

REGISTRATION NO.

SECURITIES AND EXCHANGE COMMISSION

FORM S-3  
REGISTRATION STATEMENT  
UNDER  
THE SECURITIES ACT OF 1933

OMEGA HEALTHCARE INVESTORS, INC.  
(EXACT NAME OF REGISTRANT AS SPECIFIED IN ITS CHARTER)

<TABLE>

<p>&lt;S&gt;</p> <p>MARYLAND (STATE OR OTHER JURISDICTION OF INCORPORATION OR ORGANIZATION) 905 WEST EISENHOWER CIRCLE, SUITE 110 ANN ARBOR, MICHIGAN 48103 (313) 747-9791 (ADDRESS, INCLUDING ZIP CODE, AND TELEPHONE NUMBER, INCLUDING AREA CODE, OF REGISTRANT'S PRINCIPAL EXECUTIVE OFFICES)</p>	<p>&lt;C&gt;</p> <p>38-3041398 (I.R.S. EMPLOYER IDENTIFICATION NO.) ESSEL W. BAILEY, JR. 905 WEST EISENHOWER CIRCLE, SUITE 110 ANN ARBOR, MICHIGAN 48103 (313) 747-9790 (NAME, ADDRESS, INCLUDING ZIP CODE, AND TELEPHONE NUMBER, INCLUDING AREA CODE, OF AGENT FOR SERVICE)</p>
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</TABLE>

COPIES OF COMMUNICATIONS TO:

DON M. PEARSON, ESQ.  
WILLIAM A. JONES, ESQ.  
ARGUE PEARSON HARBISON & MYERS, LLP  
801 SOUTH FLOWER STREET  
LOS ANGELES, CALIFORNIA 90017  
(213) 622-3100

PURSUANT TO RULE 429, THIS REGISTRATION STATEMENT  
ALSO UPDATES REGISTRATION STATEMENT FILE NO. 3373532

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

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

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

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

If delivery of the prospectus is expected to be made pursuant to Rule 4334, please check the following box. [ ]

THE REGISTRANT HEREBY AMENDS THIS REGISTRATION STATEMENT ON SUCH DATE OR DATES AS MAY BE NECESSARY TO DELAY ITS EFFECTIVE DATE UNTIL THE REGISTRANT SHALL FILE A FURTHER AMENDMENT WHICH SPECIFICALLY STATES THAT THIS REGISTRATION STATEMENT SHALL THEREAFTER BECOME EFFECTIVE IN ACCORDANCE WITH SECTION 8(A) OF THE SECURITIES ACT OF 1933 OR UNTIL THIS REGISTRATION STATEMENT SHALL BECOME EFFECTIVE ON SUCH DATE AS THE COMMISSION, ACTING PURSUANT TO SAID SECTION 8(A), MAY DETERMINE.

CALCULATION OF REGISTRATION FEES

TITLE OF EACH CLASS OF SECURITIES TO BE REGISTERED	AMOUNT TO BE REGISTERED(1)	PROPOSED MAXIMUM OFFERING PRICE PER UNIT(2)	PROPOSED MAXIMUM AGGREGATE OFFERING PRICE(2)	AMOUNT OF REGISTRATION FEE
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<S>	<C>	<C>	<C>	<C>
Common Stock (par value \$0.10 per share)....	(1) (2)	(3)	(1) (2) (3)	NA
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Preferred Stock (par value \$1.00 per share).....	(1) (4)	(3)	(1) (3) (4)	NA
-----				
Debt Securities.....	(1) (5)	(3)	(1) (5)	NA
-----				
Securities Warrants.....	(1) (6)	(3)	(1) (3) (6)	NA
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Total.....	\$150,000,000		\$150,000,000	\$45,455

</TABLE>

(1) In no event will the aggregate maximum offering price of all securities issued pursuant to this Registration Statement exceed \$150,000,000 or, if any Debt Securities are issued with original issue discount, such greater  
(Cover page continued on next page)

amount as shall result in an aggregate offering price of \$150,000,000. Any securities registered hereunder may be sold separately or as units with other securities registered hereunder. In addition to the \$150,000,000 aggregate maximum offering price of all Securities being registered hereby, the Prospectus contained herein also updates and relates to, pursuant to Rule 429, \$1,750,000 aggregate maximum offering price of securities registered in Registration Statement File No. 33-73532, with respect to which a filing fee of \$6703.45 was paid, in connection with the filing of that Registration Statement.

- (2) Subject to Footnote (1), there is being registered hereunder an indeterminate number of shares of Common Stock as may be sold, from time to time, by the Registrant. There is also being registered hereunder an indeterminate number of shares of Common Stock as shall be issuable upon conversion of the Preferred Stock or Debt Securities or exercise of Securities Warrants registered hereby.
- (3) The proposed maximum offering price per unit will be determined, from time to time, by the Registrant in connection with the issuance by the Registrant of the securities registered hereunder.
- (4) Subject to Footnote (1), there is being registered hereunder an indeterminate number of shares of Preferred Stock (par value of \$1.00 per share) as may be sold, from time to time, by the Registrant. There is also being registered hereunder an indeterminate number of shares of Preferred Stock as shall be issuable upon conversion of Debt Securities or exercise of Securities Warrants registered hereby.
- (5) Subject to Footnote (1), there is being registered hereunder an indeterminate principal amount of Debt Securities.
- (6) Subject to Footnote (1), there is being registered hereunder an indeterminate number of Common Stock Warrants, Preferred Stock Warrants, and Debt Securities Warrants representing rights to purchase Common Stock, Preferred Stock, and Debt Securities, respectively, registered pursuant to this Registration Statement.
- (7) Calculated pursuant to Rule 457(o) of the rules and regulations under the Securities Act of 1933, as amended.

OMEGA HEALTHCARE INVESTORS, INC.

Cross Reference Sheet showing location in Prospectus of Information Required by Form S-3.

<TABLE>

<CAPTION>

<C>	<S>	REGISTRATION STATEMENT ITEM	LOCATION IN PROSPECTUS
		-----	-----
1		Forepart of Registration Statement and Outside Front Cover Page of Prospectus.....	Outside Front Cover of Prospectus
2		Inside Front and Outside Back Cover Pages of Prospectus.....	Available Information; Documents Incorporated by Reference; Outside Back Cover of Prospectus
3		Summary Information, Risk Factors and Ratio of Earnings to Fixed Charges.....	The Company; Ratios of Earnings to Fixed Charges
4		Use of Proceeds.....	Use of Proceeds

5	Determination of Offering Price.....	Inapplicable
6	Dilution.....	Inapplicable
7	Selling Security Holders.....	Inapplicable
8	Plan of Distribution.....	Plan of Distribution
9	Description of Securities to be Registered.....	Description of Securities -- Common Stock, Preferred Stock, Debt Securities, Securities Warranties
10	Interest of Named Experts and Counsel.....	Legal Matters
11	Material Changes.....	The Company
12	Incorporation of Certain Information by Reference.....	Documents Incorporated by Reference
13	Disclosure of Commission Position on Indemnification for Securities Act Liabilities.....	Inapplicable

</TABLE>

PROSPECTUS

OMEGA HEALTHCARE INVESTORS, INC.

COMMON STOCK, PREFERRED STOCK,  
DEBT SECURITIES AND SECURITIES WARRANTS

Omega Healthcare Investors, Inc. (the "Company") may from time to time offer in one or more series (i) shares of its common stock, par value \$.10 per share (the "Common Stock"); (ii) shares of its preferred stock, par value \$1.00 per share (the "Preferred Stock"); (iii) its unsecured debt securities (the "Debt Securities"); or (iv) warrants to purchase Common Stock (the "Common Stock Warrants"), warrants to purchase Debt Securities (the "Debt Securities Warrants"), and warrants to purchase Preferred Stock (the "Preferred Stock Warrants"), with an aggregate public offering price of up to \$150,000,000, on terms to be determined at the time of offering. The Common Stock Warrants, the Debt Securities Warrants and the Preferred Stock Warrants shall be referred to herein collectively as the "Securities Warrants." The Common Stock, Preferred Stock, Debt Securities, and Securities Warrants (collectively, the "Securities") may be offered, separately or together, in separate series amounts, at prices and on terms to be set forth in a supplement to this Prospectus (a "Prospectus Supplement").

(continued on next page)

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THESE SECURITIES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION NOR HAS THE COMMISSION OR ANY STATE SECURITIES COMMISSION PASSED UPON THE ACCURACY OR ADEQUACY OF THIS PROSPECTUS. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

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THE ATTORNEY GENERAL OF THE STATE OF NEW YORK HAS NOT PASSED ON OR ENDORSED THE MERITS OF THIS OFFERING. ANY REPRESENTATION TO THE CONTRARY IS UNLAWFUL.

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THIS PROSPECTUS MAY NOT BE USED TO CONSUMMATE SALES OF SECURITIES UNLESS ACCOMPANIED BY A PROSPECTUS SUPPLEMENT.

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THE DATE OF THIS PROSPECTUS IS JANUARY 31, 1997

The terms of the Preferred Stock, including specific designation and stated value per share, any dividend, liquidation, redemption, conversion, voting and other rights, and all other specific terms of the Preferred Stock will be set forth in the applicable Prospectus Supplement. In the case of the Debt Securities, the specific title, aggregate principal amount, form (which may be registered or bearer, or certified or global), maturity, rate (or manner of calculation thereof) and time of payment of interest, terms for redemption at the option of the Company or repayment at the option of the Holder, any sinking fund provisions and any conversion provisions will be set forth in the applicable Prospectus Supplement. In the case of the Securities Warrants, the duration, offering price, exercise price and detachability, if applicable, will be set forth in the applicable Prospectus Supplement. In addition, such specific terms may include limitations on direct or beneficial ownership and restrictions on transfer of the Securities or redemption or conversion terms, in each case as may be appropriate to preserve the status of the Company as a real estate investment trust ("REIT") for United States federal income tax purposes. The applicable Prospectus Supplement will also contain information, where applicable, about certain United States federal income tax considerations relating to, and any listing on a securities exchange of, the Offered Securities covered by such Prospectus Supplement.

In the case of Securities Warrants, the duration, offering price, exercise price and detachability, if applicable, will be set forth in the applicable Prospectus Supplement. In addition, such specific terms may include limitations on direct or beneficial ownership and restrictions on transfer of the

Securities, in each case as may be appropriate to preserve the status of the Company as a real estate investment trust ("REIT") for United States federal income tax purposes. The applicable Prospectus Supplement will also contain information, where applicable, about certain United States federal income tax considerations relating to, and any listing on a securities exchange of, the Securities covered by such Prospectus Supplement.

Securities may be offered directly, through agents designated from time to time by the Company, or to or through underwriters or dealers. If any agents or underwriters are involved in the sale of any of the Securities, their names, and any applicable purchase price, fee, commission or discount arrangement between or among them, will be set forth, or will be calculable from the information set forth, in the applicable Prospectus Supplement. See "Plan of Distribution." No Securities may be sold without delivery of the applicable Prospectus Supplement describing the method and terms of the offering of such series of Securities. The net proceeds to the Company from the sale of any of the Securities will be set forth in the applicable Prospectus Supplement.

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#### AVAILABLE INFORMATION

The Company is subject to the informational requirements of the Securities Exchange Act of 1934 and in accordance therewith, files reports, proxy statements and other information with the Securities and Exchange Commission (the "Commission"). Such reports, proxy statements and other information can be inspected and copied at the public reference facilities maintained by the Commission in Washington, D.C. (Judiciary Plaza, 450 Fifth Street, N.W., Washington, D.C. 20549), and at the Commission's Regional Offices in Chicago (500 West Madison Street, Suite 1400, Chicago, Illinois 60665) and New York City (7 World Trade Center, 13th Floor, New York, New York 10048). Copies of such material can be obtained from the Commission's Public Reference Section, 450 Fifth Street, N.W., Washington, D.C. 20549 at prescribed rates. The common stock of the Company is listed on the New York Stock Exchange and reports, proxy statements and other information concerning Omega Healthcare Investors, Inc. can be inspected at 20 Broad Street, New York, New York. The Company has filed with the Commission a Registration Statement on Form S-3 with respect to the securities offered hereby. This Prospectus and any accompanying Prospectus Supplement do not contain all information set forth in the Registration Statement, in accordance with the rules and regulations of the Commission, and exhibits thereto which the Company has filed with the Commission under the Securities Act of 1933 and to which reference is hereto made.

#### DOCUMENTS INCORPORATED BY REFERENCE

The following documents previously filed with the Commission are incorporated in this Prospectus by reference:

- Annual Report of the Company on Form 10-K for the year ended December 31, 1995;
- Quarterly Reports of the Company on Form 10-Q for the quarters ended March 31, 1996, June 30, 1996, and September 30, 1996;
- Current Reports of the Company on Form 8-K dated June 10, 1996, and January 19, 1996; and
- The description of the Company's Common Stock, \$.10 par value, contained in its Initial Registration Statement on Form 8-A, filed under Section 12 of the Securities Exchange Act of 1934, and declared effective by the Commission on August 7, 1992.

All documents filed by Omega Healthcare Investors, Inc. pursuant to Section 13(a), 13(c), 14 or 15(d) of the Securities Exchange Act of 1934 subsequent to the date hereof and prior to the termination of the offering made hereby shall be deemed to be incorporated by reference into this Prospectus and to be a part hereof from the date of filing such documents. All information appearing in this Prospectus is qualified in its entirety by the detailed information and financial statements (including the notes thereto) appearing in the documents incorporated by reference. Any statement contained in a document incorporated or deemed to be incorporated by reference herein shall be deemed to be modified or superseded for purposes of this Prospectus to the extent that a statement contained herein or in any other subsequently filed document which also is or is deemed to be incorporated by reference herein modifies or supersedes such statement. Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Prospectus.

Omega Healthcare Investors, Inc. will provide without charge to each person to whom this Prospectus is delivered, on written or oral request of such person, a copy (without exhibits other than exhibits specifically incorporated by reference therein) of any or all documents incorporated by reference into this Prospectus within the meaning of Section 10(a) of the Securities Act of 1933. Requests for such copies should be directed to Essel W. Bailey, Jr., President and Secretary of the Company, at the Company's principal executive offices at 905 West Eisenhower Circle, Suite 110, Ann Arbor, Michigan 48103, telephone

IN CONNECTION WITH THIS OFFERING, THE UNDERWRITERS MAY OVER-ALLOT OR EFFECT TRANSACTIONS WHICH STABILIZE OR MAINTAIN THE MARKET PRICE OF THE SHARES OF THE COMPANY AT LEVELS ABOVE THOSE WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH TRANSACTIONS MAY BE EFFECTED ON THE NEW YORK STOCK EXCHANGE OR OTHERWISE. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

#### THE COMPANY

Omega Healthcare Investors, Inc. (the "Company") was incorporated in the State of Maryland on March 31, 1992. It is a self administered real estate investment trust ("REIT") which invests in income producing healthcare facilities, principally long-term care facilities located primarily in the United States.

As of December 31, 1996, the Company's portfolio of domestic investments consisted of 214 long-term care facilities and 3 medical office buildings. The Company owns and leases 132 long-term care facilities and 3 medical office buildings, and provides mortgages, including participating and convertible mortgages, on 82 long-term care facilities. The facilities are located in 24 states and operated by 34 unaffiliated operators. The Company is also an owner of and provides management/advisory services to Principal Healthcare Finance Limited which owns and leases 42 nursing homes in the United Kingdom. The Company's gross investments at December 31, 1996 totaled \$643.3 million.

The Company anticipates providing lease or mortgage financing in the future for healthcare facilities to qualified operators, and also anticipates acquiring additional healthcare facility types, including assisted living and acute care facilities.

The investment objectives of the Company are: To pay regular cash dividends to shareholders; to provide the opportunity for increased dividends from annual increases in rental and interest income from revenue participations and from portfolio growth; to preserve and protect shareholders' capital; and to provide the opportunity to realize capital growth resulting from appreciation.

The Company intends to make and manage its investments (including the sale or disposition of property or other investments) in such a manner as to be consistent with the requirements of the Code (or regulations thereunder) to qualify as a real estate investment trust ("REIT"), unless, because of changes in circumstances or changes in the Code (or regulations thereunder), the Board of Directors determines that it is no longer in the best interests of the Company to qualify as a REIT.

The executive offices of the Company are located at 905 West Eisenhower Circle, Suite 110, Ann Arbor, Michigan 48103. Its telephone number is (313) 747-9790.

#### INVESTMENT STRATEGIES AND POLICIES

The Company maintains a diversified portfolio of income-producing health care facilities or mortgages thereon, with a primary focus on long-term care facilities located primarily in the United States. In evaluating potential investments, the Company considers such factors as: (i) the quality and experience of management and the creditworthiness of the operator of the facility; (ii) the facility's historical, current and forecasted cash flow and its adequacy to meet operational needs, capital expenditures and lease or debt service obligations, while providing a competitive return on investment to the Company; (iii) the construction quality, condition and design of the facility; (iv) the geographic area and type of facility; (v) the tax, growth, regulatory and reimbursement environment of the community in which the facility is located; (vi) the occupancy and demand for similar health care facilities in the same or nearby communities; and (vii) the payor mix of private, Medicare and Medicaid patients.

In making investments, the Company generally seeks established, creditworthy, "middle market" health care operators which meet the Company's standards for quality and experience of management. Although the Company has emphasized long-term care investments, it will diversify prudently into other types of health care investments. The Company actively seeks to diversify its investments in terms of geographic location, operators and facility types.

A fundamental investment strategy of the Company is to obtain contractual rent escalations under long-term, non-cancelable "triple net" leases and revenue participations through participating mortgage loans, and to obtain substantial security deposits. The Company may participate in mortgage loans through ownership of collateralized mortgage obligations or other securitization of mortgages.

The Company may determine to finance acquisitions through the exchange of properties or the issuance of shares of its capital stock to others, if such transactions otherwise satisfy the Company's investment criteria.

The Company also has authority to repurchase or otherwise reacquire its Common Stock or any other securities and may determine to do so in the future.

To the extent that the Company's Board of Directors determines to obtain additional capital, the Company may raise such capital through additional equity offerings, debt financings or retention of cash flow (subject to provisions of the Internal Revenue Code of 1986, as amended concerning the taxability of undistributed income of "real estate investment trusts"), or a combination of these methods.

The Bylaws of the Company permit the Board of Directors, without the approval of the shareholders, to alter the Company's investment policies if they determine in the future that such a change is in the best interests of the Company and its shareholders. The methods of implementing the Company's investment policies may vary as new investments and financing techniques are developed or otherwise employed.

#### BORROWING POLICIES

The Company may incur additional indebtedness, and intends to eventually attain and then maintain a long-term debt-to-capitalization ratio of approximately 40%. The Company intends to review periodically its policy with respect to its debt-to-capitalization ratio and to adapt such policy as its management deems prudent in light of prevailing market conditions. The Company's strategy generally has been to match the maturity of its indebtedness with the maturity of its assets, and to employ long term, fixed rate debt to the extent practicable.

The Company will use the proceeds of any additional indebtedness to provide permanent financing for investments in additional health care facilities. The Company may obtain either secured or unsecured indebtedness, which may be convertible into capital stock or accompanied by warrants to purchase capital stock. Where debt financing is present on terms deemed favorable, the Company may invest in properties subject to existing loans, secured by mortgages, deeds of trust or similar liens on the properties.

