given time are referred to as the ‘‘applicable conversion rate’’ and the ‘‘applicable conversion price,’’ respectively, and shall be subject to adjustment as described below in Section 8.

(c) Holders of the Series J Preferred Stock at the close of business on a Dividend Record Date shall be entitled to receive the dividend payment on those shares on the corresponding Dividend Payment Date notwithstanding the conversion of those shares following that Dividend Record Date or its default in payment of the dividend due on that Dividend Payment Date. However, shares of Series J Preferred Stock surrendered for conversion at the option of the holder during the period between the close of business on any Dividend Record Date and the close of business on the business day immediately

preceding the applicable Dividend Payment Date must be accompanied by payment of an amount equal to the dividend payable on such shares on that Dividend Payment Date. A holder of shares of Series J Preferred Stock on a Dividend Record Date who (or whose transferee) surrenders any shares for conversion (i) on the corresponding Dividend Payment Date or (ii) following the giving of a notice of redemption shall receive the dividend payable by the Corporation on the Series J Preferred Stock on the Dividend Payment Date, and the converting holder need not include payment in the amount of such dividend upon surrender of shares of Series J Preferred Stock for conversion. Therefore, holders of shares of Series J Preferred Stock on a Dividend Record Date shall receive the applicable dividend on the Dividend Payment Date regardless of any conversion, if such conversion occurs following a notice of redemption. Except as provided otherwise herein, the Corporation shall make no payment or allowance for unpaid dividends, whether or not in arrears, on converted shares or for dividends on the shares of Common Stock of the Corporation issued upon conversion.

(d) In order for a holder of shares of Series J Preferred Stock to convert such shares, the holder must comply with the procedures of The Depository Trust Company, or the “DTC,” for converting a beneficial interest in a global security and, if required, pay all taxes or duties, if any.

(e) The date on which the holder complies with these requirements is the ‘‘conversion date.” Each conversion shall be deemed to have been effected as to any shares of Series J Preferred Stock surrendered for conversion on the conversion date, and the person in whose name the shares of Common Stock of the Corporation be issuable upon such conversion shall become the holder of record of such shares as of the close of business on such conversion date. The Corporation shall deliver the consideration due in respect of any conversion on the third Business Day immediately following the relevant conversion date.

(f) The Corporation shall at all times reserve and keep available for issuance upon conversion of the Series J Preferred Stock a sufficient number of authorized and unissued shares of Common Stock of the Corporation to permit the conversion of all outstanding shares of Series J Preferred Stock and the Corporation shall take all action required to increase the authorized number of shares of Common Stock of the Corporation if at any time there are insufficient unissued shares of Common Stock of the Corporation to permit such reservation or to permit the conversion of all outstanding shares of Series J Preferred Stock. In addition, any Common Stock of the Corporation issued upon conversion of the Series J Preferred Stock shall be validly issued, fully paid and nonassessable.

(8) ADJUSTMENT OF CONVERSION RATE. The applicable conversion rate shall be adjusted as described below, except that the Corporation shall not make any adjustments to the conversion rate if holders of the Series J Preferred Stock participate (as a result of holding the Series J Preferred Stock, and at the same time as holders of Common Stock of the Corporation participate) in any of the transactions described below as if such holders of the Series J Preferred Stock held a number of shares of Common Stock of the Corporation equal to the applicable conversion rate, multiplied by the liquidation preference of Series J Preferred Stock held by such holder, without having to convert their Series J Preferred Stock.

(a) If the Corporation issues shares of Common Stock of the Corporation as a dividend or other distribution on shares of such Common Stock, or if the Corporation effects a share split or share combination, the conversion rate shall be adjusted based on the following formula:

$$CR_1 = CR_0 \times \frac{OS_1}{OS_0}$$

where,

CR_0 = the applicable conversion rate in effect immediately prior to the close of business on the record date for such dividend or other distribution, or immediately prior to the open of business on the effective date of such share split or share combination, as the case may be;

CR_1 = the applicable conversion rate in effect immediately after the close of business on the record date for such dividend or other distribution, or immediately after the open of business on the effective date of such share split or share combination, as the case may be;

OS_0 = the number of shares of Common Stock of the Corporation outstanding immediately prior to the close of business on the record date for such dividend or other distribution, or immediately prior to the effective date of such share split or share combination, as the case may be; and

OS_1 = the number of shares of Common Stock of the Corporation outstanding immediately after giving effect to such dividend, other distribution, share split or share combination, as the case may be.

Any adjustment made pursuant to this clause (a) shall become effective immediately after (x) the close of business on the record date for such dividend or other distribution or (y) the open of business on the effective date of such split or combination, as applicable. If any dividend or other distribution described in this clause (a) is declared but not so paid or made, effective as of the date the Board of Directors determines not to pay such dividend or other distribution, the new conversion rate shall be readjusted to the conversion rate that would then be in effect if such dividend or other distribution had not been declared.

(b) If the Corporation distributes to all or substantially all holders of Common Stock of the Corporation any rights, options or warrants entitling them to purchase, for a period of not more than 45 days after the ex-dividend date for the distribution, shares of Common Stock of the Corporation at a price per share less than the average of the closing sale prices of Common Stock of the Corporation for the 10 consecutive trading-day period ending on, and including, the trading day preceding the announcement date for such distribution, the conversion rate shall be adjusted based on the following formula:

$$CR_1 = CR_0 \times \frac{OS_0 + X}{OS_0 + Y}$$

where,

CR_0 = the conversion rate in effect immediately prior to the close of business on the record date for such distribution;

CR_1 = the new conversion rate in effect immediately after the close of business on the record date for such distribution;

OS_0 = the number of shares of Common Stock of the Corporation outstanding immediately prior to the close of business on the record date for such distribution;

X = the total number of shares of Common Stock of the Corporation issuable pursuant to such rights, options or warrants; and

Y = the number of shares of Common Stock of the Corporation equal to the aggregate price payable to exercise such rights, options or warrants divided by the average of the closing sale prices of Common Stock of the Corporation over the 10 consecutive trading-day period ending on, and including, the trading day immediately preceding the announcement date of such distribution.

For purposes of this clause (2), in determining whether any rights, options or warrants entitle the holders to subscribe for or purchase Common Stock of the Corporation at less than the average of the closing sale prices of Common Stock of the Corporation for the applicable 10 consecutive trading-day period, and in determining the aggregate offering price of such shares of Common Stock of the Corporation, there shall be taken into account any consideration the Corporation receives for such rights, options or warrants and any amount payable on exercise thereof, with the value of such consideration if other than cash, to be determined by the Board of Directors.

Any adjustment made pursuant to this clause (2) shall be made successively whenever any such rights, options or warrants are distributed and shall become effective immediately after the close of business on the record date for such distribution. To the extent that shares of Common Stock of the Corporation are not delivered after the expiration of such rights, options or warrants, the conversion rate shall be decreased to the conversion rate that would then be in effect had the increase with respect to the issuance of such rights, options or warrants been made on the basis of delivery of only the number of shares of Common Stock of the Corporation actually delivered. If such rights, options or warrants are not so distributed, the conversion rate shall be decreased to the conversion rate that would then be in effect if the record date for such distribution had not occurred.

(c) If the Corporation distributes shares of Capital Stock of the Corporation, evidences of indebtedness of the Corporation or other assets or property or rights of the Corporation, options or warrants to acquire Capital Stock or other securities of the Corporation, to all or substantially all holders of Common Stock of the Corporation, excluding:

- dividends, other distributions (including share splits), rights, options or warrants as to which an adjustment is effected in clause (a) or (b) above or in clause (e) below;
- dividends or other distributions covered by clause (d) below;
- dividends or other distributions that constitute ‘‘reference property’’ following a reorganization event (as described under the second-to-last paragraph in this Section 8); and
- spin-offs to which the provisions set forth below in this clause (c) shall apply,

then the applicable conversion rate shall be adjusted based on the following formula:

$$CR_1 = CR_0 \times \frac{SP_0}{SP_0 - FMV}$$

where,

CR_0 = the applicable conversion rate in effect immediately prior to the close of business on the record date for such distribution;

CR_1 = the applicable conversion rate in effect immediately after the close of business on the record date for such distribution;

SP_0 = the average of the closing sale prices of Common Stock of the Corporation over the 10 consecutive trading-day period ending on, and including, the trading day immediately preceding the ex-dividend date for such distribution; and

FMV = the fair market value (as determined by the Board of Directors or a committee thereof) of the shares of Capital Stock, evidences of indebtedness, assets, property, rights, options or warrants distributed with respect to each outstanding share of Common Stock of the Corporation as of the open of business on the ex-dividend date for such distribution.

The adjustment to the conversion rate under the portion of this clause (c) above will become effective immediately after the close of business on the record date for such distribution. If such distribution is not so paid or made, the conversion rate shall be decreased to be the conversion rate that would then be in effect if such dividend or distribution had not been declared. If ''FMV'' as set forth above is equal of the Corporation to or greater than ''SP0'' as set forth above, in lieu of the foregoing adjustment, holders of the Series J Preferred Stock will receive, at the same time and upon the same terms as holders of Common Stock of the Corporation, the amount and kind of Capital Stock, evidences of indebtedness or other assets or property or rights of the Corporation, options or warrants to acquire Capital Stock or other securities of the Corporation that such holder would have received if such holder owned a number of shares of Common Stock equal to the applicable conversion rate in effect immediately prior to the close of business on the record date for the distribution.