#### RATIO OF EARNINGS TO FIXED CHARGES

The ratio of earnings to fixed charges are as follows:

<TABLE>  
<CAPTION>

	AUGUST 14, 1992 (INCEPTION) TO DECEMBER 31, 1992 (1)	YEAR ENDED DECEMBER 31,			
	-----	1993	1994	1995	1996
	-----	-----	-----	-----	-----
<S>	<C>	<C>	<C>	<C>	<C>
Ratio of Earnings to Fixed Charges(2).....	15.45x	3.51x	2.69x	2.92x	2.67x

</TABLE>

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(1) Operations of the Company commenced on August 14, 1992.

(2) For purposes of calculating the ratio of earnings to fixed charges, net earnings (before extraordinary charge from prepayment of debt in 1995) has been added to fixed charges and that sum has been divided by such fixed charges. Fixed charges consist of interest expense and amortization of deferred financing costs.

#### USE OF PROCEEDS

Unless otherwise specified in the Prospectus Supplement which accompanies this Prospectus, the net proceeds from the sale of the Securities offered from time to time hereby will be used for the repayment of short term bank lines of credit and general corporate purposes, including additional investments in health care properties.

#### DESCRIPTION OF SECURITIES

The Company may offer under this Prospectus one or more of the following categories of its Securities: (i) shares of its Common Stock, par value \$0.10 per share; (ii) shares of its Preferred Stock, par value \$1.00 per share, in one or more series; (iii) Debt Securities, in one or more series; (iv) Common Stock Warrants;

(v) Preferred Stock Warrants; (vi) Debt Warrants; and (vii) any combination of the foregoing, either individually or as units consisting of one or more of the types of Securities described in clauses (i) through (vi). The terms of any

specific offering of Securities, including the terms of any units offered, will be set forth in a Prospectus Supplement relating to such offering.

The authorized capital stock of the Company currently consists of 50,000,000 shares of Common Stock, par value \$0.10 per share, and 10,000,000 shares of Preferred Stock, par value \$1.00 per share. As of December 31, 1996, the Company had 18,175,268 shares of its Common Stock issued and outstanding. The Common Stock is listed on the New York Stock Exchange. The Company intends to list any additional shares of its Common Stock which are issued and sold hereunder. No shares of the Company's Preferred Stock are outstanding. The Company may list any Preferred Stock which is offered and sold hereunder, as described in the Prospectus Supplement relating to such Preferred Stock.

#### COMMON STOCK

All shares of Common Stock participate equally in dividends payable to stockholders of Common Stock when and as declared by the Board of Directors and in net assets available for distribution to stockholders of Common Stock on liquidation or dissolution, have one vote per share on all matters submitted to a vote of the stockholders and do not have cumulative voting rights in the election of directors. All issued and outstanding shares of Common Stock are, and the Common Stock offered hereby will be upon issuance, validly issued, fully paid and nonassessable. Holders of the Common Stock do not have preference, conversion, exchange or preemptive rights. The Common Stock is listed on the New York Stock Exchange (NYSE Symbol "OHI").

#### REDEMPTION AND BUSINESS COMBINATION PROVISIONS

If the Board of Directors shall, at any time and in good faith, be of the opinion that direct or indirect ownership of at least 9.9% or more of the voting shares of capital stock has or may become concentrated in the hands of one beneficial owner, the Board of Directors shall have the power (i) by lot or other means deemed equitable by it to call for the purchase from any stockholder of the Company a number of voting shares sufficient, in the opinion of the Board of Directors, to maintain or bring the direct or indirect ownership of voting shares of capital stock of such beneficial owner to a level of no more than 9.9% of the outstanding voting shares of the Company's capital stock, and (ii) to refuse to transfer or issue voting shares of capital stock to any person whose acquisition of such voting shares would, in the opinion of the Board of Directors, result in the direct or indirect ownership by that person of more than 9.9% of the outstanding voting shares of capital stock of the Company. Further, any transfer of shares, options, warrants, or other securities convertible into voting shares that would create a beneficial owner of more than 9.9% of the outstanding voting shares shall be deemed void ab initio and the intended transferee shall be deemed never to have had an interest therein. The purchase price for any voting shares of capital stock so redeemed shall be equal to the fair market value of the shares reflected in the closing sales prices for the shares, if then listed on a national securities exchange, or the average of the closing sales prices for the shares if then listed on more than one national securities exchange, or if the shares are not then listed on a national securities exchange, the latest bid quotation for the shares if then traded over-the-counter, on the last business day immediately preceding the day on which notices of such acquisitions are sent by the Company, or, if no such closing sales prices or quotations are available, then the purchase price shall be equal to the net asset value of such stock as determined by the Board of Directors in accordance with the provisions of applicable law. From and after the date fixed for purchase by the Board of Directors, the holder of any shares so called for purchase shall cease to be entitled to distributions, voting rights and other benefits with respect to such shares, except the right to payment of the purchase price for the shares.

The Articles of Incorporation require that, except in certain circumstances, Business Combinations (as defined) between the Company and a beneficial holder of 10% or more of the Company's outstanding voting stock (a "Related Person") be approved by the affirmative vote of at least 90% of the outstanding voting shares of the Company.

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A Business Combination is defined in the Articles of Incorporation as (a) any merger or consolidation of the Company with or into a Related Person, (b) any sale, lease, exchange, transfer or other disposition, including without limitation a mortgage or any other security device, of all or any "Substantial Part" (as defined) of the assets of the Company (including without limitation any voting securities of a subsidiary) to a Related Person, (c) any merger or consolidation of a Related Person with or into the Company, (d) any sale, lease, exchange, transfer or other disposition of all or any Substantial Part of the assets of a Related Person to the Company, (e) the issuance of any securities (other than by way of pro rata distribution to all stockholders) of the Company to a Related Person, and (f) any agreement, contract or other arrangement providing for any of the transactions described in the definition of Business Combination. The term "Substantial Part" shall mean more than 10% of the book value of the total assets of the Company as of the end of its most recent fiscal year ending prior to the time the determination is being made.

Pursuant to the Articles of Incorporation, the Company's Board of Directors is classified into three classes. Each class of directors serves for a term of three years, with one class being elected each year. As of the date of this Prospectus, there are seven directors, two in each of two classes of directors, and three in one class.

The foregoing provisions of the Articles of Incorporation and certain other matters may not be amended without the affirmative vote of at least 90% of the outstanding voting shares of the Company.

The foregoing provisions may have the effect of discouraging unilateral tender offers or other takeover proposals which certain stockholders might deem in their interests or in which they might receive a substantial premium. The Board of Directors' authority to issue and establish the terms of currently authorized Preferred Stock, without stockholder approval, may also have the effect of discouraging takeover attempts. See "Preferred Stock." The provisions could also have the effect of insulating current management against the possibility of removal and could, by possibly reducing temporary fluctuations in market price caused by accumulation of shares, deprive stockholders of opportunities to sell at a temporarily higher market price. However, the Board of Directors believes that inclusion of the Business Combination provisions in the Articles of Incorporation may help assure fair treatment of stockholders and preserve the assets of the Company.

The foregoing summary of certain provisions of the Articles of Incorporation does not purport to be complete or to give effect to provisions of statutory or common law. The foregoing summary is subject to, and qualified in its entirety by reference to, the provisions of applicable law and the Articles of Incorporation, a copy of which is incorporated by reference as an exhibit to the Registration Statement of which this Prospectus is a part.

#### TRANSFER AGENT AND REGISTRAR

First Chicago Trust Company of New York is the transfer agent and registrar of the Common Stock.

#### PREFERRED STOCK

The following description of the terms of the Preferred Stock sets forth certain general terms and provisions of the Preferred Stock to which any Prospectus Supplement may relate. Certain other terms of any series of the Preferred Stock offered by any Prospectus Supplement will be described in such Prospectus Supplement. The description of certain provisions of the Preferred Stock set forth below and in any Prospectus Supplement does not purport to be complete and is subject to and qualified in its entirety by reference to the Company's Articles of Incorporation (the "Articles of Incorporation"), and the Board of Directors' resolution or articles supplementary (the "Articles Supplementary") relating to each series of the Preferred Stock which will be filed with the Commission and incorporated by reference as an exhibit to the Registration Statement of which this Prospectus is a part at or prior to the time of the issuance of such series of the Preferred Stock.

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#### GENERAL

The authorized capital stock of the Company consists of 50,000,000 shares of Common Stock, \$0.10 par value per share, and 10,000,000 shares of preferred stock, \$1.00 par value per share ("preferred stock of the Company," which term, as used herein, includes the Preferred Stock offered hereby).

Under the Articles of Incorporation, the Board of Directors of the Company is authorized without further stockholder action to provide for the issuance of up to 10,000,000 shares of preferred stock of the Company, in one or more series, with such designations, preferences, powers and relative participating, optional or other special rights and qualifications, limitations or restrictions thereon, including, but not limited to, dividend rights, dividend rate or rates, conversion rights, voting rights, rights and terms of redemption (including sinking fund provisions), the redemption price or prices, and the liquidation preferences as shall be stated in the resolution providing for the issue of a series of such stock, adopted, at any time or from time to time, by the Board of Directors of the Company.

The Preferred Stock shall have the dividend, liquidation, redemption and voting rights set forth below unless otherwise provided in a Prospectus Supplement relating to a particular series of the Preferred Stock. Reference is made to the Prospectus Supplement relating to the particular series of the Preferred Stock offered thereby for specific terms, including: (i) the designation and stated value per share of such Preferred Stock and the number of shares offered; (ii) the amount of liquidation preference per share; (iii) the initial public offering price at which such Preferred Stock will be issued; (iv) the dividend rate (or method of calculation), the dates on which dividends shall be payable and the dates from which dividends shall commence to cumulate, if any; (v) any redemption or sinking fund provisions; (vi) any conversion rights; (vii) any additional voting, dividend, liquidation, redemption, sinking fund and



other rights, preferences, privileges, limitations and restrictions.

The Preferred Stock will, when issued, be fully paid and nonassessable and will have no preemptive rights. Unless otherwise stated in a Prospectus Supplement relating to a particular series of the Preferred Stock, each series of the Preferred Stock will rank on a parity as to dividends and distributions of assets with each other series of the Preferred Stock. The rights of the holders of each series of the Preferred Stock will be subordinate to those of the Company's general creditors.

#### CERTAIN PROVISIONS OF THE ARTICLES OF INCORPORATION

See "Common Stock -- Redemption and Business Combination Provisions" for a description of certain provisions of the Articles of Incorporation, including provisions relating to redemption rights and provisions which may have certain anti-takeover effects.

#### DIVIDEND RIGHTS

Holders of the Preferred Stock of each series will be entitled to receive, when, as and if declared by the Board of Directors of the Company, out of funds of the Company legally available therefor, cash dividends on such dates and at such rates as will be set forth in, or as are determined by, the method described in the Prospectus Supplement relating to such series of the Preferred Stock. Such rate may be fixed or variable or both. Each such dividend will be payable to the holders of record as they appear on the stock books of the Company on such record dates, fixed by the Board of Directors of the Company, as specified in the Prospectus Supplement relating to such series of Preferred Stock.

Dividends on any series of Preferred Stock may be cumulative or noncumulative, as provided in the applicable Prospectus Supplement. If the Board of Directors of the Company fails to declare a dividend payable on a dividend payment date on any series of Preferred Stock for which dividends are noncumulative, then the holders of such series of Preferred Stock will have no right to receive a dividend in respect of the dividend period ending on such dividend payment date, and the Company shall have no obligation to pay the dividend accrued for such period, whether or not dividends on such series are declared payable on any future dividend payment dates. Dividends on the shares of each series of Preferred Stock for which dividends are cumulative will accrue from the date on which the Company initially issues shares of such series.

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So long as the shares of any series of the Preferred Stock shall be outstanding, unless (i) full dividends (including if such Preferred Stock is cumulative, dividends for prior dividend periods) shall have been paid or declared and set apart for payment on all outstanding shares of the Preferred Stock of such series and all other classes and series of preferred stock of the Company (other than Junior Stock as defined below) and (ii) the Company is not in default or in arrears with respect to the mandatory or optional redemption or mandatory repurchase or other mandatory retirement of, or with respect to any sinking or other analogous fund for, any shares of Preferred Stock of such series or any shares of any other preferred stock of the Company of any class or series (other than Junior Stock), the Company may not declare any dividends on any shares of Common Stock of the Company or any other stock of the Company ranking as to dividends or distributions of assets junior to such series of Preferred Stock (the Common Stock and any such other stock being herein referred to as "Junior Stock"), or make any payment on account of, or set apart money for, the purchase, redemption or other retirement of, or for a sinking or other analogous fund for, any shares of Junior Stock or make any distribution in respect thereof, whether in cash or property or in obligations or stock of the Company, other than Junior Stock which is neither convertible into, nor exchangeable or exercisable for, any securities of the Company other than Junior Stock.

#### LIQUIDATION PREFERENCE

In the event of any liquidation, dissolution or winding up of the Company, voluntary or involuntary, the holders of each series of the Preferred Stock will be entitled to receive out of the assets of the Company available for distribution to stockholders, before any distribution of assets is made to the holders of Common Stock or any other shares of stock of the Company ranking junior as to such distribution to such series of Preferred Stock, the amount set forth in the Prospectus Supplement relating to such series of the Preferred Stock. If, upon any voluntary or involuntary liquidation, dissolution or winding up of the Company, the amounts payable with respect to the Preferred Stock of any series and any other shares of preferred stock of the Company (including any other series of the Preferred Stock) ranking as to any such distribution on a parity with such series of the Preferred Stock are not paid in full, the holders of the Preferred Stock of such series and of such other shares of preferred stock of the Company will share ratably in any such distribution of assets of the Company in proportion to the full respective preferential amounts to which they are entitled. After payment of the holders of the Preferred Stock of each series of the full preferential amounts of the liquidating distribution to which

they are entitled, the holders of each such series of the Preferred Stock will be entitled to no further participation in any distribution of assets by the Company.

If liquidating distributions shall have been made in full to all holders of shares of Preferred Stock, the remaining assets of the Company shall be distributed among the holders of Junior Stock, according to their respective rights and preferences and in each case according to their respective number of shares. For such purposes, the consolidation or merger of the Company with or into any other corporation, or the sale, lease or conveyance of all or substantially all of the property or business of the Company, shall not be deemed to constitute a liquidation, dissolution or winding up of the Company.

#### REDEMPTION

A series of the Preferred Stock may be redeemable, in whole or from time to time in part, at the option of the Company, and may be subject to mandatory redemption pursuant to a sinking fund or otherwise, in each case upon terms, at the times and at the redemption prices set forth in the Prospectus Supplement relating to such series. Shares of the Preferred Stock redeemed by the Company will be restored to the status of authorized but unissued shares of preferred stock of the Company.

In the event that fewer than all of the outstanding shares of a series of the Preferred Stock are to be redeemed, whether by mandatory or optional redemption, the number of shares to be redeemed will be determined by lot or pro rata (subject to rounding to avoid fractional shares) as may be determined by the Company or by any other method as may be determined by the Company in its sole discretion to be equitable. From and after the redemption date (unless default shall be made by the Company in providing for the payment of the redemption price plus accumulated and unpaid dividends, if any), dividends shall cease to

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accumulate on the shares of the Preferred Stock called for redemption and all rights of the holders thereof (except the right to receive the redemption price plus accumulated and unpaid dividends, if any) shall cease.

So long as any dividends on shares of any series of the Preferred Stock or any other series of preferred stock of the Company ranking on a parity as to dividends and distribution of assets with such series of the Preferred Stock are in arrears, no shares of any such series of the Preferred Stock or such other series of preferred stock of the Company will be redeemed (whether by mandatory or optional redemption) unless all such shares are simultaneously redeemed, and the Company will not purchase or otherwise acquire any such shares; provided, however, that the foregoing will not prevent the purchase or acquisition of such shares pursuant to a purchase or exchange offer made on the same terms to holders of all such shares outstanding.

#### CONVERSION RIGHTS

The terms and conditions, if any, upon which shares of any series of Preferred Stock are convertible into Common Stock will be set forth in the applicable Prospectus Supplement relating thereto. Such terms will include the number of shares of Common Stock into which the Preferred Stock is convertible, the conversion price (or manner of calculation thereof), the conversion period, provisions as to whether conversion will be at the option of the holders of Preferred Stock or the Company, the events requiring an adjustment of the conversion price and provisions affecting conversion.

#### VOTING RIGHTS

Except as indicated below or in a Prospectus Supplement relating to a particular series of the Preferred Stock, or except as required by applicable law, the holders of the Preferred Stock will not be entitled to vote for any purpose.

So long as any shares of the Preferred Stock of a series remain outstanding, the consent or the affirmative vote of the holders of at least 80% of the votes entitled to be cast with respect to the then outstanding shares of such series of the Preferred Stock together with any Other Preferred Stock (as defined below), voting as one class, either expressed in writing or at a meeting called for that purpose, will be necessary (i) to permit, effect or validate the authorization, or any increase in the authorized amount, of any class or series of shares of the Company ranking prior to the Preferred Stock of such series as to dividends, voting or upon distribution of assets and (ii) to repeal, amend or otherwise change any of the provisions applicable to the Preferred Stock of such series in any manner which adversely affects the powers, preferences, voting power or other rights or privileges of such series of the Preferred Stock. In case any series of the Preferred Stock would be so affected by any such action referred to in clause (ii) above in a different manner than one or more series of the Other Preferred Stock then outstanding, the holders of shares of the Preferred Stock of such series, together with any series of the Other Preferred Stock which will be similarly affected, will be entitled to vote as a class, and

the Company will not take such action without the consent or affirmative vote, as above provided, of at least 80% of the total number of votes entitled to be cast with respect to each such series of the Preferred Stock and the Other Preferred Stock, then outstanding, in lieu of the consent or affirmative vote hereinabove otherwise required.

With respect to any matter as to which the Preferred Stock of any series is entitled to vote, holders of the Preferred Stock of such series and any other series of preferred stock of the Company ranking on a parity with such series of the Preferred Stock as to dividends and distributions of assets and which by its terms provides for similar voting rights (the "Other Preferred Stock") will be entitled to cast the number of votes set forth in the Prospectus Supplement with respect to that series of Preferred Stock. As a result of the provisions described in the preceding paragraph requiring the holders of shares of a series of the Preferred Stock to vote together as a class with the holders of shares of one or more series of Other Preferred Stock, it is possible that the holders of such shares of Other Preferred Stock could approve action that would adversely affect such series of Preferred Stock, including the creation of a class of capital stock ranking prior to such series of Preferred Stock as to dividends, voting or distributions of assets.

The foregoing voting provisions will 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 Preferred Stock shall

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have been redeemed or called for redemption and sufficient funds shall have been deposited in trust to effect such redemption.

#### TRANSFER AGENT AND REGISTRAR

Unless otherwise indicated in a Prospectus Supplement relating thereto, First Chicago Trust Company of New York, will be the transfer agent, dividend and redemption price disbursement agent and registrar for shares of each series of the Preferred Stock.