With respect to an adjustment pursuant to this clause (c) where there has been a payment of a dividend or other distribution on Common Stock of the Corporation of shares of Capital Stock of the Corporation of any class or series, or similar equity interest, of or relating to a subsidiary or other business unit that are, or, when issued, will be, traded or quoted on any national or regional securities exchange or other market, which the Corporation refers to as a ''spin-off,'' the applicable conversion rate shall instead be adjusted based on the following formula:

$$CR_1 = CR_0 \times \frac{FMV_0 + MP_0}{MP_0}$$

where,

CR_0 = the applicable conversion rate in effect immediately prior to the end of the valuation period;

CR_1 = the applicable conversion rate in effect immediately after the end of the valuation period;

FMV_0 = the average of the closing sale prices of the Capital Stock of the Corporation or similar equity interest distributed to holders of Common Stock of the Corporation (determined by reference to the definition of ''closing sale price'' set forth below as if references therein to Common Stock of the Corporation were to such Capital Stock or similar equity interest) applicable to one share of Common Stock of the Corporation over the first 10 consecutive trading-day period immediately following the ex-dividend date for the spin-off, such period, the ''valuation period''; and

MP_0 = the average of the closing sale prices of Common Stock of the Corporation over the valuation period.

The adjustment to the conversion rate under the preceding paragraph of this clause (c) shall occur immediately after the 10th trading day immediately following the ex-dividend date of the spin-off; provided that, for purposes of determining the conversion rate in respect of any conversion during the 10 trading days following the ex-dividend date of any spin-off, references within the preceding paragraph of this clause (c) related to ''spin-offs'' to 10 trading days shall be deemed replaced with such lesser number of trading days as have elapsed between the ex-dividend date of such spin-off and the relevant conversion date. If any such spin-off described in the preceding paragraph of this clause (c) is declared but not paid or made, the new conversion rate shall be readjusted to be the conversion rate that would then be in effect if such spin-off had not been declared.

(d) If any cash dividend or distribution is made to all or substantially all holders of Common Stock of the Corporation, the conversion rate will be adjusted based on the following formula:

$$CR_1 = CR_0 \times \frac{SP_0}{SP_0 - C}$$

where,

CR_0 = the applicable conversion rate in effect immediately prior to the close of business on the record date for such dividend or other distribution;

CR_1 = the applicable conversion rate in effect immediately after the close of business on the record date for such dividend or other distribution;

SP_0 = the average of the closing sale prices of Common Stock of the Corporation over the 10 consecutive trading-day period ending on, and including, the trading day immediately preceding the ex-dividend date for such dividend or other distribution; and

C = the amount in cash per share the Corporation pays or distributes to holders of Common Stock of the Corporation.

An adjustment to the conversion rate made pursuant to clause (d) shall become effective immediately after the close of business on the record date for the applicable dividend or other distribution. If any dividend or other distribution described in this clause (d) is declared but not so paid or made, the new conversion rate shall be readjusted to the conversion rate that would then be in effect if such dividend or other distribution had not been declared. If ''C'' as set forth above is equal to or greater than ''SP_0'' as set forth above, in lieu of the foregoing adjustment, each holder of Series J Preferred Stock shall receive, at the same time and upon the same terms as holders of Common Stock of the Corporation, the amount of cash that such holder would have received if such holder owned a number of shares of Common Stock equal to the applicable conversion rate in effect immediately prior to the close of business on the record date for such cash dividend or other distribution.

(e) If the Corporation or any of its subsidiaries makes a payment in respect of a tender offer or exchange offer for Common Stock of the Corporation, to the extent that the cash and value of any other consideration included in the payment per share of Common Stock of the Corporation exceeds the closing sale price of Common Stock of the Corporation 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 conversion rate shall be increased based on the following formula:

$$CR_1 = CR_0 \times \frac{AC + (SP_1 \times OS_1)}{OS_0 \times SP_1}$$

where,

CR_0 = the applicable conversion rate in effect immediately prior to the open of business on the trading day next succeeding the expiration date;

CR_1 = the applicable conversion rate in effect immediately after the open of business on the trading day next succeeding the expiration date;

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

OS_0 = the number of shares of Common Stock of the Corporation outstanding immediately prior to the time, or the ''expiration time,'' such tender or exchange offer expires (prior to giving effect to such tender offer or exchange offer);

OS_1 = the number of shares of Common Stock of the Corporation outstanding immediately after the expiration time (after giving effect to such tender offer or exchange offer); and

SP_1 = the closing sale price of Common Stock of the Corporation on the trading day next succeeding the expiration date.

The adjustment to the conversion rate under this clause (e) shall become effective immediately following the open of business on the trading day next succeeding the expiration date. If the Corporation or one of its subsidiaries is obligated to purchase Common Stock of the Corporation pursuant to any such tender or exchange offer but are permanently prevented by applicable law from effecting any such purchase or all such purchases are rescinded, the new conversion rate shall be readjusted to be the conversion rate that would be in effect if such tender or exchange offer had not been made.

As used in this Section 8, ''record date'' means, with respect to any dividend, other distribution, or other transaction or event in which the holders of Common Stock of the Corporation have the right to receive any cash, securities or other property or in which Common Stock (or other applicable security) is exchanged for or converted into any combination of cash, securities or other property, the date fixed for determination of holders of Common Stock of the Corporation entitled to receive such cash, securities or other property (whether such date is fixed by the Board of Directors or a duly authorized committee thereof, statute, contract or otherwise).

The ''ex-dividend date'' means the first date on which shares of Common Stock of the Corporation trade on the New York Stock Exchange, or on the applicable stock exchange on which Common Stock is then traded, regular way, without the right to receive the issuance, dividend or other distribution in question from us.