#### DEBT SECURITIES

Debt Securities may be issued from time to time in series under an Indenture (the "Indenture") dated January 24, 1997, between the Company and NBD Bank, as Trustee (the "Trustee"). As used under this caption, unless the context otherwise requires, Offered Debt Securities shall mean the Debt Securities offered by this Prospectus and the accompanying Prospectus Supplement. The statements under this caption are brief summaries of certain provisions contained in the Indenture, do not purport to be complete and are qualified in their entirety by reference to the Indenture, including the definition therein of certain terms, a copy of which is filed as an exhibit to the Registration Statement of which this Prospectus is a part. The following sets forth certain general terms and provisions of the Debt Securities. Further terms of the Offered Debt Securities will be set forth in the Prospectus Supplement.

#### GENERAL

The Indenture provides for the issuance of Debt Securities in series, and does not limit the principal amount of Debt Securities which may be issued thereunder.

Reference is made to the Prospectus Supplement for the following terms of the Offered Debt Securities: (1) the specific title of the Offered Debt Securities; (2) the aggregate principal amount of the Offered Debt Securities; (3) the percentage of their principal amount at which the Offered Debt Securities will be issued payable; (4) the date on which the Offered Debt Securities will mature; (5) the rate or rates per annum or the method for determining such rate or rates, if any, at which the Offered Debt Securities will bear interest; (6) the times at which any such interest will be payable; (7) any provisions relating to optional or mandatory redemption of the Offered Debt Securities at the option of the Company or pursuant to sinking fund or analogous provisions; (8) the denominations in which the Offered Debt Securities are authorized to be issued if other than \$100,000; (9) any provisions relating to the conversion or exchange of the Offered Debt Securities into Common Stock or into Debt Securities of another series; (10) the portion of the principal amount, if less than the principal amount, payable on acceleration; (11) the place or places at which the Company will make payments of principal (and premiums, if any) and interest, if any, and the method of payment; (12) whether the Offered Debt Securities will be issued in whole or in part in global form; (13) any additional covenants and Events of Default and the remedies with respect thereto not currently set forth in the Indenture; (14) the identity of the Trustee for the Debt Securities, and if not the Trustee, the identity of each paying agent and the Debt Securities Registrar; (15) the currency or currencies other than United States Dollars in which any series of Debt Securities will be issued; and (16) any other specific terms of the Offered Debt Securities.

One or more series of the Debt Securities may be issued as discounted Debt

Securities (bearing no interest or bearing interest at a rate which at the time of issuance is below market rates) to be sold at a substantial discount below their stated principal amount. Tax and other special considerations applicable to any such discounted Debt Securities will be described in the Prospectus Supplement relating thereto.

#### STATUS OF DEBT SECURITIES

The Debt Securities will be unsecured obligations of the Company and may be ranking on a parity with all other unsecured and unsubordinated indebtedness, or may be subordinated to certain other indebtedness of the Company.

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#### CONVERSION RIGHTS

The terms, if any, on which Debt Securities of a series may be exchanged for or converted into shares of Common Stock or Debt Securities of another series will be set forth in the Prospectus Supplement relating thereto. To protect the Company's status as a REIT, a Holder may not convert any Debt Security, and such Debt Security shall not be convertible by any Holder, if as a result of such conversion any person would then be deemed to beneficially own, directly or indirectly, 9.9% or more of the Company's shares of Common Stock.

#### ABSENCE OF RESTRICTIVE COVENANTS

Except as noted below under "Dividends, Distributions and Acquisitions of Capital Stock," the Company is not restricted by the Indenture from paying dividends or from incurring, assuming or becoming liable for any type of debt or other obligations or from creating liens on its property for any purpose. The Indenture does not require the maintenance of any financial ratios or specified levels of net worth or liquidity. Except as may be set forth in the Prospectus Supplement, there are no provisions of the Indenture which afford holders of the Debt Securities protection in the event of a highly leveraged transaction involving the Company.

#### OPTIONAL REDEMPTION

The Debt Securities will be subject to redemption, in whole or from time to time in part, at any time for certain reasons intended to protect the Company's status as a REIT, at the option of the Company in the manner specified in the Indenture at a redemption price equal to 100% of the principal amount, plus interest accrued to the date of redemption. The Indenture does not contain any provision requiring the Company to repurchase the Debt Securities at the option of the Holders thereof in the event of a leveraged buyout, recapitalization or similar restructuring of the Company.

#### DIVIDENDS, DISTRIBUTIONS AND ACQUISITIONS OF CAPITAL STOCK

The Indenture provides that the Company will not (i) declare or pay any dividend or make any distribution on its capital stock or to holders of its capital stock (other than dividends or distributions payable in its capital stock or other than as the Company determines is necessary to maintain its status as a REIT) or (ii) purchase, redeem or otherwise acquire or retire for value any of its capital stock, or any warrants, rights or options or other securities to purchase or acquire any Shares of its capital stock (other than the Debt Securities) or permit any subsidiary to do so, if at the time of such action an Event of Default (as defined in the Indenture) has occurred and is continuing or would exist immediately after giving effect to such action.

#### EVENTS OF DEFAULT

An Event of Default with respect to Debt Securities of any series is defined in the Indenture as being (a) failure to pay principal of or any premium on any Debt Security of that series when due; (b) failure to pay any interest on any Debt Security of that series when due, continued for 30 days; (c) failure to deposit any sinking fund payment when due, in respect of any Debt Security of that series; (d) failure to perform any other covenant of the Company in the Indenture (other than a covenant included in the Indenture solely for the benefit of one or more series of Debt Securities other than that series), continued for 60 days after written notice as provided in the Indenture; (e) certain events of bankruptcy, insolvency, conservatorship, receivership or reorganization; and (f) any other Event of Default provided with respect to the Debt Securities of that series.

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If an Event of Default with respect to the outstanding Debt Securities of any series occurs and is continuing, either the Trustee or the Holders of at least 25% in aggregate principal amount of the outstanding Debt Securities of that series may declare the principal amount (or, if the Debt Securities of that series are original issue discount Debt Securities, such portion of the principal amount as may be specified in the terms of that series) of all the outstanding Debt Securities of that series to be due and payable immediately. At any time after the declaration of acceleration with respect to the Debt

Securities of any series has been made, but before a judgment or decree based on acceleration has been obtained, the Holders of a majority in aggregate principal amount of the outstanding Debt Securities of that series may, under certain circumstances, rescind and annul such acceleration.

The Indenture provides that, subject to the duty of the Trustee during default to act with the required standard of care, the Trustee will be under no obligation to exercise any of its rights or powers under the Indenture at the request or direction of any of the Holders, unless such Holders shall have offered to the Trustee reasonable indemnity. Subject to such provisions for the indemnification of the Trustee and subject to certain limitations, the Holders of a majority in aggregate principal amount of the outstanding Debt Securities of any series will have the right to direct the time, method and place of conducting any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred on the Trustee, with respect to the Debt Securities of that series.

The Company is required to furnish to the Trustee annually a statement as to the performance by the Company of certain of its obligations under the Indenture and as to any default in such performance.

#### MODIFICATIONS AND WAIVER

Modifications and amendments of the Indenture may be made by the Company and the Trustee without the consent of any Holders to, among other things, (a) evidence the succession of another corporation to the Company, (b) add to the covenants of the Company or surrender any right or power conferred upon the Company, (c) to establish the form or terms of Debt Securities, including any subordination provisions, (d) cure any ambiguity, correct or supplement any provision which may be defective or inconsistent or make any other provisions with respect to matters or questions arising under the Indenture, provided that such action does not adversely affect the interests of the Holders of Debt Securities of any series in any material respect, (e) to add to, delete, or revise conditions, limitations and restrictions on the authorized amounts, terms or purpose of Debt Securities, as set forth in the Indenture, or (f) evidence and provide for a successor Trustee.

Modifications and amendments of the Indenture may be made by the Company and the Trustee with the consent of the Holders of a majority in aggregate principal amount of the outstanding Debt Securities of each series affected by such modification or amendment; provided, however, that no such modification or amendment may, without the consent of the Holder of each outstanding Debt Security affected thereby, (a) change the stated maturity date of the principal of, or any installment of principal of or interest, if any, on any Debt Security, (b) reduce the principal amount of, or premium or interest if any, on any Debt Security, (c) reduce the amount of principal of an original issue discount Debt Security payable upon acceleration of the maturity thereof, (d) change the currency of payment of the principal of, or premium or interest, if any, on any Debt Security, (e) impair the right to institute suit for the enforcement of any payment on or with respect to any Debt Security, (f) modify the conversion provisions, if any, of any Debt Security in a manner adverse to the Holder of that Debt Security, or (g) reduce the percentage in principal amount of the outstanding Debt Security of any series, the consent of whose Holders is required for modification or amendment of that Indenture or for waiver of compliance with certain provisions of that Indenture or for waiver of certain defaults.

The Holders of a majority in aggregate principal amount of the outstanding Debt Security of each series may, on behalf of all Holders of the Debt Securities of that series, waive, insofar as that series is concerned, compliance by the Company with certain restrictive provisions of the Indenture. The Holders of a majority in aggregate principal amount of the outstanding Debt Securities of each series may, on behalf of all Holders of the Debt Securities of that series, waive any past default under the Indenture with respect to the Debt Securities of that series, except a default in the payment of principal or premium or interest, if any, or a default

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in respect of a covenant or provision which under the terms of the Indenture cannot be modified or amended without the consent of the Holder of each outstanding Debt Security of the series affected.

#### CONSOLIDATION, MERGER AND SALE OF ASSETS

The Indenture provides that the Company, without the consent of the Holders of any of the Debt Securities, may consolidate or merge with or into or transfer its assets substantially as an entirety to, any entity organized under the laws of the United States or any state, provided that the successor entity assumes the Company's obligations under the Indenture, that after giving effect to the transaction no Event of Default, and no event which, after notice or lapse of time, would become an Event of Default, shall have occurred and be continuing, and that certain other conditions are met.

#### GLOBAL SECURITIES

The Debt Securities of a series may be issued in whole or in part in global form (the "Global Securities"). Except as set forth in a Prospectus Supplement, the terms and provisions with respect to any Global Securities will be as set forth in this Section captioned "Global Securities." The Global Securities will be deposited with a depository (the "Depository"), or with a nominee for a Depository, identified in the Prospectus Supplement. In such case, one or more Global Securities will be issued in a denomination or aggregate denominations equal to the portion of the aggregate principal amount of outstanding Debt Securities of the series to be represented by such Global Security or Securities. Unless and until it is exchanged in whole or in part for Debt Securities in definitive form, a Global Security may not be transferred except as a whole by the Depository for such Global Security to a nominee of such Depository or by a nominee of such Depository to such Depository or another nominee of such Depository or by such Depository or any such nominee to a successor of such Depository or a nominee of such successor.

The specific material terms of the depository arrangement with respect to any portion of a series of Debt Securities to be represented by a Global Security will be described in the Prospectus Supplement. The Company anticipates that the following provisions will apply to all depository arrangements.

Upon the issuance of a Global Security, the Depository for such Global Security will credit, on its book-entry registration and transfer system, the respective principal amounts of the Debt Securities represented by such Global Security to the accounts of persons that have accounts with such Depository ("participants"). The accounts to be credited shall be designated by any underwriters or agents participating in the distribution of such Debt Securities. Ownership of beneficial interests in a Global Security will be limited to participants or persons that may hold interests through participants. Ownership of beneficial interests in a Global Security will be limited to participants or persons that may hold interests through participants. Ownership of beneficial interests in such Global Security will be shown on, and the transfer of that ownership will be effected only through, records maintained by the Depository for such Global Security (with respect to interests of participants) or by participants or persons that hold through participants (with respect to interests of persons other than participant). So long as the Depository for a Global Security, or its nominee, is the registered owner of such Global Security, such Depository or such nominee, as the case may be, will be considered the sole owner or Holder of the Debt Securities represented by such Global Security for all purposes under the Indenture; provided, however, that the purposes of obtaining any consents or directions required to be given by the Holders of the Debt Securities, the Company, the Trustee and its agents will treat a person as the holder of such principal amount of Debt Securities as specified in a written statement of the Depository. Except as set forth herein or otherwise provided in the Prospectus Supplement, owners of beneficial interests in a Global Security will not be entitled to have the Debt Securities represented by such Global Security registered in their names, will not receive physical delivery of such Debt Securities in definitive form and will not be considered the owners or Holders thereof under the Indenture.

Principal, premium, if any, and interest payments on Debt Securities represented by a Global Security registered in the name of a Depository or its nominee will be made to such Depository or its nominee, as the case may be, as the registered owner of such Global Security. None of the Company, the Trustee or any Paying Agent for such Debt Securities will have any responsibility or liability for any aspect of the records

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relating to or payments made on account of beneficial ownership interests in such Global Security or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests.

The Company expects that the Depository for any Debt Securities represented by a Global Security, upon receipt of any payment of principal, premium, if any, or interest will immediately credit participants' accounts with payments in amounts proportionate to their respective beneficial interests in the principal amount of such Global Security as shown on the records of such Depository. The Company also expects that payments by participants will be governed by standing instructions and customary practices, as is now the case with the securities held for the accounts of customers registered in "street names" and will be the responsibility of such participants.

If the Depository for any Debt Securities represented by a Global Security is at any time unwilling or unable to continue as Depository and a successor Depository is not appointed by the Company within 90 days, the Company will issue such Debt Securities in definitive form in exchange for such Global Security. In addition, the Company may at any time and in its sole discretion determine not to have any of the Debt Securities of a series represented by one or more Global Securities and, in such event, will issue Debt Securities of such series in definitive form in exchange for all of the Global Security or Securities representing such Debt Securities.

The laws of some states require that certain purchasers of securities take

physical delivery of such securities in definitive form. Such laws may impair the ability to transfer beneficial interests in Debt Securities represented by Global Securities.

#### SECURITIES WARRANTS

The Company may issue Securities Warrants for the purchase of Common Stock, Preferred Stock or Debt Securities. Securities Warrants may be issued independently or together with Common Stock, Preferred Stock or Debt Securities offered by any Prospectus Supplement and may be attached to or separate from such Common Stock, Preferred Stock, or Debt Securities. Each series of Securities Warrants will be issued under a separate warrant agreement (a "Securities Warrant Agreement") to be entered into between the Company and a bank or trust company, as Securities Warrant agent, all as set forth in the Prospectus Supplement relating to the particular issue of offered Securities Warrants. The Securities Warrant agent will act solely as an agent of the Company in connection with the Securities Warrants of such series and will not assume any obligation or relationship of agency or trust for or with any holders or beneficial owners of Securities Warrants. The following summaries of certain provisions of the Securities Warrant Agreement and Securities Warrants do not purport to be complete and are subject to, and are qualified in their entirety by reference to, all the provisions of the Securities Warrant Agreement and the Securities Warrants relating to each series of Securities Warrants which will be filed with the Commission and incorporated by reference as an exhibit to the Registration Statement of which this Prospectus is a part at or prior to the time of the issuance of such series of Securities Warrants.

In the case of Securities Warrants for the purchase of Common Stock or Preferred Stock, the applicable Prospectus Supplement will describe the terms of such Securities Warrants, including the following where applicable: (i) the offering price; (ii) the aggregate number of shares purchasable upon exercise of such Securities Warrants, the exercise price, and in the case of Securities Warrants for Preferred Stock the designation, aggregate number and terms of the series of Preferred Stock purchasable upon exercise of such Securities Warrants, (iii) the designation and terms of any series of Preferred Stock with which such Securities Warrants are being offered and the number of such Securities Warrants being offered with such Preferred Stock, (iv) the date, if any, on and after which such Securities Warrants and the related series of Preferred Stock or Common Stock will be transferable separately; (v) the date on which the right to exercise such Securities Warrants shall commence and the Expiration Date; (vi) any special United States Federal income tax consequences; and (vii) any other terms of such Securities Warrants.

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If Securities Warrants for the purchase of Debt Securities are offered, the applicable Prospectus Supplement will describe the terms of such Securities Warrants, including the following where applicable: (i) the offering price; (ii) the denominations and terms of the series of Debt Securities purchasable upon exercise of such Securities Warrants; (iii) the designation and terms of any series of Debt Securities, with which such Securities Warrants are being offered with each such Debt Securities; (iv) the date, if any, on and after which such Securities Warrants and the related series of Debt Securities will be transferable separately; (v) the principal amount of the series of Debt Securities purchasable upon exercise of each such Securities Warrant and the price at which such principal amount of Debt Securities of such series may be purchased upon such exercise; (vi) the date on which the right shall expire (the "Expiration Date"); (vii) whether the Securities Warrants will be issued in registered or bearer form; (viii) any special United States Federal income tax consequences; (ix) the terms, if any, on which the Company may accelerate the date by which the Securities Warrants must be exercised; and (x) any other terms of such Securities Warrants.

Securities Warrant certificates may be exchanged for new Securities Warrant certificates of different denominations, may (if in registered form) be presented for registration of transfer, and may be exercised at the corporate trust office of the Securities Warrant agent or any other office indicated in the applicable Prospectus Supplement. Prior to the exercise of any Securities Warrant to purchase Debt Securities, holders of such Securities Warrants will not have any of the rights of holders of the Debt Securities purchasable upon such exercise, including the right to receive payments of principal or premium, if any, or interest, if any, on such Debt Securities or to enforce covenants in the applicable indenture. Prior to the exercise of any Securities Warrants to purchase Common Stock or Preferred Stock, holders of such Securities Warrants will not have any rights of holders of such Common Stock or Preferred Stock, including the right to receive payments of dividends, if any, on such Common Stock or Preferred Stock, or to exercise any applicable right to vote.

#### EXERCISE OF SECURITIES WARRANTS

Each Securities Warrant will entitle the holder thereof to purchase a number of shares of Common Stock, Preferred Stock or such principal amount of Debt Securities, as the case may be, at such exercise price as shall in each case be set forth in, or calculable from, the Prospectus Supplement relating to the offered Securities Warrants. After the close of business on the Expiration

Date (or such later date to which such Expiration Date may be extended by the Company), unexercised Securities Warrants will become void.

Securities Warrants may be exercised by delivering to the Securities Warrant agent payment as provided in the applicable Prospectus Supplement of the amount required to purchase the Common Stock, Preferred Stock or Debt Securities, as the case may be, purchasable upon such exercise together with certain information set forth on the reverse side of the Securities Warrant certificate. Securities Warrants will be deemed to have been exercised upon receipt of payment of the exercise price, subject to the receipt within five (5) business days, of the Securities Warrant certificate evidencing such Securities Warrants. Upon receipt of such payment and the Securities Warrant certificate properly completed and duly executed at the corporate trust office of the Securities Warrant agent or any other office indicated in the applicable Prospectus Supplement, the Company will, as soon as practicable, issue and deliver the Common Stock, Preferred Stock or Debt Securities, as the case may be, purchasable upon such exercise. If fewer than all of the Securities Warrants represented by such Securities Warrant certificate are exercised, a new Securities Warrant certificate will be issued for the remaining amount of Securities Warrants.