The term ''trading day'' means a day during which trading in Common Stock of the Corporation generally occurs on the primary exchange or quotation system on which Common Stock of the Corporation is then traded or quoted and there is no market disruption event, or, if Common Stock of the Corporation is not then so traded or quoted, on the principal other market on which Common Stock is then traded. If Common Stock of the Corporation is not so traded, ''trading day'' means a ''Business Day.''

The term ''market disruption event'' means (1) a failure by the primary exchange or quotation system on which Common Stock of the Corporation trades or is quoted to open for trading during its regular trading session or (2) the occurrence or existence, prior to 1:00 p.m., New York City time, on any trading day for Common Stock of the Corporation, of an aggregate one half-hour period of any suspension or limitation imposed on trading (by reason of movements in price exceeding limits permitted by the stock exchange or otherwise) in Common Stock of the Corporation or in any options, contracts or future contracts relating to Common Stock of the Corporation.

The ''closing sale price'' of Common Stock of the Corporation on any date means the closing sale price per share (or if no closing sale price is reported, the average of the bid and ask prices or, if more than one in either case, the average of the average bid and the average ask prices) on that date as reported in composite transactions for the primary exchange or quotation system on which Common Stock of the Corporation is then traded or quoted. If Common Stock of the Corporation is not so traded or quoted on the relevant date, the ''closing sale price'' shall be the last quoted bid price for Common

Stock of the Corporation in the over-the-counter market on the relevant date as reported by Pink OTC Markets Inc. or a similar organization. If Common Stock of the Corporation is not so quoted, the ‘‘closing sale price’’ shall be the average of the mid-point of the last bid and ask prices for Common Stock of the Corporation on the relevant date from each of at least three nationally recognized independent investment banking firms selected by the Corporation for this purpose.

As used in this Section 8, “close of business” means 5:00 p.m., New York City time.

Except as stated herein, the Corporation shall not adjust the conversion rate for the issuance of shares of Common Stock of the Corporation or any securities convertible into or exchangeable for shares of Common Stock of the Corporation or the right or warrant to purchase shares of Common Stock of the Corporation or such convertible or exchangeable securities. If, however, the application of the foregoing formulas would result in a

decrease in the conversion rate, no adjustment to the conversion rate shall be made (except on account of share combinations).

To the extent that the Corporation has a rights plan in effect upon conversion of the Series J Preferred Stock into Common Stock of the Corporation, holders shall receive, upon conversion of the Series J Preferred Stock, the rights under the rights plan, unless prior to any conversion, the rights have separated from the Common Stock of the Corporation, in which case, and only in such case, the conversion rate shall be adjusted at the time of separation as if the Corporation distributed to all or substantially all holders of Common Stock of the Corporation, shares of Capital Stock of the Corporation, evidences of indebtedness or other assets or property or rights of the Corporation, options or warrants to acquire Capital Stock or other securities of the Corporation as described in clause (c) above, subject to readjustment in the event of the expiration, termination or redemption of such rights.

The Corporation shall not make any adjustment to the conversion rate except as specifically set forth herein. Without limiting the foregoing, the applicable conversion rate shall not be adjusted:

- upon the issuance of any shares of Common Stock of the Corporation pursuant to any present or future plan providing for the reinvestment of dividends or interest payable on the Corporation’s securities and the investment of additional optional amounts in shares of Common Stock of the Corporation under any plan;
- upon the issuance of any shares of Common Stock of the Corporation or options or rights to purchase those shares pursuant to any present or future employee, director or consultant benefit plan or program or employee stock purchase plan of, or assumed by, the Corporation or any of its subsidiaries;
- upon the issuance of any shares of Common Stock of the Corporation pursuant to any option, warrant, right or exercisable, convertible or exchangeable security not described in the preceding bullet point and outstanding as of the date the Series J Preferred Stock were first issued;
- for a change in the par value of Common Stock of the Corporation;
- for accrued and unpaid interest and additional interest, if any; or
- for stock repurchase programs not constituting a tender offer under this clause (e).

Adjustments to the applicable conversion rate shall be calculated to the nearest 1/10,000th of a share. If any adjustment of the conversion rate is less than 1% of the then effective conversion rate, such adjustment shall be carried forward and adjustment with respect thereto made at the time of and together with any subsequent adjustment which, together with the original adjustment, shall aggregate at least 1% of the then effective conversion rate; provided, however, that any carry forward amount shall be paid to the holder upon conversion regardless of the 1% threshold. In the case of:

- any recapitalization, reclassification or change of Common Stock of the Corporation, other than changes resulting from a subdivision or combination;
- a consolidation, merger or combination involving the Corporation;
- a sale, conveyance or lease to a third party of all or substantially all of the Corporation and its subsidiaries’ property and assets; or
- any statutory share exchange,

in each case as a result of which holders of Common Stock of the Corporation are entitled to receive stock, other securities, other property or assets (including cash or any combination thereof), or the ‘‘reference property,’’ with respect to or in exchange for Common Stock of the Corporation, the holders of the Series J Preferred Stock then outstanding shall be entitled thereafter to convert those shares into the kind and amount of shares of stock, other securities or other property or assets (including cash or any combination thereof) which they would have owned or

been entitled to receive upon such transaction had such shares been converted into Common Stock of the Corporation immediately prior to such transaction. In the event holders of Common Stock of the Corporation have the opportunity to elect the form of consideration to be received in such transaction, the reference property shall be deemed to be the weighted average of the types and amounts of consideration received by the holders of Common Stock of the Corporation that affirmatively make such election. The Corporation shall notify the holders of the weighted average as soon as practicable after such determination is made. The Corporation shall not become a party to any such transaction unless its terms are consistent with the preceding. None of the foregoing provisions shall affect the right of a holder of Series J Preferred Stock to convert its shares into shares of Common Stock of the Corporation prior to the effective date of such transaction.

The Corporation may from time to time, to the extent permitted by law and subject to any applicable stockholder approval requirements pursuant to the listing standards of the New York Stock Exchange, increase the conversion rate of the Series J Preferred Stock by any amount for any period of at least 20 Business Days, if the Board of Directors determines that such increase would be in the best interests of the Corporation. The Corporation may also (but is not required to) make such increase in the conversion rate, in addition to those set forth above, as the Board of Directors deems advisable to avoid or diminish any income tax to holders of Common Stock of the Corporation resulting from any dividend or other distribution of stock (or rights to acquire stock) or from any event treated as such for income tax purposes. The Corporation shall give at least 15 days' written notice to holders of any such increase. The Corporation shall not take any voluntary action that would result in an adjustment to the conversion rate pursuant to this Section 8 without complying, if applicable, with the stockholder approval rules of the New York Stock Exchange and any similar rule of any stock exchange on which Common Stock of the Corporation is listed at the relevant time. In accordance with such listing standards, this restriction will apply at any time when the Series J Preferred Stock is outstanding, regardless of whether the Corporation then has a class of securities listed on the New York Stock Exchange.

(9) OWNERSHIP LIMIT; LIMITATION ON STOCK ISSUABLE UPON CONVERSION. Notwithstanding any other provision herein, no holder of shares of Series J Preferred Stock shall be entitled to convert such shares into shares of Common Stock of the Corporation to the extent that the receipt of such shares of Common Stock violates any of the restrictions on ownership and transfer of the Corporation's stock contained in the Charter, unless such person had been exempted from such limits in accordance with the Charter. Any attempted conversion of Series J Preferred Stock that results in the ownership of Common Stock of the Corporation in excess of the Ownership Limit (as defined in the Charter) in the absence of such an exemption or in violation of the other restrictions on ownership and transfer of the Corporation's stock contained in the Charter shall be void to the extent of the number of shares that would result in such excess or violation and the related shares of Series J Preferred Stock or portion thereof shall be returned to the holder as promptly as practicable. The Corporation shall have no further obligation to the holder with respect to such voided conversion and such shares will be treated as if they have not been submitted for conversion. A holder of returned shares of Series J Preferred Stock may resubmit those shares for conversion at a later date subject to compliance with the terms set forth herein and ownership limits set forth in the Charter. The foregoing limitation on the right of holders of the Series J Preferred Stock to receive Common Stock of the Corporation upon conversion of Series J Preferred Stock shall terminate if the restrictions on ownership and transfer of the Corporation's stock set forth in the Charter terminates (which, in general, will occur only if, among other things, the Board of Directors determines that it is no longer in the Corporation's best interests to continue to qualify as a real estate investment trust, or "REIT," or that compliance with those restrictions on ownership and transfer are no longer required for REIT qualification) or if the Board of Directors revokes or otherwise terminates the Corporation's election to qualify as a REIT pursuant to Section 856(g) (or any successor thereto) of the Internal Revenue Code of 1986, as amended. For the purpose of the provisions of Article IX of the Charter, the Market Price of the Series J Preferred Stock shall equal $50.00 per share, plus all accrued and unpaid dividends on the shares of Series J Preferred Stock.

(10) NO FRACTIONAL SHARES. No fractional shares of Common Stock of the Corporation or securities representing fractional shares of Common Stock of the Corporation shall be issued upon conversion of shares of the Series J Preferred Stock. Instead, the Corporation may elect to either make a cash payment to each holder that would otherwise be entitled to a fractional share or, in lieu of such cash payment, the number of shares of Common Stock of the Corporation to be issued to any particular holder upon conversion shall be rounded up to the nearest whole share.

(11) SPECIAL RIGHTS UPON A FUNDAMENTAL CHANGE.