#### AMENDMENTS AND SUPPLEMENTS TO SECURITIES WARRANT AGREEMENT

The Securities Warrant Agreements may be amended or supplemented without the consent of the holders of the Securities Warrants issued thereunder to effect changes that are not inconsistent with the provisions of the Securities Warrants and that do not adversely affect the interests of the holders of the Securities Warrants.

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#### COMMON STOCK WARRANT ADJUSTMENTS

Unless otherwise indicated in the applicable Prospectus Supplement, the exercise price of, and the number of shares of Common Stock covered by a Common Stock Warrant are subject to adjustment in certain events, including (i) payment of a dividend on the Common Stock payable in capital stock and stock splits, combinations or reclassifications of the Common Stock, (ii) issuance to all holders of Common Stock of rights or warrants to subscribe for or purchase shares of Common Stock at less than their current market price (as defined in the Securities Warrant Agreement for such series of Common Stock Warrants), and (iii) certain distributions of evidences of indebtedness or assets (including cash dividends or distributions paid out of consolidated earnings or retained earnings or dividends payable in Common Stock) or of subscription rights and warrants (excluding those referred to above).

No adjustment in the exercise price of, and the number of shares of Common Stock covered by a Common Stock Warrant will be made for regular quarterly or other periods or recurring cash dividends or distributions or for cash dividends or distributions to the extent paid from consolidated earnings or retained earnings. No adjustment will be required unless such adjustment would require a change of at least 1% in the exercise price then in effect. Except as stated above, the exercise price of, and the number of shares of Common Stock covered by, a Common Stock Warrant will not be adjusted for the issuance of Common Stock or any securities convertible into or exchangeable for Common Stock, or carrying the right or option to purchase or otherwise acquire the foregoing in exchange for cash, other property or services.

In the event of any (i) consolidation or merger of the Company with or into any entity (other than a consolidation or a merger that does not result in any reclassification, conversion, exchange or cancellation of outstanding shares of Common Stock), (ii) sale, transfer, lease or conveyance of all or substantially all of the assets of the Company or (iii) reclassification, capital reorganization or change of the Common Stock (other than solely a change in par value or from par value to no par value), then any holder of a Common Stock Warrant will be entitled, on or after the occurrence of any such event, to receive on exercise of such Common Stock Warrant the kind and amount of shares of stock or other securities, cash or other property (or any combination thereof) that the holder would have received had such holder exercised such holder's Common Stock Warrant immediately prior to the occurrence of such event. If the consideration to be received upon exercise of the Common Stock Warrant following any such event consists of common stock of the surviving entity, then from and after the occurrence of such event, the exercise price of such Common Stock Warrant will be subject to the same anti-dilution and other adjustments described in the second preceding paragraph, applied as if such common stock were Common Stock.

#### PLAN OF DISTRIBUTION

The Company may sell the Securities to one or more underwriters for public offering and sale by them or may sell the Securities to investors directly or through agents. Any such underwriter or agent involved in the offer and sale of Securities will be named in the applicable Prospectus Supplement. The Company has reserved the right to sell Securities directly to investors on its own behalf in those jurisdictions where and in such manner as it is authorized to do



so.

Underwriters may offer and sell Securities at a fixed price or prices, which may be changed, at market prices prevailing at the time of sale, at prices related to such prevailing market prices or at negotiated prices. The Company also may, from time to time, authorize underwriters or dealers, acting as the Company's agents, to offer and sell Securities upon the terms and conditions as are set forth in the applicable Prospectus Supplement. In connection with the sale of Securities, underwriters may be deemed to have received compensation from the Company in the form of underwriting discounts or commissions and may also receive commissions from purchasers of the Securities for whom they may act as agent. Underwriters may sell Securities to or through dealers, and such dealers may receive compensation in the form of discounts, concessions or commissions from the underwriters and/or commissions from the purchasers for whom they may act as agent.

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Any underwriting compensation paid by the Company to underwriters or agents in connection with the offering of Securities, and any discounts, concessions or commissions allowed by underwriters to participating dealers, will be set forth in the applicable Prospectus Supplement. Dealers and agents participating in the distribution of Securities may be deemed to be underwriters, and any discounts and commissions received by them and any profit realized by them on resale of the Securities may be deemed to be underwriting discounts and commissions. Underwriters, dealers and agents may be entitled, under agreements entered into with the Company, to indemnification against and contribution toward certain civil liabilities, including liabilities under the Securities Act.

The net proceeds to the Company from the sale of the Securities will be the purchase price of the Securities less any such discounts or commissions and the other attributable expenses of issuance and distribution.

Certain of the underwriters and their affiliates may be customers of, engage in transactions with and perform services for the Company and its subsidiaries in the ordinary course of business.

LEGAL MATTERS

Certain legal matters with respect to the Securities offered hereby will be passed upon for the Company by Argue Pearson Harbison & Myers, LLP, Los Angeles, California.

EXPERTS

The consolidated financial statements of Omega Healthcare Investors, Inc. (the Company), incorporated by reference from the Company's Annual Report on Form 10-K, for the year ended December 31, 1995, have been audited by Ernst & Young LLP, independent auditors, as set forth in their report incorporated by reference therein and incorporated herein by reference. Such consolidated financial statements are incorporated herein by reference in reliance upon such report given upon the authority of such firm as experts in accounting and auditing.

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NO DEALER, SALESMAN OR OTHER PERSON HAS BEEN AUTHORIZED TO GIVE ANY INFORMATION OR TO MAKE ANY REPRESENTATIONS OTHER THAN THOSE CONTAINED OR INCORPORATED BY REFERENCE IN THIS PROSPECTUS IN CONNECTION WITH THE OFFER MADE BY THIS PROSPECTUS AND, IF GIVEN OR MADE, SUCH INFORMATION OR REPRESENTATIONS MUST NOT BE RELIED UPON AS HAVING BEEN AUTHORIZED BY THE COMPANY OR ANY UNDERWRITER, DEALER OR AGENT. NEITHER THE DELIVERY OF THIS PROSPECTUS NOR ANY SALE MADE HEREUNDER SHALL, UNDER ANY CIRCUMSTANCES, CREATE AN IMPLICATION THAT THERE HAS BEEN NO CHANGE IN THE AFFAIRS OF THE COMPANY SINCE THE DATE HEREOF. THIS PROSPECTUS DOES NOT CONSTITUTE AN OFFER OR SOLICITATION BY ANYONE IN ANY STATE IN WHICH SUCH OFFER OR SOLICITATION IS NOT AUTHORIZED OR IN WHICH THE PERSON MAKING SUCH OFFER OR SOLICITATION IS NOT QUALIFIED TO DO SO OR TO ANYONE TO WHOM IT IS UNLAWFUL TO MAKE SUCH OFFER OR SOLICITATION.

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\$150,000,000

OMEGA HEALTHCARE  
 INVESTORS, INC.

SECURITIES

-----

PROSPECTUS

-----

JANUARY 31, 1997

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 -----

PART II

INFORMATION NOT REQUIRED IN PROSPECTUS

ITEM 14. OTHER EXPENSES OF ISSUANCE AND DISTRIBUTION.

Set forth below is an estimate (except for the Commission registration fee) of the fees and expenses payable by the Company in connection with the offering of the Securities:

<TABLE>	
<S>	
Securities and Exchange Commission Registration Fee.....	\$ 45,455
Blue Sky Qualification Fees and Expenses.....	15,000
Transfer Agent or Trustee Fee.....	7,000
Legal Fees and Expenses.....	75,000
Accounting Fees.....	30,000
Printing and Engraving Costs.....	50,000
Rating Agency Fees.....	75,000
Listing Fees.....	50,000
Miscellaneous.....	7,545
	-----
Total.....	\$355,000
	=====

</TABLE>

ITEM 15. INDEMNIFICATION OF DIRECTORS AND OFFICERS.

The Articles of Incorporation and Bylaws of the Registrant provide for indemnification of directors and officers to the full extent permitted by Maryland law.

Section 2-418 of the General Corporation Law of the State of Maryland generally permits indemnification of any director or officer with respect to any proceedings unless it is established that (a) the act or omission of the director or officer was material to the matter giving rise to the proceeding and was either committed in bad faith or the result of active or deliberate dishonesty; (b) the director or officer actually received an improper personal benefit in money, property or services, or; (c) in the case of criminal proceedings, the director or officer had reasonable cause to believe that the act or omission was unlawful. The indemnity may include judgments, penalties, fines, settlements, and reasonable expenses actually incurred by the director or officer in connection with the proceedings; provided, however, that if the proceeding is one by, or in the right of, the corporation, indemnity is permitted only for reasonable expenses and not with respect to any proceeding in which the director shall have been adjudged to be liable to the corporation. The termination of any proceeding by judgment, order or settlement does not create a presumption that the director did not meet the requisite standard of conduct required for permitted indemnification. The termination of any proceeding by conviction, or plea of nolo contendere or its equivalent, or an entry of an order of probation prior to judgment, creates a rebuttable presumption that the director or officer did not meet that standard of conduct.

The Company has entered into indemnity agreements with the officers and directors of the Company that provide that the Company will, subject to certain conditions, pay on behalf of the indemnified party any amount which the indemnified party is or becomes legally obligated to pay because of any act or omission or neglect or breach of duty, including any actual or alleged error or misstatement or misleading statement, which the indemnified party commits or suffers while acting in the capacity as an officer or director of the Company.

Insofar as indemnification for liabilities arising under the Securities Act is permitted to directors and officers of the Registrant pursuant to the above-described provisions, the Registrant understands that the Commission is of the opinion that such indemnification contravenes federal public policy as expressed in said act and therefore is unenforceable.

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ITEM 16. EXHIBITS

<TABLE> <CAPTION> EXHIBIT NO. ----- <C>	DESCRIPTION ----- <S>
4.1	Articles of Incorporation, as amended, of the Registrant, filed as Exhibit 3.1 to the Registrant's Form 10-Q for the quarter ended March 31, 1995 and incorporated herein by this reference.
4.2	Form of Indenture.
4.3	Form of Articles Supplementary for Preferred Stock.**
4.4	Form of Preferred Stock Certificate.**
4.5	Form of Debt Security.**
4.6	Form of Securities Warrant Agreement.**
5	Opinion of Counsel to the Registrant regarding legality.
8	Opinion of Counsel to the Registrant regarding tax consequences (included in Exhibit 5).
12	Statement re Computation of Ratio of Earnings to Fixed Charges
23.1	Consent of Counsel to the Registrant (included in Exhibit 5 and Exhibit 8).
23.2	Consent of Ernst & Young LLP.
24	Form of Power of Attorney (set forth on Signature Page of The Registration Statement).
25	Statement of Eligibility of Trustee on Form T-1.

</TABLE>

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

ITEM 17. UNDERTAKINGS.

(a) The undersigned registrant hereby undertakes that:

(1) To file, during any period in which offers or sales are being made, a post-effective amendment to this Registration Statement:

(i) To include any prospectus required by Section 10(a)(3) of the Securities Act of 1933, as amended (the "Securities Act");

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

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

provided, however, that paragraphs (a)(1)(i) and (a)(1)(ii) do not apply if the Registration Statement is on Form S-3, Form S-8 or Form F-3, and the information required to be included in a post-effective amendment by those paragraphs is contained in periodic reports filed with or furnished to the Commission by the Registrant pursuant to Section 13 or Section 15(d) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), that are

incorporated by reference in the Registration Statement.

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

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

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

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

(e) For the purpose of determining any liability under the Securities Act of 1933, each post-effective amendment that contains a form of prospectus shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

(f) The undersigned Registrant hereby undertakes to file an application for the purpose of determining the eligibility of the trustee to act under subsection (a) of section 310 of the Trust Indenture Act (the "TIA") in accordance with the rules and regulations prescribed by the Commission under section 305(b)(2) of the TIA.

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SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the Registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and has duly caused this Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Ann Arbor, State of Michigan, on the 31st day of January, 1997.

OMEGA HEALTHCARE INVESTORS, INC.

By: /s/ ESSEL W. BAILEY, JR.

-----  
Essel W. Bailey, Jr.  
Chairman, President and  
Chief Executive Officer

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS, that each person whose signature appears below constitutes and appoints Essel W. Bailey, Jr. and David A. Stover, and each or any of them, his true and lawful attorney-in-fact and agent, with full power of substitution and resubstitution, for him and in his name, place and stead, in any and all capacities, to sign any and all amendments (including post-effective amendments) to this Registration Statement, and to file the same, with all exhibits thereto and other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorneys-in-fact and agents, and each of them, full power and authority to do and perform each and every act and thing requisite and necessary to be done in and about the premises, as fully to all intents and purposes as he might or could do in

person, hereby ratifying and confirming all that said attorneys-in-fact and agents or any of them, or their or his substitutes or substitute, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Exchange Act of 1933, this Registration Statement has been signed by the following persons in the capacities and on the dates indicated.

<TABLE>  
<CAPTION>

SIGNATURES -----	TITLE -----	DATE ----
<C> s/ ESSEL W. BAILEY, JR. ----- Essel W. Bailey, Jr.	<S> Chairman, President, Chief Executive Officer, Secretary and Director (principal executive officer)	<C> January 31, 1997
s/ DAVID A. STOVER ----- David A. Stover	Vice President and Chief Financial Officer (principal financial and principal accounting officer)	January 31, 1997
s/ JAMES E. EDEN ----- James E. Eden	Director	January 31, 1997
s/ THOMAS F. FRANKE ----- Thomas F. Franke	Director	January 31, 1997
s/ HAROLD J. KLOOSTERMAN ----- Harold J. Kloosterman	Director	January 31, 1997

</TABLE>

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<TABLE>  
<CAPTION>

SIGNATURES -----	TITLE -----	DATE ----
<C> s/ BERNARD J. KORMAN ----- Bernard J. Korman	<S> Director	<C> January 31, 1997
s/ EDWARD LOWENTHAL ----- Edward Lowenthal	Director	January 31, 1997
s/ ROBERT L. PARKER ----- Robert L. Parker	Director	January 31, 1997

</TABLE>

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EXHIBIT INDEX

<TABLE>  
<CAPTION>

EXHIBIT NO. -----	DESCRIPTION -----	SEQUENTIALLY NUMBERED PAGE -----
<C> 4.1	<S> Articles of Incorporation, as amended, of the Registrant filed as Exhibit 3.1 to the Registrant's Form 10-Q for the quarter ended March 31, 1996, and incorporated herein by this reference.	<C>
4.2	Form of Indenture.	
4.3	Form of Articles Supplementary for Preferred Stock.**	
4.4	Form of Preferred Stock Certificate.**	
4.5	Form of Debt Security.**	
4.6	Form of Securities Warrant Agreement.**	
5	Opinion of Counsel to the Registrant regarding legality.	
8	Opinion of Counsel to the Registrant regarding tax consequences (included in Exhibit 5).	
12	Statement re Computation of Ratio of Earnings to Fixed Charges	
23.1	Consent of Counsel to the Registrant (included in Exhibit 5 and Exhibit 8).	
23.2	Consent of Ernst & Young.	
24	Form of Power of Attorney (set forth on Signature Page of The Registration Statement).	

</TABLE>

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

OMEGA HEALTHCARE INVESTORS, INC.

AND

NBD BANK  
Trustee

INDENTURE

Dated as of January 24, 1997

Debt Securities  
CROSS REFERENCE TABLE  
Omega Healthcare Investors, Inc.

<TABLE>  
<CAPTION>

Trust Indenture  
Act Section

Indenture  
Section

<S>	<C>	<C>
310	(a) (1)	608
	(a) (2)	608
	(a) (3)	Not applicable
	(a) (4)	Not applicable
	(b)	608, 610
	(c)	Not applicable
311	(a)	613
	(b)	613
	(c)	Not applicable
312	(a)	701
	(b)	107
	(c)	107
313	(a)	614
	(b) (1)	Not applicable
	(b) (2)	614
	(c)	614
	(d)	614
314	(a)	1006
	(b)	Not applicable
	(c) (1)	102
	(c) (2)	102
	(c) (3)	Not applicable
	(d)	Not applicable
	(e)	102
315	(a)	601
	(b)	602
	(c)	601(c)
	(d)	601(c)
	(e)	514
316	(a) (last sentence)	101 (Outstanding)
	(a) (1) (A)	502, 512
	(a) (1) (B)	513
	(a) (2)	Not applicable
	(b)	508
317	(a) (1)	503
	(a) (2)	504(1)
	(b)	1003
318	(a)	114

Note: This Cross Reference Table shall not, for any purpose, be deemed to be a part of the Indenture.

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INDENTURE, dated as of January \_\_, 1997 between OMEGA HEALTHCARE INVESTORS, INC., a Maryland corporation (hereinafter called the Company"), and NBD BANK, a Michigan banking corporation, as Trustee hereunder (hereinafter called the "Trustee").

RECITALS OF THE COMPANY

The Company has duly authorized the execution and delivery of this Indenture to provide for the issuance from time to time of its unsecured and unsubordinated or subordinated debt securities, unlimited as to principal amount, to bear such rates of interest, if any, to mature at such time or times, to be issued in one or more series and to have such other provisions as shall be fixed as hereinafter provided.

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

NOW, THEREFORE, THIS INDENTURE WITNESSETH:

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

ARTICLE ONE

DEFINITIONS AND OTHER PROVISIONS  
OF GENERAL APPLICATION

SECTION 101. DEFINITIONS.

For all purposes of this Indenture, except as otherwise expressly

provided or unless the context otherwise requires:

- (1) the terms defined in this Article have the meanings assigned to them in this Article and include the plural as well as the singular;
- (2) all other terms used herein which are defined in the TIA, either directly or by reference therein have the meaning assigned to them therein;
- (3) all accounting terms not otherwise defined herein have the meanings assigned to them in accordance with generally accepted accounting principles, and the term "generally accepted accounting principles" with respect to any computation required or permitted

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hereunder shall mean such accounting principles which are generally accepted at the date or time of such computation;

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

(5) the word "or" is always used inclusively (for example, the phrase "A or B" means "A or B or both," not "either A or B but not both"); and

(6) nouns and pronouns of the masculine gender include the feminine gender.

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

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

"Authenticating Agent" means any Person which shall at the time be appointed and acting, pursuant to Section 612, as an agent of the Trustee to authenticate Debt Securities.

"Beneficial Owner" means any Person who owns outstanding stock directly or beneficially or who is deemed to be an actual or constructive owner of such stock through the application of section 544, as modified by section 856(h)(1)(B), of the Internal Revenue Code of 1986, as amended. The terms "Beneficial Ownership" and "Beneficially Own" shall have correlative meanings.

"Board of Directors" means either the Board of Directors of the Company or any committee of the Board duly authorized to act in any matter relating hereto.

"Board Resolution" means a copy of a resolution certified by the Secretary or an Assistant Secretary of the Company to have been duly adopted by the Board of Directors or a duly authorized committee thereof and to be in full force and effect on the date of such certification, and delivered to the Trustee.

"Business Day" with respect to any Place of Payment means each Monday, Tuesday, Wednesday, Thursday and Friday which is not a day on which banking institutions are authorized or obligated by law or executive order to close in that Place of Payment, or such other day as provided in or pursuant to an Officers' Certificate or Supplemental Indenture referred to in Section 301.

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"Common Stock" means the shares of common stock, \$.10 par value per share, of the Company.