(a) The Corporation must give notice of each Fundamental Change (as defined below) to all record holders of the Series J Preferred Stock, by the later of 20 Business Days prior to the anticipated effective date of the Fundamental Change and the first public disclosure by the Corporation of the anticipated Fundamental Change. In addition, the Corporation must give notice announcing the effective date of such Fundamental Change, or the ''Fundamental Change Effective Date,'' and certain other matters as set forth below in Section 12. If a holder converts its Series J Preferred Stock at any time beginning with the opening of business of the Fundamental Change Effective Date and ending with the close of business on the 30th trading day immediately following such Fundamental Change Effective Date, such conversion shall be deemed to be in connection with the Fundamental Change and the holder will automatically receive for each share of Series J Preferred Stock converted, the greater of:

- a number of shares of Common Stock of the Corporation (as set forth in Section 7), and subject to adjustment pursuant to Section 8 (with such adjustment or cash payment for fractional shares as the Corporation may elect pursuant to Section 10) plus (ii) the Fundamental Change Make-Whole Premium, if any, as provided in Section 12, and

- a number of shares of Common Stock of the Corporation equal to the lesser of (i) the liquidation preference divided by the Market Value of the Common Stock on the Fundamental Change Effective Date and (ii) 9.3809 (subject to adjustment).

(b) In addition to the number of shares of Common Stock of the Corporation issuable upon conversion of each share of Series J Preferred Stock at the option of the holder on any conversion date during the Fundamental Change conversion period, each converting holder shall have the right to receive an amount equal to any accrued and unpaid dividends on such converted shares of Series J Preferred Stock, whether or not declared prior to that date, for all prior dividend periods ending on or prior to the Dividend Payment Date immediately preceding (or, if applicable, ending on) the conversion date (other than previously declared dividends on its Series J Preferred Stock payable to holders of record as of a prior date), provided that the Corporation is then legally permitted to pay such dividends. The amount payable in respect of such dividends shall be paid in cash. For the purposes of this Section 11, the term ''Market Value'' means the average of the closing sale price of Common Stock of the Corporation during a 10 consecutive trading day period ending immediately prior to the date of determination.

(c) The foregoing provisions shall only be applicable with respect to conversions effected at any time beginning with the opening of business on the Fundamental Change Effective Date and ending with the close of business on the 30th trading day immediately following such Fundamental Change Effective Date.

(d) In lieu of issuing the number of shares of Common Stock of the Corporation issuable upon conversion pursuant to the foregoing provisions, the Corporation may, at its option, make a cash payment equal to the Market Value determined for the period ending on the Fundamental Change Effective Date for each such share of Common Stock otherwise issuable upon conversion. The Corporation's notice of Fundamental Change shall indicate if the Corporation will issue Common Stock of the Corporation or pay cash upon conversion and whether accrued and unpaid dividends will be paid in cash. A ''Fundamental Change'' shall be deemed to have occurred upon a Change of Control or a termination of trading, each as defined below. A ''Change of Control'' shall be deemed to have occurred at such time after the

original issuance of the Series J Preferred Stock when the following has occurred: (1) the acquisition by any person, including any syndicate or group deemed to be a ''person'' under Section 13(d)(3) of the Securities and Exchange Act of 1934, as amended, or the "Exchange Act," of beneficial ownership, directly or indirectly, through a purchase, merger or other acquisition transaction or series of transactions of shares of Capital Stock of the Corporation entitling that person to exercise 50% or more of the total voting power of all shares of the Corporation's Capital Stock entitled to vote generally in elections of directors; or

(2) any (A) recapitalization, reclassification or change of Common Stock of the Corporation (other than changes resulting from a subdivision or combination) as a result of which Common Stock of the Corporation would be converted into, or converted for, stock, other securities, other property or assets or (B) share exchange, consolidation or merger with or into any other person, or merger of another person into the Corporation, or (C) conveyance, transfer, sale, lease or other disposition of all or substantially all of the Corporation and its subsidiaries' properties and assets to another person; *provided* that any transaction pursuant to which holders of all classes of the Corporation's Capital Stock immediately prior to the transaction that is a share exchange, consolidation or merger have the entitlement to exercise, directly or indirectly, 50% or more of the total voting power of all shares of the capital stock of the continuing or surviving entity entitled to vote generally in the election of directors of the continuing or surviving entity immediately after the transaction in substantially the same proportions as such entitlement immediately prior to such transaction shall not be a Change of Control pursuant to this subclause (2).

However, a Change of Control shall not be deemed to have occurred if, in the case of a merger or consolidation, at least 90% of the consideration (excluding cash payments for fractional shares and cash payments pursuant to dissenters' appraisal rights) received or to be received in connection with such merger or consolidation constituting the Change of Control consists of common stock traded or quoted on any of the New York Stock Exchange, The NASDAQ Global Select Market or The NASDAQ Global Market (or any of their respective successors), or which shall be so traded or quoted when issued or converted in connection with such Change of Control, and as a result of such transaction or transactions, such consideration becomes the reference property for the Series J Preferred Stock.

(e) A ''termination of trading'' shall be deemed to have occurred if Common Stock of the Corporation or other Common Stock into which the Series J Preferred Stock are convertible ceases to be listed or quoted on any of the New York Stock Exchange, The NASDAQ Global Select Market or The NASDAQ Global Market (or any of their respective successors).

(f) The beneficial owner shall be determined in accordance with Rule 13d-3 promulgated by the Securities and Exchange Commission under the Exchange Act. The term ''person'' includes any syndicate or group which would be deemed to be a ''person'' under Section 13(d)(3) of the Exchange Act.