"Company" means Omega Healthcare Investors, Inc. until a successor corporation shall have become such pursuant to the applicable provisions of this Indenture, and thereafter "Company" shall mean such successor corporation.

"Company Request" and "Company Order" mean, respectively, a written request or order signed in the name of the Company by the Chairman of the Board, a Vice Chairman, the President, or a Vice President (whether or not designated by a number or a word or words added before or after any such title), and by the Treasurer, an Assistant Treasurer, the Controller, an

Assistant Controller, the Secretary or an Assistant Secretary of the Company, and delivered to the Trustee.

"Corporate Trust Office" means the office of the Trustee at which at any particular time its corporate trust business shall be conducted, which office, at the date of execution of this Indenture, is located at 611 Woodward Avenue, Detroit, Michigan 48226, Attention: Corporate Trust Services.

"Corporation" whether or not such term is capitalized, includes corporations, associations, companies and business trusts.

"Debt Security" or Debt Securities means any Debt Security or Debt Securities, as the case may be, authenticated and delivered under this Indenture.

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

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

"Depositary" means, with respect to the Debt Securities of any series issuable or issued in whole or in part in the form of a Global Debt Security, the Person designated as Depositary by the Company pursuant to Section 301 until a successor Depositary shall have become such pursuant to the applicable procedures of this Indenture, and thereafter "Depositary" shall mean or include each person who is then a Depositary hereunder, and if at any time there is more than one Person, "Depositary," as used with respect to the Debt Securities of any such series, shall mean the Depositary with respect to the Debt Securities of that series.

"Event of Default" has the meaning specified in Section 501.

"Global Debt Security" means a Debt Security in the form prescribed in Section 204 evidencing all or part of a series of Debt Securities, issued to the Depositary for such series or its nominee, and registered in the name of such Depositary or nominee.

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"Holder," when used with respect to a Registered Debt Security, means the person in whose name such Debt Security is registered in the Debt Securities Register.

"Indenture" means this instrument as originally executed or as it may from to time be supplemented or amended by one or more indentures supplemental hereto entered into pursuant to the applicable provisions hereof, and shall include the form and terms of particular Debt Securities established as contemplated by Section 201 or 301.

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

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

"Officers' Certificate" means a certificate signed by the Chairman of the Board, a Vice Chairman, the President or a Vice President (whether or not designated by a number or a word or words added before or after any such title) and by the Treasurer, an Assistant Treasurer, the Controller, an Assistant Controller, the Secretary or an Assistant Secretary of the Company, and delivered to the Trustee.

"Opinion of Counsel" means a written opinion of counsel, who may be an employee of or counsel for the Company or other counsel designated by the Company, acceptable to the Trustee.

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

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

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

(ii) Debt Securities for whose payment or redemption money in the necessary amount has been theretofore deposited with the Trustee or any Paying Agent (other than the Company) in trust or set aside and

segregated in trust by the Company (if the Company shall act as its own Paying Agent) for the Holders of such Debt Securities provided that, if such Debt Securities are to be redeemed, notice of such

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redemption has been duly given pursuant to this Indenture or provision therefor satisfactory to the Trustee has been made; and

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

provided, however, that in determining whether the Holders of the requisite principal amount of outstanding Debt Securities have given any request, demand, authorization, direction, notice, consent or waiver hereunder, the principal amount of an Original Issue Discount Debt Security that may be counted in making such determination and that shall be deemed to be Outstanding for such purposes shall be equal to the amount of the principal thereof that could be declared to be due and payable pursuant to the terms of such Original Issue Discount Debt Security at the time the taking of such action by the Holders of such requisite principal amount is evidenced to the Trustee as provided in Section 104(a), and, provided further, that Debt Securities owned by the Company or any Affiliate of the Company shall be disregarded and deemed not to be outstanding, except that, in determining whether the Trustee shall be protected in relying upon any such request, demand, authorization, direction, notice, consent or waiver, only Debt Securities which the Trustee knows to be so owned shall be so disregarded. Debt Securities so owned which have been pledged in good faith may be regarded as Outstanding if the pledgee establishes to the satisfaction of the Trustee the pledgee's right so to act with respect to such Debt Securities and that the pledgee's right so to act with respect to such Debt Securities and that the pledgee is not the Company or any Affiliate of the Company.

"Paying Agent" means any Person authorized by the Company to pay the principal of (and premium, if any) or interest, if any, on any Debt Securities on behalf of the Company, and, subject to the provisions of Section 1003, may include the Company.

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

"Place of Payment" when used with respect to the Debt Securities of any series means the place or places where the principal of (and premium, if any) and interest, if any, on the Debt Securities of that series are payable as provided pursuant to Section 301.

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

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Debt Security shall be deemed to evidence the same debt as the mutilated, destroyed, lost or stolen Debt Security.

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

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

"Registered Debt Security" means any Debt Security registered in the Debt Securities Register, and may include a Global Debt Security registered in the name of a Depository or its nominee.

"Regular Record Date" for the interest payable on any Interest Payment Date (other than at Maturity) on the Registered Debt Securities of any series means the date specified for that purpose as contemplated by Section 301.

"REIT" means a real estate investment trust qualified under Sections 856-860 of the Internal Revenue Code of 1986, as amended.

"Responsible Officer" when used with respect to the Trustee means any officer of the Trustee assigned by the Trustee to administer its corporate trust matters. In the absence of bad faith on the part of the Company or a Holder, the Company or the Holder, as the case may be, may conclusively rely upon the statement of an officer of the Trustee as to whether an officer (including the officer making the statement) is assigned by the Trustee to administer the Trustee's corporate trust matters.

"SEC" means the Securities and Exchange Commission.

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

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

"Subsidiary" means any corporation at least a majority of the shares of Voting Stock of which shall at the time be owned, directly or indirectly, by the Company or by one or more Subsidiaries or by the Company and one or more Subsidiaries.

"Supplemental Indenture" means any Supplemental Indenture to this Indenture entered into pursuant to the provisions of Section 901 and 902 of this Indenture.

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"TIA" means the Trust Indenture Act of 1939, as amended from time to time.

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

"Voting Stock" when used with respect to the stock of any corporation means stock of the class or classes having general voting power under ordinary circumstances to elect at least a majority of the board of directors, managers or trustees of such corporation (irrespective of whether or not at the time stock of any other class or classes shall have or might have voting power by reason of the happening of any contingency).

#### SECTION 102. COMPLIANCE CERTIFICATES AND OPINIONS.

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

Every certificate or opinion with respect to compliance with a condition or covenant provided for in this Indenture shall include:

- (1) a statement that each individual signing such certificate or opinion has read such covenant or condition and the definitions herein relating thereto;
- (2) a brief statement as to the nature and scope of the examination or investigation upon which the statements or opinions contained in such certificate or opinion are based;
- (3) a statement that, in the opinion of each such individual, such individual has made such examination or investigation as is necessary to enable such individual to express an informed opinion as to whether or not such covenant or condition has been complied with; and
- (4) a statement as to whether, in the opinion of each such individual, such condition or covenant has been complied with.

## SECTION 103. FORM OF DOCUMENTS DELIVERED TO TRUSTEE.

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

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

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

## SECTION 104. ACTS OF HOLDERS.

(1) Any request, demand, authorization, direction, notice, consent, waiver or other action provided by this Indenture to be given or taken by Holders may be embodied in and evidenced by one or more instruments of substantially similar tenor signed by such Holders in person or by an agent duly appointed in writing; and, except as herein otherwise expressly provided, such action shall become effective when such instrument or instruments are delivered to the Trustee and, where it is hereby expressly required, to the Company. Such instrument or instruments (and the action embodied therein and evidenced thereby) are herein sometimes referred to as the "Act" of the Holders signing such instrument or instruments. Proof of execution of any such instrument or of a writing appointing any such agent shall be sufficient for any purpose of this Indenture and (subject to Section 601) conclusive in favor of the Trustee and the Company and any agent of the Trustee or the Company, if made in the manner provided in this Section.

(2) The fact and date of the execution by any Person of any such instrument or writing may be proved by the affidavit of a witness of such execution or by the certificate of any notary public or other officer authorized by law to take acknowledgments of deeds, certifying that the individual signing such instrument or writing acknowledged to him the

execution thereof. Where such execution is by a Person acting in other than his individual capacity, such certificate or affidavit shall also constitute sufficient proof of his authority.

(3) The fact and date of the execution by any Person of any such instrument or writing, or the authority of the Person executing the same, may also be proved in any other manner which the Trustee deems sufficient, and the Trustee may in any instance require further proof with respect to any of the matters referred to in this Section.

The principal amount and serial numbers of Registered Debt Securities held by any Person, and the date of his holding the same, shall be proved by the Debt Securities Register.

(4) If the Company shall solicit from the Holders any request, demand, authorization, direction, notice, consent, waiver or other Act, the Company may, at its option, by Board Resolution, fix in advance a record date for the determination of Holders entitled to give such request, demand, authorization, direction, notice, consent, waiver or other Act. If such a record date is fixed, such request, demand, authorization, direction, notice, consent, waiver or other Act may be given before or after such record date, but only the Holders at the close of business on such record date shall be deemed to be Holders for the purposes of determining whether Holders of the requisite proportion of Outstanding Debt Securities have authorized or agreed or consented to such request, demand, authorization, direction, notice,

consent, waiver or other Act, and for that purpose the outstanding Debt Securities shall be computed as of such record date; provided that no such authorization, agreement or consent by the Holders on such record date shall be deemed effective unless it shall become effective pursuant to the provisions of this Indenture not later than six months after the record date.

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

SECTION 105. NOTICES, ETC., TO TRUSTEE AND COMPANY.

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

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

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(2) the Company by the Trustee or by any Holder shall be sufficient for every purpose hereunder (except as otherwise provided in Section 501 hereof) if in writing and mailed, first-class postage prepaid, to the Company addressed to the attention of its Secretary at 905 West Eisenhower Circle, Suite 110, Ann Arbor, Michigan 48103 or at any other address previously furnished in writing to the Trustee by the Company.

SECTION 106. NOTICES TO HOLDERS; WAIVER.

Where this Indenture provides for notice to Holders of any event, unless, otherwise expressly provided herein or in the Officers' Certificate or Supplemental Indenture referred to in Section 301 with respect to Debt Securities of any series, such notice shall be sufficiently given if in writing and mailed, first-class postage prepaid, to each Holder affected by such event, at his address as it appears in the Debt Securities Register, not later than the latest date, and not earlier than the earliest date, prescribed for the giving of such notice. In any case where notice to Holders is given by mail, neither the failure to mail such notice, nor any defect in any notice so mailed, to any particular Holder shall affect the sufficiency of such notice with respect to other Holders. Where this Indenture provides for notice in any manner, such notice may be waived in writing by the Person entitled to receive such notice, either before or after the event, and such waiver shall be the equivalent of such notice. Waivers of notice by Holders shall be filed with the Trustee but such filing shall not be a condition precedent to the validity of any action taken in reliance upon such waiver.

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

SECTION 107. COMMUNICATION BY HOLDERS WITH OTHER HOLDERS.

Communication among Holders with respect to their rights under this Indenture or the Debt Securities shall be made in accordance with the provisions of TIA 312(b). The Company, the Trustee, the Debt Securities Registrar or any agent thereof shall be afforded the protection provided under TIA Section 312(c).

SECTION 108. EFFECT OF HEADINGS AND TABLE OF CONTENTS.

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

SECTION 109. SUCCESSORS AND ASSIGNS.

All covenants and agreements in this Indenture by the Company shall bind its successors and assigns, whether so expressed or not.

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SECTION 110. SEPARABILITY CLAUSE.



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

SECTION 111. BENEFITS OF INDENTURE.

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

SECTION 112. GOVERNING LAW.

This Indenture and the Debt Securities shall be deemed to be a contract made under the laws of the State of New York and for all purposes shall be governed by and construed in accordance with the internal laws of the State of New York, except to the extent certain matters may be governed as a matter of law by federal law.

SECTION 113. LEGAL HOLIDAYS.

In any case where any Interest Payment Date, Redemption Date or Stated Maturity of any Debt Security shall not be a Business Day at a Place of Payment, then (notwithstanding any other provision of this Indenture or such Debt Security) payment of interest or principal (and premium, if any) need not be made on such date at such Place of Payment, but may be made on the next succeeding Business Day at such place of payment with the same force and effect as if made on the Interest Payment Date or Redemption Date or at the Stated Maturity, and no interest shall accrue for the period from and after such Interest Payment Date, Redemption Date or Stated Maturity, as the case may be.

SECTION 114. TRUST INDENTURE ACT CONTROLS.

If any provision of this Indenture limits, qualifies, or conflicts with another provision which is required to be included in this Indenture by the TIA, the required provision shall control.

ARTICLE TWO

DEBT SECURITY FORMS

SECTION 201. FORM OF DEBT SECURITIES.

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The Debt Securities of each series shall be in substantially the form (including any global form) as shall be established by or pursuant to a Board Resolution or in one or more Supplemental Indentures, in each case with such appropriate insertions, omissions, substitutions and other variations as are required or permitted by this Indenture (including such other provisions as are necessary to reflect the global form of any Debt Security, and the designation of a Depositary for such Global Debt Security), and may have such letters, numbers or other marks of identification and such legends or endorsements placed thereon as may be required to comply with the rules of any securities exchange or other laws, rules or regulations or as may, consistently herewith, be determined by the officers executing such Debt Securities, as evidenced by their execution of the Debt Securities.

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

SECTION 202. FORM OF TRUSTEE'S CERTIFICATE OF AUTHENTICATION.

The Trustee's Certificate of Authentication on all Debt Securities shall be in substantially the following form:

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

Date: [Name of Trustee],  
as Trustee

By \_\_\_\_\_  
Authorized Signatory

SECTION 203. FORM OF TRUSTEE'S CERTIFICATE OF AUTHENTICATION BY AN AUTHENTICATING AGENT.

If at any time there shall be appointed an Authenticating Agent pursuant to Section 612, the Trustee's Certificate of Authentication by such Authenticating Agent on all Debt Securities shall be in substantially the following form:

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

Date: [Name of Trustee],  
as Trustee

By [Name of Authenticating Agent]  
Authenticating Agent

By \_\_\_\_\_  
Authorized Signatory

SECTION 204. PROVISIONS IN GLOBAL DEBT SECURITY.

If Debt Securities of a series are issuable in whole or in part as Global Debt Securities, as specified as contemplated by Section 301, then, notwithstanding the provisions of Sections 301 and 302, any such Global Debt Security shall represent such of the Outstanding Debt Securities of such series as shall be specified therein and may provide that it shall represent the aggregate principal amount of Outstanding Debt Securities from time to time endorsed thereon and that the aggregate principal amount of Outstanding Debt Securities represented thereby may from time to time be reduced to reflect exchanges and payments of principal. The Global Debt Securities may be permanent or temporary. Any endorsement of a Global Debt Security to reflect the amount, or any increase or decrease in the principal amount, of outstanding Debt Securities represented thereby shall be made by the Trustee in such manner and upon instructions given by such person or persons as shall be specified therein or in the Company Order to be delivered to the Trustee pursuant to Section 303 or Section 304. Subject to the provisions of Section 303 and, if applicable, Section 304, the Trustee shall deliver and redeliver any permanent Global Debt Security in the manner and upon instructions given by the Person or Persons specified therein or in the applicable Company Order. If a Company Order pursuant to Section 303 or 304 has been or simultaneously is delivered, any instructions by the Company with respect to endorsement or delivery or redelivery of a Global Debt Security shall be in writing but need not comply with Section 102 and need not be accompanied by an Opinion of Counsel.

Notwithstanding the other provisions of this Indenture, unless otherwise specified as contemplated by Section 301, payment of principal of (and premium, if any) and interest, if any, on any permanent Global Debt Securities shall be made to the Person or Persons specified therein.

Notwithstanding the provisions of Section 308 and except as provided in the preceding paragraph, the Company, the Trustee and any agent of the Company and the Trustee shall treat

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a Person as the Holder of such principal amount of Outstanding Debt Securities represented by a permanent Global Debt Security as shall be specified in a written statement of the Depository with respect to such permanent Global Debt Security, only for purposes of obtaining any consents or directions required to be given by the Holders pursuant to this Indenture.

Unless otherwise provided as contemplated by Section 301 with respect to any series of Debt Securities, any Global Debt Security shall provide, in addition to the provisions established pursuant to Sections 201 and 301 and set forth in the preceding paragraphs, that the Depository will not sell, assign, transfer or otherwise convey any beneficial interest in such Global Debt Security unless such beneficial interest is in an amount equal to an authorized denomination for Debt Securities of such series, and that the Depository, by accepting such Global Debt Security, agrees to be bound by such provision. Any Global Debt Security shall also contain such other provisions as are necessary to reflect the global form of such Debt Security and the designation of a

Depository for such Global Debt Security.

ARTICLE THREE

THE DEBT SECURITIES

SECTION 301. AMOUNT UNLIMITED; ISSUABLE IN SERIES.

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

The Debt Securities may be issued in one or more series. There shall be established in or pursuant to a Board Resolution, and set forth in or determined in the manner described in an Officers' Certificate, or established in one or more Supplemental Indentures:

(1) the title of the Debt Securities and the series in which such Debt Securities shall be included;

(2) any limit upon the aggregate principal amount of the Debt Securities of that series which may be authenticated and delivered under this Indenture (except for Debt Securities authenticated and delivered upon registration of transfer of, or in exchange for, or in lieu of, other Debt Securities of that series pursuant to Section 304, 305, 306, 905 or 1107) and the percentage of their principal amount at which the Debt Securities will be issued;

(3) the date or dates on which the principal of the Debt Securities of that series is payable or the manner of determining the same;

(4) the rate or rates at which the Debt Securities of that series shall bear interest, if any, or the manner of determining the same, the date or dates from which such interest shall

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accrue, or the manner of determining the same, the Interest Payment Dates on which such interest shall be payable and the Regular Record Date for the determination of Holders to whom interest shall be payable on any Interest Payment Date, and the basis upon which interest shall be calculated if other than that of a year of twelve 30-day months;

(5) the place or places where the principal of (and premium, if any) and interest, if any, on the Debt Securities of that series shall be payable and the method of such payment;

(6) the period or periods within which, the price or prices at which and the terms and conditions upon which the Debt Securities of that series may be redeemed, in whole or in part, at the option of the Company;

(7) the obligation, if any, of the Company to redeem or purchase Debt Securities of that series pursuant to any sinking fund or analogous provisions or at the option of a Holder thereof and the period or periods within which, the price or prices at which and the terms and conditions upon which Debt Securities of that series shall be redeemed or purchased, in whole or in part, pursuant to such obligation;

(8) if other than denominations of U.S. \$100,000 and any integral multiple of U.S. \$1,000 above U.S. \$100,000, the denominations in which the Debt Securities of that series shall be issuable;

(9) if other than the principal amount thereof, the portion of the principal amount of the Debt Securities of that series which shall be payable upon declaration of acceleration of the Maturity thereof pursuant to Section 502;

(10) the currency or currencies, including composite currencies or units of two or more currencies, in which the payment of the principal of (and premium, if any) and interest on the Debt Securities of that series shall be payable (if other than currency of the United States of America);

(11) the provisions, if any, relating to the conversion or exchange of the Debt Securities of any series into Debt Securities of another series or into Common Stock;

(12) any additional covenants and events of default and the remedies with respect thereto concerning the Debt Securities of that series if not set forth herein;

(13) whether any Debt Securities of the series are to be issued in whole or in part in the form of one or more Global Debt Securities and, if so,

the Depository for such Global Debt Security or Debt Securities (which Depository shall be, if then required by applicable law or regulation, a clearing agency registered under the Securities Exchange Act of 1934, as amended, and any other applicable statute or regulation) and whether beneficial owners of interests in such Global Debt Security or Debt Securities may exchange such interests for Debt

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Securities of such series and of like tenor and of any authorized form and denomination and the circumstances under which any such exchanges may occur, if other than in the manner provided in Section 305);

(14) the identity of the Trustee for the Debt Securities of the series and if not the Trustee, the identity of each Paying Agent and Debt Securities Registrar for the Debt Securities of the series; and

(15) any other terms of the Debt Securities of that series.