(12) FUNDAMENTAL CHANGE MAKE-WHOLE PREMIUM.

(a) Upon the ''Fundamental Change Effective Date'' of any ''Make-whole Fundamental Change,'' in certain circumstances, the Corporation shall pay a Fundamental Change make-whole premium ("Fundamental Change Make-Whole Premium") upon the conversion of the Series J Preferred Stock in connection with any such transaction by increasing the conversion rate with respect to such shares. The Fundamental Change Make-Whole Premium shall be in addition to, and not in substitution for, any cash, securities or other assets otherwise due to holders of the Series J Preferred Stock upon conversion. The Fundamental Change Make-Whole Premium shall be determined by reference to the table below and is based on the Fundamental Change Effective Date and the price, referred to as the ''stock price,'' paid, or deemed to be paid, per share of Common Stock of the Corporation in the transaction constituting the Make-whole Fundamental Change, subject to adjustment as described below. If holders of Common Stock of the Corporation receive only cash in the Make-whole Fundamental Change, the stock price shall be the cash amount paid per share. In all other cases, the stock price shall be the average closing sale price of Common Stock of the Corporation for the 10 trading days immediately prior to, but not including, the Fundamental Change Effective Date.

(b) A ''Make-whole Fundamental Change'' is any event which is a Change of Control and, if applicable, where more than 10% of the consideration (excluding cash payments for fractional shares and cash payments pursuant to dissenters' appraisal rights) received or to be received by the Corporation's shareholders in connection with such Fundamental Change consists of cash or assets

other than common stock traded or quoted on any of the New York Stock Exchange, The NASDAQ Global Select Market or The NASDAQ Global Market (or any of their respective successors).

(c) The following table shows what the Fundamental Change Make-Whole Premium would be for each hypothetical stock price and Fundamental Change Effective Date set forth below, expressed as additional shares of Common Stock of the Corporation per share of Series J Preferred Stock.

Fundamental Change Effective Date	Stock Price											
	$10.66	$11.00	$12.00	$12.79	$14.00	$15.00	$17.50	$20.00	$25.00	$30.00	$40.00	$60.00
March 18, 2013	0.7817	0.7678	0.6731	0.6116	0.5346	0.4824	0.3832	0.3130	0.2198	0.1605	0.0897	0.0271
March 15, 2014	0.7817	0.6742	0.5857	0.5289	0.4591	0.4125	0.3257	0.2656	0.1869	0.1370	0.0771	0.0232
March 15, 2015	0.7817	0.5694	0.4865	0.4347	0.3726	0.3322	0.2595	0.2110	0.1489	0.1097	0.0624	0.0187
March 15, 2016	0.7817	0.4544	0.3753	0.3279	0.2736	0.2401	0.1840	0.1489	0.1057	0.0785	0.0453	0.0137
March 15, 2017	0.7817	0.3291	0.2474	0.2022	0.1561	0.1316	0.0971	0.0786	0.0565	0.0424	0.0249	0.0077
March 15, 2018	0.7817	0.2146	0.0870	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000

(d) The actual stock price and Fundamental Change Effective Date may not be set forth on the table, in which case:

(i) if the actual stock price on the Fundamental Change Effective Date is between two stock prices on the table or the actual effective date is between two Fundamental Change Effective Dates on the table, the Fundamental Change Make-Whole Premium shall be determined by a straight-line interpolation between the Fundamental Change Make-Whole Premiums set forth for the higher and lower stock prices and the earlier and later Fundamental Change Effective Dates, as applicable, based on a 365-day year;

(ii) if the stock price on the Fundamental Change Effective Date exceeds $60.00 per share, subject to adjustment as described below, no Fundamental Change Make-Whole Premium shall be paid; and

(iii) if the stock price on the Fundamental Change Effective Date is less than $10.66 per share, subject to adjustment as described below, no Fundamental Change Make-Whole Premium shall be paid.

(e) The stock prices set forth in the first row of the table shall be adjusted as of any date on which the conversion rate of the Series J Preferred Stock is adjusted pursuant to Section 8. The adjusted stock prices shall equal the stock prices applicable immediately prior to such adjustment multiplied by a fraction, the numerator of which is the 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 number of additional shares set forth in the table above shall be adjusted in the same manner as the conversion rate as set forth in Section 8 other than by operation of an adjustment to the conversion rate by adding the Fundamental Change Make-Whole Premium as described in this Section 12.

(f) A conversion of the Series J Preferred Stock by a holder shall be deemed for these purposes to be ''in connection with'' a Make-whole Fundamental Change if the conversion notice is received by the conversion agent on or subsequent to the Fundamental Change Effective Date of the Make-whole Fundamental Change up to midnight, New York City time, of the 30th trading day following the Fundamental Change Effective Date. The Corporation shall notify holders of the Series J Preferred Stock in writing of the Fundamental Change Effective Date of any Make-whole Fundamental Change and issue a press release announcing such Fundamental Change Effective Date no later than five Business Days after such effective date.

(g) Notwithstanding the foregoing, in no event shall the conversion rate, as result of the Fundamental Change Make-Whole Premium, exceed 4.6904 shares of Common Stock per share of Series J Preferred Stock, subject to adjustments in the same manner as the conversion rate as set forth in Section 8.

(13) CALCULATIONS IN RESPECT OF THE SERIES J PREFERRED STOCK. Except as explicitly specified otherwise herein, the Corporation shall be responsible for making all calculations required in respect of the Series J Preferred Stock. These calculations include, but are not limited to, determinations of the conversion price and conversion rate applicable to the Series J Preferred Stock. The Corporation shall make all such calculations in good faith and, absent manifest error, its calculations will be final and binding on holders of the Series J Preferred Stock. The Corporation shall provide a schedule of its calculations to the transfer agent for the Series J Preferred Stock, or the "Transfer Agent," and the Transfer Agent is entitled to conclusively rely upon the accuracy of its calculations without responsibility for independent verification thereof. The Transfer Agent shall forward its calculations to any holder of Series J Preferred Stock upon written request.

SECOND: The shares of Series J Preferred Stock have been classified and designated by the Board of Directors under the authority contained in the Charter.

THIRD: These Articles Supplementary have been approved by the Board of Directors in the manner and by the vote required by law.

FOURTH: The undersigned acknowledges these Articles Supplementary to be the corporate act of the Corporation and, as to all matters or facts required to be verified under oath, the undersigned acknowledges that, to the best of his knowledge, information and belief, these matters and facts are true in all material respects and that this statement is made under the penalties of perjury.

[Signature Page Follows]

IN WITNESS WHEREOF, the Corporation has caused these Articles Supplementary to be signed in its name and on its behalf by its Chairman and Chief Executive Officer and attested to by its Secretary on this 15th day of March, 2013.

ATTEST:	iSTAR FINANCIAL INC.:
By: /s/ Geoffrey Dugan	By: /s/ Jay Sugarman
Name: Geoffrey Dugan	Name: Jay Sugarman
Title: Secretary	Title: Chairman and Chief Executive Officer

Exhibit 5.1

CLIFFORD CHANCE US LLP

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March 18, 2013

iStar Financial Inc.
1114 Avenue of the Americas, 39th Floor
New York, New York 10036

Ladies and Gentlemen:

We have acted as counsel to iStar Financial Inc., a Maryland corporation (the "**Company**"), in connection with a registration statement on Form S-3 (File No. 333-181470), as amended (the "**Registration Statement**"), filed by the Company with the Securities and Exchange Commission (the "**Commission**") under the Securities Act of 1933, as amended (the "**Securities Act**"). We are furnishing this letter to you in connection with the offer and sale by the Company of 4,000,000 shares of its 4.50% Series J Cumulative Convertible Perpetual Preferred Stock, liquidation preference $50.00 per share (the "**Securities**") pursuant to an Underwriting Agreement, dated March 12, 2013 (the "**Underwriting Agreement**"), by and among the Company and Barclays Capital Inc. and the other several underwriters named therein.

In rendering the opinions expressed below, we have examined and relied upon originals or copies, certified or otherwise identified to our satisfaction, of certain resolutions of the board of directors of the Company (the "**Board of Directors**") and of a pricing committee of the Board of Directors (the "**Pricing Committee**") relating to the transactions contemplated by the Underwriting Agreement and other related matters. As to factual matters relevant to the opinion set forth below, we have relied upon certificates of officers of the Company and public officials and representations and warranties of the parties set forth in the Underwriting Agreement.

Based on, and subject to, the foregoing, the qualifications and assumptions set forth herein and such other examination of law as we have deemed necessary, we are of the opinion that (i) following the issuance and delivery of the Securities pursuant to the terms of the Underwriting Agreement and receipt by the Company of the consideration for the Securities specified in the resolutions of the Board of Directors and the Pricing Committee, the Securities will be validly issued, fully paid and nonassessable and (ii) the issuance of the shares of the Company's common stock, $.001 par value per share, into which the Securities are convertible (the "**Conversion Shares**") upon conversion of the Securities pursuant to the terms of the Articles Supplementary designating the rights and preferences of the Securities (the "**Articles Supplementary**") have been duly authorized by all necessary corporate action on the part of the Company and, if and when issued and delivered by the Company pursuant to the terms of the Articles Supplementary upon conversion of the Securities, the Conversion Shares will be validly issued, fully paid and nonassessable.

The opinions set forth in this letter relate only to the Federal laws of the United States, the laws of the State of New York and the Maryland General Corporation Law. We express no opinion as to the laws of

another jurisdiction and we assume no responsibility for the applicability, or effect of the law of any other jurisdiction.

We consent to the filing of this opinion as Exhibit 5.1 to a Current Report on Form 8-K that shall be incorporated by reference into the Registration Statement and to the reference to us under the caption "Legal Matters" in the prospectus supplement which is a part of the Registration Statement. In giving this consent, we do not concede that we are within the category of persons whose consent is required under the Securities Act or the rules and regulations of the Commission promulgated thereunder.

Very truly yours,

/s/ Clifford Chance US LLP