All Debt Securities of any one series shall be substantially identical except as to denomination, currency, the rate or rates of interest, if any, and the Maturity and except as may otherwise be provided in or pursuant to such Board Resolution and set forth, or determined in the manner described in such Officers' Certificate, or in any such Supplemental Indenture hereto. All Debt Securities of any one series need not be issued at the same time, and, unless otherwise provided, a series may be reopened for issuances of additional Debt Securities of that series.

Unless otherwise established in or pursuant to an Officers' Certificate, or in one or more Supplemental Indenture hereto, at the option of the Company, interest on the Debt Securities of any series that bears interest may be paid by mailing a check to the address of the person entitled thereto as such address shall appear in the Debt Securities Register.

If the form of Debt Securities of any series is established by action taken, pursuant to a Board Resolution, an appropriate Officers' Certificate setting forth such form together with a copy of the Board Resolution shall be delivered to the Trustee at or prior to the delivery of the order contemplated by Section 303 for the authentication and delivery of such Debt Securities.

#### SECTION 302. DENOMINATIONS.

The Debt Securities of each series may be issued as Registered Debt Securities, Global Securities, or in any combination thereof, and in such denominations and amounts, all as from time to time set forth in an Officers' Certificate or Supplemental Indenture referred to in Section 301.

#### SECTION 303. EXECUTION AUTHENTICATION. DELIVERY AND DATING.

The Debt Securities shall be executed on behalf of the Company by its Chairman of the Board, one of its Vice Chairmen, its President or one of its Vice Presidents (whether or not designated by a number or a word or words added before or after any such title) under its corporate seal reproduced thereon and attested by its Secretary or one of its Assistant Secretaries. The signature of any or all of these officers on the Debt Securities may be manual or facsimile.

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Debt Securities bearing the manual or facsimile signatures of individuals who were at any time the proper officers of the Company shall bind the Company, notwithstanding that such individuals or any of them have ceased to hold such offices prior to the authentication and delivery of such Debt Securities or did not hold such offices at the dates of such Debt Securities.

At any time and from time to time after the execution and delivery of this Indenture, the Company may deliver Debt Securities of any series executed by the Company to, the Trustee for authentication, together with the Officers' Certificate or Supplemental Indenture with respect to such Debt Securities referred to in Section 301 and a Company Order for the authentication and delivery of such Debt Securities, and the Trustee, in accordance with Company Order, but subject to the provisions hereof, shall authenticate and deliver such Debt Securities. Such Company Order may provide that Debt Securities which are the subject thereof will be authenticated and delivered by the Trustee upon the order of Persons designated in said Company Order communicated to the Trustee in writing or by telephone or other means set forth in such Company Order and that such persons are authorized to determine such terms and conditions of said Debt Securities as are specified in the Company Order. In authenticating such Debt Securities, and accepting the additional

responsibilities under this Indenture in relation to such Debt Securities, the Trustee shall be entitled to receive, and (subject to Section 601) shall be fully protected in relying upon, an Opinion of Counsel stating,

(a) that the form and terms of such Debt Securities have been established in conformity with the provisions of this Indenture; and

(b) that all conditions precedent to the authentication and delivery of such Debt Securities have been complied with and that such Debt Securities, when completed by appropriate insertions, authenticated and delivered by the Trustee, issued by the Company and sold in the manner and subject to any conditions specified in such Opinion of Counsel, will constitute valid and binding obligations of the Company, enforceable against the Company in accordance with their terms, except as may be limited by bankruptcy, insolvency, reorganization, moratorium, conservatorship, receivership and other laws or, equitable principles relating to or affecting creditors rights generally and by general principles of equity, including, without limitation, concepts of materiality, reasonableness, good faith and fair dealing and the possible unavailability of specific performance or injunctive relief, regardless of whether considered in a proceeding in equity or at law.

The Opinion of Counsel may also advise that the enforceability of the Debt Securities and the Indenture is subject to the effect of general principles of equity including, without limitation, concepts of materiality, reasonableness, good faith and fair dealing and the possible unavailability of specific performance or injunctive relief, regardless of whether considered in a proceeding in equity or at law.

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If all the Debt Securities of any series are not to be issued at one time, it shall not be necessary to deliver an Opinion of Counsel at the time of issuance of each Debt Security, but such opinion, with appropriate modifications, shall be delivered at or before the time of issuance of the first Debt Security of such series.

The Trustee shall not be required to authenticate such Debt Securities if the issue of such Debt Security, pursuant to this Indenture will affect the Trustee's own rights, duties or immunities under the Debt Securities and this Indenture or otherwise in a manner which is not reasonably acceptable to the Trustee or if the Trustee being advised by counsel determines that such action may not lawfully be taken.

Each Debt Security shall be dated the date of its authentication.

No Debt Security shall be entitled to any benefit under this Indenture or be valid or obligatory for any purpose, unless there appears on such Debt Security a certificate of authentication substantially in the form provided for herein executed by the Trustee by the manual signature of one of its authorized signatories or authorized Authenticating Agents, and such certificate upon any Debt Security shall be conclusive evidence, and the only evidence, that such Debt Security has been duly authenticated and delivered hereunder.

#### SECTION 304. TEMPORARY DEBT SECURITIES.

Pending the preparation or distribution of definitive Debt Securities of any series, the Company may execute and deliver to the Trustee, and upon Company Order the Trustee shall authenticate and deliver in the manner provided in Section 303, a temporary Debt Security or temporary Debt Securities of that series which are printed, lithographed, typewritten, reproduced or otherwise produced, in any authorized denomination, substantially of the tenor of the definitive Debt Securities in lieu of which they are issued or in such form as may be prescribed in the Officers' Certificate or Supplemental Indenture referred to in Section 301 with respect to such Debt Securities, and with such appropriate insertions, omissions, substitutions and other variations as the officers executing such Debt Securities may determine, as evidenced by the their execution of such Debt Securities.

Except in the case of temporary Global Debt Securities, which shall be exchanged in accordance with the provisions thereof, if temporary Debt Securities are issued, the Company shall cause definitive Debt Securities to be prepared without unreasonable delay. After the preparation of definitive Debt Securities' the temporary Debt Security or temporary Debt Securities of that series shall be exchanged for definitive Debt Securities of that series containing identical terms and provisions upon surrender of the temporary Debt Securities of that series, at an office or agency of the Company maintained for such purpose pursuant to Section 1002, without charge to the Holder, or in such other manner as set forth in the Officers' Certificate or Supplemental Indenture referred to in Section 301 with respect to such Debt Securities. Upon surrender for cancellation of any one or more temporary Debt

Securities of any series, the Company shall execute and the Trustee shall authenticate and deliver in exchange therefor a like principal amount of definitive Debt Securities of authorized denominations of the same series containing identical terms and provisions. Except as set forth in the Officers' Certificate or Supplemental Indenture referred to in Section 301 with respect to such Debt Securities, until so exchanged, the temporary Debt Securities of any series shall in all respects be entitled to the same benefits under this Indenture as definitive Debt Securities of that series authorized and delivered hereunder.

SECTION 305. REGISTRATION. REGISTRATION OF TRANSFER AND EXCHANGE.

The Company shall cause to be kept at the office of the Debt Securities Registrar designated pursuant to this Section 305 or Section 1002 a register (herein sometimes referred to as the "Debt Securities Register") in which, subject to such reasonable regulations as it may prescribe, the Company shall provide for the registration of each series of Debt Securities and of transfers of each series of Debt Securities. The Trustee is hereby initially appointed "Debt Securities Registrar" for the purpose of registering Debt Securities and transfers of Debt Securities as herein provided.

Except as set forth in the Officers' Certificate or Supplemental Indenture referred to in Section 301 with respect to any Debt Securities of a series, upon surrender for registration of transfer of any Debt Security of any series at any office or agency of the Company maintained for such purpose pursuant to Section 1002, the Company shall execute, and the Trustee shall authenticate and deliver in the name of the designated transferee or transferees, one or more new Debt Securities of authorized denominations of the same series containing identical terms and provisions, of a like aggregate principal amount.

Except as set forth in the Officers' Certificate or Supplemental Indenture referred to in Section 301 with respect to any Debt Securities of a series, at the option of the Holder, Debt Securities of any series may be exchanged for other Debt Securities of authorized denominations of the same series containing identical terms and provisions, of like aggregate principal amount, upon surrender of the Debt Securities to be exchanged at such office or agency. Whenever any Debt Securities are so surrendered for exchange, the Company shall execute, and the Trustee shall authenticate and deliver, the Debt Securities which the Holder making the exchange is entitled to receive.

All Debt Securities issued upon any registration of transfer or exchange of Debt Securities shall be the valid obligations of the Company, evidencing the same debt, and entitled to the same benefits under this Indenture, as the Debt Securities surrendered upon such registration of transfer or exchange.

Every Debt Security presented or surrendered for registration of transfer or for exchange shall (if so required by the Company or the Debt Securities Registrar for that series of Debt Security presented) be duly endorsed, or be accompanied by a written instrument of

transfer in form satisfactory to the Company and the Debt Securities Registrar duly executed, by the Holder thereof or his attorney duly authorized in writing.

No service charge shall be made for any registration of transfer or exchange of Debt Securities, but the Company may require payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with any registration of transfer or exchange of Debt Securities, other than exchanges pursuant to Section 304, 905 or 1107 not involving any transfer.

In the event of redemption in part, the Company shall not be required, (i) to register the transfer of or exchange Registered Debt Securities for a period of 15 days immediately preceding the date notice is given identifying the serial numbers of the Debt Securities called for such redemption or (ii) to register the transfer of or exchange any Registered Debt Securities, or portion thereof, called for redemption except, in the case of any Registered Debt Securities to be redeemed in part, the unredeemed portion of such Registered Debt Securities being redeemed in part.

If at any time the Depository for the Debt Securities of a series issued in the form of one or more Global Debt Securities notifies the Company

that it is unwilling or unable to continue as Depositary for the Debt Securities of such series or if at any time the Depositary for the Debt Securities of such series shall no longer be eligible under Section 301, the Company shall appoint a successor Depositary with respect to the Debt Securities of such series. If a successor Depositary for the Debt Securities of such series is not appointed by the Company within ninety (90) days after the Company receives such notice or becomes aware of such ineligibility, the Company's election to issue Global Debt Securities pursuant to Section 301 shall no longer be effective with respect to the Debt Securities of such series and the Company will execute, and the Trustee, upon receipt of a Company Order for the authentication and delivery of definitive Debt Securities of such series, will authenticate and deliver, Debt Securities of such series in definitive form in an aggregate principal amount equal to the principal amount of the Global Debt Security or Debt Securities representing such series in exchange for such Global Debt Security or Debt Securities.

The Company may at any time and in its sole discretion determine that the Debt Securities of any series issued in the form of one or more Global Debt Securities shall no longer be represented by such Global Debt Security or Debt Securities. In such event the Company will execute, and the Trustee, upon receipt of a Company Order for the authentication and delivery of definitive Debt Securities of such series, will authenticate and deliver Debt Securities of such series in definitive form, in authorized denominations, and in an aggregate principal amount equal to the principal amount of the Global Debt Security or Debt Securities representing such series in exchange for such Global Debt Security or Debt Securities.

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Unless and until a Global Debt Security is exchanged in whole or in part for Debt Securities in definitive form in accordance with the provisions of this Indenture, a Global Debt Security may not be transferred except as a whole by the Depositary with respect to such Global Debt Security to a nominee of such Depositary or by a nominee of such Depositary to such Depositary or another nominee of such Depositary or by such Depositary or any such nominee to a successor of such Depositary or a nominee of such successor. Unless otherwise provided as contemplated by Section 301 with respect to any series of Debt Securities evidenced in whole or in part by a Global Debt Security, the Depositary may not sell, assign, transfer or otherwise convey any beneficial interest in a Global Debt Security evidencing all or part of the Debt Securities of such series unless such beneficial interest is in an amount equal to an authorized denomination for Debt Securities of such series.

Notwithstanding the foregoing, except as otherwise specified as contemplated by Section 301, any Global Debt Security shall be exchangeable only as provided in this paragraph. If the beneficial owners of interests in a Global Debt Security are entitled to exchange such interests for Debt Securities of such series and of like tenor and principal amount of another authorized form and denomination, as specified as contemplated by Section 301, then without unnecessary delay but in any event not later than one Business Day prior to the earliest date on which such interests may be so exchanged, the Company shall deliver to the Trustee definitive Debt Securities of such series in aggregate principal amount equal to the principal amount of such Global Debt Securities, executed by the Company. On or after the earliest date on which such interests may be so exchanged, such Global Debt Securities shall be surrendered by the Depositary as shall be specified in the Company Order with respect thereto to the Trustee, as the Company's agent for such purpose, to be exchanged, in whole or from time to time in part, for definitive Debt Securities of such series without charge and the Trustee shall authenticate and deliver, in exchange for each portion of such Global Debt Securities, a like aggregate principal amount of definitive Debt Securities of the same series of authorized denominations and of like tenor as the portion of such Global Debt Securities to be exchanged as shall be specified by the beneficial owner thereof provided, however, that no such exchanges may occur for a period of 15 days immediately preceding the date notice is given identifying the serial numbers of the Debt Securities called for redemption; if a Registered Debt Security of any series is issued in exchange for any portion of a Global Debt Security after the close of business at the office or agency where such exchange occurs on (1) any Regular Record Date and before the opening of business at such office or agency on the relevant Interest Payment Date, or (2) any Special Record Date and before the opening of business at such office or agency on the related proposed date for payment of Defaulted Interest, interest or Defaulted Interest, as the case may be, will not be payable on such Interest Payment Date or proposed date for payment, as the case may be, in respect to such Registered Debt Securities, but will be payable on such Interest Payment Date or proposed date for payment, as the case may be, only to the person to whom interest in respect of such portion of such Global Debt Securities is payable in accordance with the provisions of this Indenture.

If there is delivered to the Trustee any mutilated Debt Security and such security or indemnity as may be required by the Trustee to save the Trustee and the Company harmless, then the Company shall execute and the Trustee shall authenticate and deliver in exchange therefor a new Debt Security of the same series of like tenor and principal amount and bearing a number not contemporaneously outstanding.

If there is delivered to the Company and to the Trustee (i) evidence to their satisfaction of the destruction, loss or theft of any Debt Security, and (ii) such security or indemnity as may be required by them to save each of them harmless, then, in the absence of notice to the Company or the Trustee that such Debt Security has been acquired by a bona fide purchaser, the Company shall execute and upon its request the Trustee shall authenticate and deliver, in lieu of any such destroyed, lost or stolen Debt Security, a new Debt Security of the same series of like tenor and principal amount and bearing a number not contemporaneously outstanding.

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

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

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

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

SECTION 307. PAYMENT OF INTEREST: INTEREST RIGHTS PRESERVED.

Interest on any Registered Debt Security which is payable, and is punctually paid or duly provided for, on any Interest Payment Date shall, if so provided in such Registered Debt Security, be paid to the person in whose name such Registered Debt Security (or one or more Predecessor Debt Securities) is registered at the close of business on the Regular Record Date for such interest, unless interest is payable at Maturity, in which case interest shall be paid to

the person entitled to receive payment of the principal of such Registered Debt Security at Maturity.

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

(1) The Company may elect to make payment of any Defaulted Interest to the persons in whose names the Registered Debt Securities affected (or their respective predecessor Debt Securities) are registered at the close of business on a Special Record Date for the payment of such Defaulted Interest, which shall be fixed in the following manner. The Company shall notify the Trustee in writing of the amount of Defaulted Interest proposed to be paid on each such Registered Debt Security and the date of the proposed payment, and at the same time the Company shall deposit with the Trustee an amount of money equal to the aggregate amount proposed to be paid in respect of such Defaulted Interest or shall make arrangements satisfactory to the Trustee for such deposit prior to the date of the proposed payment, such money when deposited to be held in trust for the benefit of the Persons entitled to such Defaulted Interest as in this Clause (1) provided. Thereupon the Trustee shall fix a Special Record Date for the payment of such Defaulted Interest which shall be not more than 15 days and not less than 10 days prior to the date of



the proposed payment and not less than 10 days after the receipt by the Trustee of the notice of the proposed payment. The Trustee shall promptly notify the Company of such Special Record Date and, in the name and at the expense of the Company, shall cause notice of the proposed payment of such Defaulted Interest and the Special Record Date therefor to be mailed, first-class postage prepaid, to each Holder of such Registered Debt Securities at his address as it appears in the Debt Securities Register not less than 10 days prior to such Special Record Date. Notice of the proposed payment of such Defaulted Interest and the special Record Date therefor having been mailed as aforesaid, such Defaulted Interest shall be paid to the persons in whose names such Registered Debt Securities (or their respective predecessor Debt Securities) are registered at the close of business on such Special Record Date and shall no longer be payable pursuant to the following Clause (2).

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

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Subject to the foregoing provisions of this Section, each Debt Security delivered under this Indenture upon registration of transfer of or in exchange for or in lieu of any other Debt Security shall carry the rights (i) to interest accrued and unpaid, (ii) to interest which may accrue, and (iii) to premium, if any which were carried by such other Debt Security.

SECTION 308. PERSONS DEEMED OWNERS.

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

Notwithstanding the foregoing, with respect to any Global Debt Security, nothing herein shall prevent the Company, the Trustee, or any agent of the Company or the Trustee, from giving effect to any written certification, proxy or other authorization furnished by a Depository or impair, as between a Depository and holders of beneficial interests in any Global Debt Security.

SECTION 309. CANCELLATION.

All Debt Securities surrendered for payment, redemption, registration of transfer or exchange shall, if surrendered to any Person other than the Trustee, be delivered to the Trustee, and any such Debt Securities and Debt Securities surrendered directly to the Trustee for any such purpose shall be retained in the possession of the Trustee for cancellation in the case of redemption or reissuance upon subsequent exchanges. The Company may at any time deliver to the Trustee for cancellation any Debt Securities previously authenticated and delivered hereunder which the Company may have acquired in any manner whatsoever, and all Debt Securities so delivered shall be promptly canceled by the Trustee unless otherwise instructed by the Company. No Debt Securities shall be authenticated in lieu of or in exchange for any Debt Securities canceled as provided in this Section, except as expressly permitted by this Indenture. Upon written instructions of the Company, all canceled Debt Securities shall be destroyed by the Trustee and the Trustee shall deliver a certificate of such destruction to the Company.

SECTION 310. COMPUTATION OF INTEREST.

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

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ARTICLE FOUR

SATISFACTION AND DISCHARGE

SECTION 401. SATISFACTION AND DISCHARGE OF INDENTURE.

This Indenture shall cease to be of further effect (except as to any surviving rights of registration of transfer, conversion or exchange of Debt Securities herein expressly provided for), and the Trustee, on demand of and at the expense of the Company, shall execute proper instruments acknowledging satisfaction and discharge of this Indenture, when

(1) either

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

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

(i) have become due and payable, or

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

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

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

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

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

Notwithstanding the satisfaction and discharge of this Indenture, (i) the obligations of the Company to the Trustee under Article Six, (ii) the obligations of the Trustee to any Authenticating Agent under Section 612, (iii) if money shall have been deposited with the Trustee pursuant to paragraph (B) of this Section, the rights, powers, protections, trusts, duties and indemnities of the Trustee hereunder, (iv) the Company's obligations with respect to such Debt Securities under Sections 304, 305, 306, 1002, 1003, and 1006, and (v) the obligations of the Trustee under Section 402 and the last paragraph of Section 1003, shall in each case survive.

#### SECTION 402. APPLICATION OF TRUST MONEY.

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

### ARTICLE FIVE

#### REMEDIES

#### SECTION 501. EVENTS OF DEFAULT.

"Event of Default" wherever used herein with respect to Debt Securities of any series, means any one of the following events (whatever the reason for such Event of Default and whether it shall be voluntary or involuntary or be effected by operation of law or pursuant to any judgment,

decree or order of any court or any order, rule, or regulation of any administrative or governmental body:

(1) default in the payment of any interest upon any Debt Security of that series when it becomes due and payable, and continuance of such default for a period of 30 days; or

(2) default in the payment of the principal of (or premium, if any) on any Debt Security of that series when it becomes due and payable at its Maturity; or

(3) default in the deposit of any sinking fund payment when the same shall become due and payable by the terms of any Debt Security of that series; or

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(4) default in the performance, or breach, of any covenant or warranty of the Company in this Indenture (other than a covenant or warranty a default in whose performance or whose breach is elsewhere in this Section specifically dealt with or which has been expressly included in this Indenture solely for the benefit of a series of Debt Securities other than that series), and continuance of such default or breach for a period of 60 days after there has been given, by registered or certified mail, to the Company by the Trustee or to the Company and the Trustee by the Holders of at least 10% in principal amount of the Outstanding Debt Securities of that series a written notice specifying such default or breach and requiring it to be remedied and stating that such notice is a "Notice of Default" hereunder; or

(5) a receiver, liquidator, assignee, custodian, trustee, conservator, sequestrator or other similar official shall take possession of the Company or any substantial part of its property without its consent, or the entry of a decree or order for relief by a court having jurisdiction in the premises in respect of the Company in an involuntary case under the Federal Bankruptcy Code or any other applicable Federal or State law, or appointing a receiver, liquidator, custodian, assignee, trustee, sequestrator, conservator, or other similar official of the Company or of any substantial part of its property, or ordering the winding up or liquidation of its affairs, and the continuance of any such possession, decree or order unstayed and in effect for a period of 60 consecutive days; or

(6) the commencement by the Company of a voluntary case under the Federal Bankruptcy Code or any other applicable Federal or State law, or the consent by either of the foregoing to the entry of an order for relief in an involuntary case under any such law, or the consent by the Company to the appointment of or taking possession by a receiver, liquidator, assignee, custodian, trustee, conservator, sequestrator or other similar official of the Company or of any substantial part of its property, or the making by the Company of an assignment for the benefit of creditors; or

(7) any other Event of Default provided with respect to Debt Securities of that series.

SECTION 502. ACCELERATION OF MATURITY: RESCISSION AND ANNULMENT.

If an Event of Default occurs with respect to Debt Securities of any series and is continuing, then and in every such case the Trustee (upon obtaining knowledge of such Event of Default) or the Holders of not less than 25% in principal amount of the Outstanding Debt Securities of that series may declare the principal of all the Debt Securities of that series, or if the Debt Securities of that series are Original Issue Discount Debt Securities, such portion of the principal amount as may be specified in the terms of that series, to be due and payable immediately, by a notice in writing to the Company (and to the Trustee if given by Holders), and upon any such declaration such principal shall become immediately due and payable.

At any time after such a declaration of acceleration with respect to Debt Securities of any series has been made and before a judgment or decree for payment of the money due has

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been obtained by the Trustee as hereinafter in this Article provided, the Holders of a majority in principal amount of the Outstanding Debt Securities of that series, by written notice to the Company and the Trustee, may rescind and annul such declaration and its consequences if

(1) the Company has paid or deposited with the Trustee a sum

sufficient to pay

(A) all overdue installments of interest, if any, on all Debt Securities of that series,

(B) the principal of (and premium, if any, on) any Debt Securities of that series which have become due otherwise than by such declaration of acceleration and interest thereon at the rate or rates borne by or provided for in such Debt Securities,

(C) to the extent that payment of such interest is lawful, interest upon overdue installments of interest at the rate or rates borne by or provided for in such Debt Securities, and

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

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

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

Upon receipt by the Trustee of any declaration of acceleration, or rescission and annulment thereof, with respect to Debt Securities of a series all or part of which is represented by a Global Debt Security, the Trustee shall establish a record date for determining Holders of outstanding Debt Securities of such series entitled to join in such declaration of acceleration, or rescission and annulment, as the case may be, which record date shall be at the close of business on the day the Trustee receives such declaration of acceleration, or rescission and annulment, as the case may be. The Holders on such record date, or their duly designated proxies, and only such persons, shall be entitled to join in such declaration of acceleration, or rescission and annulment, as the case may be, whether or not such Holders remain Holders after such record date; provided, that unless such declaration of acceleration, or rescission and annulment, as the case may be, shall have become effective by virtue of the requisite percentage having been obtained prior to the day which is ninety (90) days after such record date, such declaration of acceleration, or rescission and annulment, as the case may be, shall automatically without further action by any Holder be canceled and of

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no further effect. Nothing in this paragraph shall prevent a Holder, or a proxy of a Holder, from giving, after expiration of such ninety (90) day period, a new declaration of acceleration, or rescission or annulment thereof, as the case may be, that is identical to a declaration of acceleration, or rescission or annulment thereof, which has been canceled pursuant to the proviso to the preceding sentence, in which event a new record date shall be established pursuant to the provisions of this Section 502.

SECTION 503. COLLECTION OF INDEBTEDNESS AND SUITS FOR ENFORCEMENT BY TRUSTEE.

The Company covenants that if

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

(2) default is made in the payment of the principal of (or premium, if any, on) any Debt Security at the Maturity thereof or in the deposit of any sinking fund payment, if any, when the same shall have become payable,

the Company will, upon demand of the Trustee, pay to it, for the benefit of the Holders of such Debt Securities, the whole amount then due and payable on such Debt Securities for principal and premium, if any, and interest, if any, with interest upon the overdue principal (and premium, if any) and, to the extent that payment of such interest is lawful, upon overdue installments of interest, at the rate or rates borne by or provided for in such Debt Securities, and, in addition thereto, such further amount as shall be sufficient to cover the costs and expenses of collection, including the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel.

If the Company fails to pay such amounts forthwith upon such demand, the Trustee, in its own name and as trustee of an express trust, may institute

a judicial proceeding for the collection of the sums so due and unpaid, and may prosecute such proceeding to judgment or final decree, and may enforce the same against the Company and collect the moneys adjudged or decreed to be payable in the manner provided by law out of the property of the Company wherever situated.

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

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SECTION 504. TRUSTEE MAY FILE PROOFS OF CLAIM.

In case of the pendency of any receivership, conservatorship, insolvency, liquidation, bankruptcy, reorganization, arrangement, adjustment, composition or other judicial or other proceeding relative to the Company upon the Debt Securities or the property of the Company or its creditors, the Trustee (irrespective of whether the principal of the Debt Securities shall then be due and payable as therein expressed or by declaration or otherwise and irrespective of whether the Trustee shall have made any demand on the Company for the payment of overdue principal, premium or interest) shall be entitled and empowered, by intervention in such proceeding or otherwise,

(1) to file and prove a claim for the whole amount of principal (and premium, if any) and interest, if any, owing and unpaid in respect of the Debt Securities and to file such other papers or documents as may be necessary or advisable in order to have the claims of the Trustee (including any claim for the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel) and of the Holders allowed in such judicial proceeding, and

(2) to collect and receive any moneys or other property payable or deliverable on any such claims and to distribute the same;

and any receiver, liquidator, assignee, custodian, trustee, conservator, sequestrator or other similar official in any such judicial or other proceeding is hereby authorized by each Holder to make such payments to the Trustee and, in the event that the Trustee shall consent to the making of such payments directly to the Holders, to pay to the Trustee any amount due to it for the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel, and any other amounts due the Trustee under Section 607.

Nothing herein contained shall be deemed to authorize the Trustee to authorize or consent to or accept or adopt on behalf of any Holder any plan of reorganization, arrangement, adjustment or composition affecting the Debt Securities or the rights of any Holder thereof, or to authorize the Trustee to vote in respect of the claim of any Holder in any such proceeding.

SECTION 505. TRUSTEE MAY ENFORCE CLAIMS WITHOUT POSSESSION OF DEBT SECURITIES.

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

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for the ratable benefit of the Holders of the Debt Securities in respect of which such judgment has been recovered.

SECTION 506. APPLICATION OF MONEY COLLECTED.

Any money collected by the Trustee pursuant to this Article shall be applied in the following order, at the date or dates fixed by the Trustee and, in case of the distribution of such money on account of principal (or premium, if any) or interest, if any, upon presentation of the Debt Securities and the

notation thereon of the payment if only partially paid and upon surrender thereof if fully paid:

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

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

THIRD: The balance, if any, to the Company or any other person or persons entitled thereto.

SECTION 507. LIMITATION ON SUITS.

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

(1) such Holder has previously given written notice to the Trustee of a continuing Event of Default with respect to the Debt Securities of that series;

(2) the Holders of not less than 25% in principal amount of the Outstanding Debt Securities of that series have made written request to the Trustee to institute proceedings in respect of such Event of Default in its own name as Trustee hereunder;

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

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

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

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

SECTION 508. UNCONDITIONAL RIGHT OF HOLDERS TO RECEIVE PRINCIPAL, PREMIUM AND INTEREST.

Notwithstanding any other provision in this Indenture, the Holder of any Debt Security shall have the right, which is absolute and unconditional, to receive payment of the principal of (and premium, if any) and (subject to Section 307) interest (including any additional interest provided for in an Officers' Certificate or Supplemental Indenture referred to in Section 301 with respect to any Debt Securities of a series), if any, on such Debt Security on the respective Stated Maturities expressed in such Debt Security (or, in the case of redemption, on the Redemption Date) and to institute suit for the enforcement of any such payment, and such right shall not be impaired without the consent of such Holder.

SECTION 509. RESTORATION OF RIGHTS AND REMEDIES.

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

SECTION 510. RIGHTS AND REMEDIES CUMULATIVE.

No right or remedy herein conferred upon or reserved to the Trustee or to the Holders is intended to be exclusive of any other right or remedy, and every right and remedy shall, to the extent permitted by law, be cumulative and in addition to every other right and remedy given hereunder or now or hereafter existing at law or in equity or otherwise. The assertion or employment of any right or remedy hereunder, or otherwise, shall not prevent the concurrent assertion or employment of any other appropriate right or remedy.

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SECTION 511. DELAY OR OMISSION NOT WAIVER.

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

SECTION 512. CONTROL BY HOLDERS

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

- (1) such direction shall not be in conflict with any rule of law or with this Indenture,
- (2) the Trustee shall not determine that the action so directed would be unjustly prejudicial to Holders of Debt Securities of that series, or any other series not taking part in such direction, and
- (3) the Trustee may take any other action deemed proper by the Trustee which is not inconsistent with such direction; and
- (4) such Holder or Holders shall have provided to the Trustee reasonable indemnity against the costs, expenses and liabilities to be incurred in compliance with such request or direction.

Upon receipt by the Trustee of any purported direction with respect to Debt Securities of a series all or part of which is represented by a Global Debt Security, the Trustee shall establish a record date for determining Holders of Outstanding Debt Securities of such series entitled to join in such direction, which record date shall be at the close of business on the day the Trustee receives such direction. The Holders on such record date, or their duly designated proxies, and only such persons, shall be entitled to join in such direction, whether or not such holders remain Holders after such record date; provided, that unless such majority in principal amount shall have been obtained prior to the day which is ninety (90) days after such record date, such direction shall automatically and without further action by any Holder be canceled and of no further effect. Nothing in this paragraph shall prevent a Holder, or a proxy of a Holder, from giving, after expiration of such ninety (90) day period, a new direction identical to a direction which has been canceled pursuant to the proviso to the preceding sentence, in which event a new record date shall be established pursuant to the provisions of this Section 512.

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SECTION 513. WAIVER OF PAST DEFAULTS.

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

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

Upon any such waiver, such default shall cease to exist, and any Event

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

SECTION 514. UNDERTAKING FOR COSTS.

All parties to this Indenture agree, and each Holder of any Debt Security by his acceptance thereof shall be deemed to have agreed, that any court may in its discretion require, in any suit for the enforcement of any right or remedy under this Indenture, or in any suit against the Trustee for any action taken, suffered or omitted by it as Trustee, the filing by any party litigant in such suit, other than the Trustee, of an undertaking to pay the costs of such suit, and that such court may in its discretion, assess reasonable costs, including reasonable attorneys' fees, against any party litigant in such suit, including the Trustee, having due regard to the merits and good faith of the claims or defenses made by such party litigant; but the provisions of this Section shall not apply to any suit instituted by the Trustee, or any suit instituted by any Holder, or group of Holders, holding in the aggregate more than 10% in principal amount of the Outstanding Debt Securities of any series, or to any suit instituted by any Holder for the enforcement of the payment of the principal of (or premium, if any) or interest, if any, on any Debt Security on or after the Stated Maturity expressed in such Debt Security (or, in the case of redemption, on or after the Redemption Date).

SECTION 515. WAIVER OF STAY OR EXTENSION LAWS.

The Company covenants (to the extent that it may lawfully do so) that it will not at any time insist upon, or plead, or in any manner whatsoever claim or take the benefit or advantage of, any stay or extension law wherever enacted, nor or at any time hereafter in force, which may affect the covenants or the performance of this Indenture; and the Company (to the extent that it may lawfully do so) hereby expressly waives all benefit or advantage of any such law

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and covenants that it will not hinder, delay or impede the exercise of any power herein granted to the Trustee, but will suffer and permit the exercise of every such power as though no such law had been enacted.

ARTICLE SIX

THE TRUSTEE

SECTION 601. CERTAIN DUTIES AND RESPONSIBILITIES.

(1) Except during the continuance of an Event of Default,

(a) the Trustee undertakes to perform such duties and only such duties as are specifically set forth in this Indenture, and, to the extent lawful, no implied covenants or obligations shall be read into this Indenture against the Trustee; and

(b) in the absence of bad faith on its part, the Trustee may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed therein, upon certificates or opinions furnished to the Trustee and conforming to the requirements of this Indenture; but in the case of any such certificates or opinions which by any provision hereof are specifically required to be furnished to the Trustee, the Trustee shall be under a duty to examine the same to determine whether or not they conform to the requirements of this Indenture.

(2) In case an Event of Default has occurred and is continuing, the Trustee shall exercise such of the rights and powers vested in it by this Indenture, and use the same degree of care and skill in their exercise, as a prudent man would exercise or use under the circumstances in the conduct of his or her own affairs.

(3) No provision of this Indenture shall be construed to relieve the Trustee from liability for its own negligent action, its own negligent failure to act, or its own willful misconduct, except that

(a) this Subsection shall not be construed to limit the effect of Subsection (1) of this Section;

(b) the Trustee shall not be liable for any error of judgment made in good faith by a Responsible Officer, unless it shall be proved that the Trustee was negligent in ascertaining the pertinent facts;



(c) the Trustee shall not be liable with respect to any action taken or omitted to be taken by it in good faith in accordance with the direction of the Holders of a

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majority in principal amount of the Outstanding Debt Securities of any series relating to the time, method and place of conducting any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred upon the Trustee, under this Indenture with respect to the Debt Securities of that series; and

(d) no provision of this Indenture shall require the Trustee to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder, or in the exercise of any of its rights or powers if it shall have reasonable grounds for believing that repayment of such funds or adequate indemnity against such risk or liability is not reasonably assured to it.

(4) Whether or not therein expressly so provided, every provision of this Indenture relating to the conduct or affecting the liability of or affording protection to the Trustee shall be subject to the provisions of this Section.

#### SECTION 602. NOTICE OF DEFAULTS.

Within 90 days after the occurrence of any Event of Default with respect to the Debt Securities of any series, the Trustee shall transmit in the manner specified under Section 106 to all Holders of Debt Securities of that series (including Holders identified in TIA Section 315(b)), notice of such Event of Default hereunder known to the Trustee, unless such Event of Default shall have been cured or waived; provided, however, that, except in the case of a Event of Default in the payment of the principal of (or premium, if any) or interest, if any, on any Debt Security of that series, or in the payment of any sinking fund payment with respect to Debt Securities of that series, the Trustee shall be protected in withholding such notice if the Trustee in good faith determines that the withholding of such notice is in the interests of the Holders of Debt Securities of that series; and provided further, that in the case of any Event of Default of the character specified in Section 501(4) with respect to Debt Securities of that series, no such notice to Holders shall be given until at least 60 days after the occurrence thereof.

#### SECTION 603. CERTAIN RIGHTS OF TRUSTEE.

Subject to the provisions of Section 601,

(1) the Trustee may rely and shall be protected in acting or refraining from acting upon any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, bond, debenture, Debt Security or other paper or document reasonably believed by it to be genuine and to have been signed or presented by the proper party or parties;

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(2) any request or direction of the Company mentioned herein shall be sufficiently evidenced by a Company Request or Company Order and any resolution of the Board of Directors may be sufficiently evidenced by a Board Resolution;

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

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

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

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

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

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

SECTION 604. NOT RESPONSIBLE FOR RECITALS OR ISSUANCE OF DEBT SECURITIES.

The recitals contained herein and in the Debt Securities, except the Trustee's certificates of authentication, shall be taken as the statements of the Company, and the Trustee assumes no responsibility for their correctness. The Trustee makes no representations as to the validity or sufficiency of this Indenture or of the Debt Securities. The Trustee shall not be

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accountable for the use or application by the Company of the Debt Securities or the proceeds thereof.

SECTION 605. MAY HOLD DEBT SECURITIES.

The Trustee, any Paying Agent, the Debt Securities Registrar or any other agent of the Company or the Trustee, in its individual or any other capacity, may become the owner or pledgee of Debt Securities and may otherwise deal with the Company with the same rights it would have if it were not Trustee, Paying Agent, Debt Securities Registrar or such other agent.

SECTION 606. MONEY HELD IN TRUST.

Money held by the Trustee in trust hereunder need not be segregated from other funds except to the extent required by law. Such amounts shall be invested by the Trustee solely at the written direction of the Company. The Trustee shall be under no liability for interest on any money received by it hereunder except as otherwise agreed with the Company.

SECTION 607. COMPENSATION, REIMBURSEMENT AND INDEMNITY.

The Company agrees:

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

(2) to reimburse the Trustee upon its request for all reasonable expenses, disbursements and advances incurred or made by the Trustee in accordance with any provision of this Indenture (including the reasonable compensation and the expenses and disbursements of its agents and counsel), except to the extent such expense, disbursement or advance may be attributable to its negligence or bad faith; and

(3) to indemnify the Trustee, its officers, directors, agents and employees for, and to hold them harmless against, any loss, liability or expense arising out of or in connection with the acceptance or administration of this trust, including liability which the Trustee, its officers, directors, agents and employees may incur as a result of failure to withhold, pay or report taxes and including the costs and expenses of defending themselves against any claim or liability in connection with the exercise or performance of any of their powers or duties hereunder, except in each case to the extent such loss, liability or expense may be attributable to their negligence or bad faith.

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As security for the performance of the obligations of the Company under this Section the Trustee shall have a lien prior to the Debt Securities upon all property and funds held or collected by the Trustee as such, except funds held in trust for the payment of principal of (and premium, if any) or interest, if any, on particular Debt Securities.

The Trustee's rights under this Section 607 shall survive the resignation or removal of the Trustee, the redemption of the Debt Securities and the termination of this Indenture.

"Trustee," for purposes of this Section 607, includes any predecessor Trustee, provided that the negligence or bad faith of any Trustee shall not affect the rights under this Section 607 of any other Trustee.

#### SECTION 608. CORPORATE TRUSTEE REQUIRED; ELIGIBILITY.

There shall at all times be a Trustee hereunder which shall be a corporation or bank organized and doing business under the laws of the United States of America or of any State or the District of Columbia, authorized under such laws to exercise corporate trust powers, having a combined capital and surplus of at least \$50,000,000, subject to supervision or examination by Federal or State authority. If such corporation or bank publishes reports of condition at least annually, pursuant to law or to the requirements of the aforesaid supervising or examining authority, then for the purposes of this Section, the combined capital and surplus of such corporation or bank shall be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published. If at any time the Trustee shall cease to be eligible in accordance with the provisions of this Section, it shall resign immediately in the manner and with the effect hereinafter specified in this Article.

The Trustee shall at all times be subject to the conflict of interest provisions of TIA Section 310(b), including the optional provision of TIA Section 310(b)(9), permitted by the second sentence thereof. Furthermore, the conflict of interest provisions of TIA Section 310(b)(1) regarding conflicts arising between different indentures shall also apply to any conflicts arising between series of Debt Securities issued under this Indenture.

#### SECTION 609. RESIGNATION AND REMOVAL; APPOINTMENT OF SUCCESSOR.

(1) No resignation or removal of the Trustee and no appointment of a successor Trustee pursuant to this Article shall become effective until the acceptance of appointment by the successor Trustee under Section 610.

(2) The Trustee may resign at any time with respect to the Debt Securities of one or more series by giving written notice thereof to the Company. If an instrument of acceptance by a successor Trustee shall not have been delivered to the Trustee within 30 days after the giving of such notice of resignation, the resigning Trustee may petition any court of competent jurisdiction for the appointment of a successor Trustee with respect to that series.

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(3) The Trustee may be removed at any time with respect to the Debt Securities of any series by Act of the Holders of a majority in principal amount of the Outstanding Debt Securities of that series, delivered to the Trustee and to the Company.

(4) If at any time:

(a) the Trustee shall cease to be eligible under Section 608 and shall fail to resign after written request therefor by the Company or by any such Holder, or

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

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

(5) If the Trustee shall resign, be removed or become incapable of acting, or if a vacancy shall occur in the office of Trustee for any cause, with respect to the Debt Securities of one or more series, the Company, by a Board

Resolution, shall promptly appoint a successor Trustee with respect to the Debt Securities of that or those series (it being understood that any such successor Trustee may be appointed with respect to the Debt Securities of one or more or all of that or those series and that at any time there shall be only one Trustee with respect to the Debt Securities of any series). If, within one year after such resignation, removal or incapability, or the occurrence of such vacancy, a successor Trustee with respect to the Debt Securities of any series shall be appointed by Act of the Holders of a majority in principal amount of the Outstanding Debt Securities of that series delivered to the Company and the retiring Trustee, the successor Trustee so appointed shall, forthwith upon its acceptance of such appointment, become the successor Trustee with respect to the Debt Securities of that series and supersede the successor Trustee appointed by the Company. If no successor Trustee with respect to the Debt Securities of any series shall have been so appointed by the Company or the Holders and accepted appointment in the manner hereinafter provided, any Holder who has been a bona fide Holder of a Debt Security of that series for at least six months may, on behalf of himself and all others similarly situated, petition any court of competent jurisdiction for the appointment of a successor Trustee with respect to the Debt Securities of that series.

(6) The Company shall give notice of each resignation and each removal of the Trustee with respect to the Debt Securities of any series and each appointment of a successor

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Trustee with respect to the Debt Securities of any series in the manner provided by Section 106. Each notice shall include the name of the Successor Trustee with respect to the Debt Securities of that series and the address of its Corporate Trust Office.

#### SECTION 610. ACCEPTANCE OF APPOINTMENT BY SUCCESSOR.

(1) In case of appointment hereunder of a successor Trustee with respect to all Debt Securities, every such successor Trustee so appointed shall execute, acknowledge and deliver to the Company and to the retiring Trustee an instrument accepting such appointment, and thereupon the resignation or removal of the retiring Trustee shall become effective and such successor Trustee, without any further act, deed or conveyance, shall become vested with all the rights, powers, trusts and duties of the retiring Trustee; but, on request of the Company or the successor Trustee, such retiring Trustee shall, upon payment of its charges, execute and deliver an instrument transferring to such successor Trustee all the rights, powers and trusts of the retiring Trustee and shall duly assign, transfer and deliver to such successor Trustee all property and money held by such retiring Trustee hereunder, subject nevertheless to its lien, if any, provided for in Section 607.

(2) In case of the appointment hereunder of a successor Trustee with respect to the Debt Securities of one or more (but not all) series, the Company, the retiring Trustee and each successor Trustee with respect to the Debt Securities of one or more series shall execute and deliver a Supplemental Indenture hereto wherein each successor Trustee shall accept such appointment and which (a) shall contain such provisions as shall be necessary or desirable to transfer and confirm to, and to vest in, each successor Trustee all the rights, powers, trusts and duties of the retiring Trustee with respect of the Debt Securities of that or those series to which the appointment of such successor Trustee relates, (b) if the retiring Trustee is not retiring with respect to all Debt Securities, shall contain such provisions as shall be deemed necessary or desirable to confirm that all the rights, powers, trusts and duties of the retiring Trustee with respect to the Debt Securities of that or those series as to which the retiring Trustee is not retiring shall continue to be vested in the retiring Trustee, and (c) shall add to or change any of the provisions of this Indenture as shall be necessary to provide for or facilitate the administration of the trusts hereunder by more than one Trustee, it being understood that nothing herein or in such Supplemental Indenture shall constitute such Trustees as co-trustees of the same trust, that each such Trustee shall be trustee of a trust or trusts hereunder separate and apart from any trust or trusts hereunder administered by any other such Trustee and that no Trustee shall be responsible for any notice given to, or received by, or any act or failure to act on the part of any other Trustee hereunder, and upon the execution and delivery of such Supplemental Indenture the resignation or removal of the retiring Trustee shall become effective to the extent provided therein, such retiring Trustee shall with respect to the Debt Securities of that or those series as to which the appointment of such successor Trustee relates have no further responsibility for the exercise of rights and powers or for the performance of the duties and obligations vested in the Trustee under this Indenture other than as hereinafter expressly set forth, and each such successor Trustee without any further act, deed or

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conveyance, shall become vested with all the rights, powers, trusts and duties of the retiring Trustee with respect to the Debt Securities of that or those series as to which the appointment of such successor Trustee relates; but, on request of the Company or any successor Trustee, such retiring Trustee shall duly assign, transfer and deliver to such successor Trustee, to the extent contemplated by such Supplemental Indenture, the property and money held by such retiring Trustee hereunder with respect to the Debt Securities of that or those series as to which the appointment of such successor Trustee relates.

(3) Upon request of any such successor Trustee, the Company shall execute any and all instruments for more fully and certainly vesting in and confirming to such successor Trustee all such rights, powers and trusts referred to in paragraph (1) or (2) of this Section, as the case may be.

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

#### SECTION 611. MERGER, CONVERSION, CONSOLIDATION OR SUCCESSION TO BUSINESS.

Any corporation or bank into which the Trustee may be merged or converted or with which it may be consolidated, or any corporation or bank resulting from any merger, conversion or consolidation to which the Trustee shall be a party, or any corporation or bank succeeding to all or substantially all of the corporate trust business of the Trustee, if acceptable to the Company, shall be the successor of the Trustee hereunder, provided such corporation or bank shall be otherwise qualified and eligible under this Article, without the execution or filing of any paper or any further act on the part of any of the parties hereto other than Notice to the Company. In the event that the Company determines in good faith that the proposed successor Trustee is not acceptable to the Company, the Company shall give Notice of its determination to the proposed successor Trustee within fifteen Business Days following receipt of Notice from the proposed successor Trustee, and such proposed successor Trustee shall be deemed to have resigned pursuant to Section 609 effective upon appointment and qualification of a successor Trustee acceptable to the Company. In case any Debt Securities shall have been authenticated, but not delivered, by the Trustee then in office, any successor by merger, conversion or consolidation to such authenticating Trustee may adopt such authentication and deliver the Debt Securities so authenticated with the same effect as if such successor Trustee had itself authenticated such Debt Securities.

#### SECTION 612. APPOINTMENT OF AUTHENTICATING AGENT.

So long as any of the Debt Securities remain outstanding, there may be one or more Authenticating Agents appointed by the Trustee which shall be authorized to act on behalf and subject to the direction of the Trustee with respect to one or more series of Debt Securities to authenticate Debt Securities issued upon exchange, registration of transfer or partial redemption thereof or pursuant to Section 306 and Debt Securities so authenticated shall be

entitled to the benefits of this Indenture and shall be valid and obligatory for all purposes as if authenticated by the Trustee hereunder. Wherever reference is made in this Indenture to the authentication of Debt Securities by the Trustee or the Trustee's certificate of authentication, such reference shall be deemed to include authentication on behalf of the Trustee by an Authenticating Agent and a certificate of authentication executed on behalf of the Trustee by an Authenticating Agent. Each Authenticating Agent shall be acceptable to the Company and shall at all times be a corporation or bank organized and doing business under the laws of the United States of America or of any State thereof or the District of Columbia, authorized under such laws to act as Authenticating Agent, having a combined capital and surplus of at least \$50,000,000 and subject to supervision or examination by Federal or State authorities. If such corporation or bank publishes reports of condition at least annually, pursuant to law or to the requirements of the aforesaid supervising or examining authority, then for the purposes of this Section, the combined capital and surplus of such corporation or bank shall be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published. If at any time an Authenticating Agent shall cease to be eligible in accordance with the provisions of this Section, such Authenticating Agent shall resign immediately in the manner and with the effect hereinafter specified in this Section.

Any corporation or bank into which an Authenticating Agent may be merged or converted or with which it may be consolidated, or any corporation or

bank resulting from any merger, conversion or consolidation to which an Authenticating Agent shall be a party, or any corporation or bank succeeding to the corporate agency or corporate trust business of an Authenticating Agent, shall continue to be an Authenticating Agent, provided such corporation or bank shall be otherwise qualified and eligible under this Section, without the execution or filing of any paper or any further act on the part of the Trustee or such Authenticating Agent, but such Authenticating Agent shall give the Trustee written notice of any such merger, conversion, consolidation or succession.

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

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The Trustee agrees to pay to each Authenticating Agent from time to time reasonable compensation for its services, and the Trustee shall be entitled to be reimbursed for such payments.

SECTION 613. PREFERENTIAL COLLECTION OF CLAIMS AGAINST COMPANY.

The Trustee shall at all times be subject to the provisions of TIA Section 311(a), excluding any creditor relationship listed in TIA Section 311(b). Any Trustee who has resigned or been removed is subject to TIA Section 311(a) to the extent indicated.

SECTION 614. REPORTS BY TRUSTEE TO HOLDERS.

Within 60 days after May 15 of each year, commencing May 15, 1997, the Trustee shall transmit to Holders (including Holders identified in TIA Section 313(c)) in the manner provided by Section 106 a brief report that complies with the provisions of TIA Section 313(a) and dated as of such reporting date. The Trustee shall also comply with TIA Section 313 (b) (2).

A copy of each report at the time of its transmission to Holders shall be filed with the SEC and each stock exchange on which the Debt Securities are listed. The Company shall notify the Trustee when the Debt Securities are listed on any stock exchange.

SECTION 615. OTHER CAPACITIES.

Except as otherwise provided herein, (i) all references in this Indenture to the Trustee shall be deemed to refer to the Trustee in its capacity as Trustee and in its capacities as Debt Securities Registrar and Paying Agent and (ii) every provision of this Indenture relating to the conduct or affecting the liability or offering protection, immunity or indemnity to the Trustee shall be deemed to apply with the same force to the Trustee in its capacities as Paying Agent and Debt Securities Registrar.

SECTION 616. NOTICE OF DEFAULT.

The Trustee shall not be deemed to have or be charged with knowledge of any Event of Default with respect to the Debt Securities or any series for which it is acting as trustee unless (a) a responsible Officer of the Trustee shall have actual knowledge of such Event of Default or (b) written notice of such Event of Default shall have been given to the Trustee by the Company or by any Holder of such Debt Securities.

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HOLDERS' LISTS

SECTION 701. COMPANY TO FURNISH TRUSTEE NAMES AND ADDRESSES OF HOLDERS.

The Company will furnish or cause to be furnished to the Trustee:

(a) not more than 15 days after each Regular Record Date, if any, for each series of Debt Securities (or if no Regular Record Date exists or the interval between Regular Record Dates is greater than six months then at least every six months), a list in such form as the Trustee may reasonably require, containing all information in the possession or control of the Company, or of any of its Paying Agents, as to the names and addresses of the Holders of Registered Debt Securities of that series as of such Regular Record Date, and

(b) at such other times as the Trustee may request in writing within 30 days after the receipt by the Company of any such request, a list of similar form and content as of a date not more than 15 days prior to the time such list is furnished provided, however, that so long as the Trustee is the Debt Securities Registrar, no such list shall be required to be furnished.

The Trustee shall preserve, in as current a form as is reasonably practicable, all such information furnished to it or received by it in its capacity as Paying Agent.

ARTICLE EIGHT

CONSOLIDATION, MERGER, CONVEYANCE, TRANSFER OR LEASE;  
CREATION OF LIENS

SECTION 801. COMPANY MAY CONSOLIDATE, ETC. ONLY ON CERTAIN TERMS.

The Company shall not consolidate with or merge into any other Corporation, or convey, lease or transfer all or substantially all of its properties and assets to any Person, unless:

(1) the Person formed by such consolidation or into which the Company is merged or the Person which acquires by conveyance, lease or transfer all or substantially all of the properties and assets of the Company shall be a Person organized and existing under the laws of the United States of America or any State or the District of Columbia, and shall expressly assume, by a Supplemental Indenture hereto, executed and delivered to the Trustee, in form satisfactory to the Trustee, the due and punctual payment of the principal of (and premium, if any) and interest, if any, on all the Debt Securities and the performance of every covenant of this Indenture on the part of the Company to be performed or observed;

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(2) immediately after giving effect to such transaction, no Event of Default, and no event which, after notice or lapse of time, or both, would become an Event of Default, shall have happened and be continuing; and

(3) the Company has delivered to the Trustee an Officers' Certificate and an Opinion of Counsel, each stating that such consolidation, merger, conveyance, lease or transfer and such Supplemental Indenture comply with this Article and that all conditions precedent herein provided for relating to such transaction have been complied with.

SECTION 802. SUCCESSOR PERSON SUBSTITUTED.

Upon any consolidation or merger, or any conveyance, lease or transfer of all or substantially all of the properties and assets of the Company of the type described in and in accordance with Section 801, the successor Person formed by such consolidation or into which the Company is merged or to which such conveyance, lease or transfer is made shall succeed to, and be substituted for, and may exercise every right and power of, the Company under this Indenture with the same effect as if such successor Person had been named as the Company herein, and thereafter the predecessor corporation, except in the event of a conveyance by way of lease, shall be relieved of all obligations and covenants under this Indenture and the Debt Securities. Such successor Person thereupon may cause to be signed, and may issue either in its own name or in the name of the Company, any or all of the Debt Securities issuable hereunder which theretofore shall not have been signed by the Company and delivered to the Trustee; and, upon the order of such successor Person, instead of the Company, and subject to all the terms, conditions and limitations in this Indenture prescribed, the Trustee shall authenticate and shall deliver any Debt Security which previously shall have been signed and delivered by the officers of the Company to the Trustee for authentication, and any Debt Securities which such successor Person thereafter shall cause to be signed and delivered to the

Trustee for that purpose. All the Debt Securities so issued shall in all respects have the same legal rank and benefit under this Indenture as the Debt Securities theretofore issued in accordance with the terms of this Indenture.

In case of any such consolidation, merger, sale or conveyance such changes in phraseology and form (but not in substance) may be made in the Debt Securities thereafter to be issued as may be appropriate.

#### ARTICLE NINE

##### SUPPLEMENTAL INDENTURES

###### SECTION 901. SUPPLEMENTAL INDENTURES WITHOUT CONSENT OF HOLDERS.

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Without the consent of any Holders, the Company, when authorized by a Board Resolution, and the Trustee, at any time and from time to time, may enter into one or more Supplemental Indenture in form satisfactory to the Trustee, for any of the following purposes:

(1) to evidence the succession of another corporation to the Company, and the assumption by any such successor of the covenants of the Company herein and in the Debt Securities contained; or

(2) to add to the covenants of the Company, for the benefit of the Holders of all or any series of Debt Securities (and if such covenants are to be for the benefit of less than all series of Debt Securities, stating that such covenants are expressly being included solely for the benefit of that series) or to surrender any right or power herein conferred upon the Company; or

(3) to establish the form or terms of Debt Securities of any series as permitted by Sections 201 or 301, including any subordination provisions; or

(4) to cure any ambiguity, to correct or supplement any provision herein or in any Supplemental Indenture which may be defective or inconsistent with any other provision herein, or to make any other provisions with respect to matters or questions arising under this Indenture, provided such action pursuant to this clause (4) shall not adversely affect the interests of the Holders of Debt Securities of any series in any material respect; or

(5) to add to, delete from or revise the conditions, limitations and restrictions on the authorized amount, terms or purposes of issue, authentication and delivery of Debt Securities of one or more series, as herein set forth; or

(6) to evidence and provide for the acceptance of appointment hereunder by a successor Trustee with respect to the Debt Securities of one or more series and to add to or change any of the provisions of this Indenture as shall be necessary to provide for or facilitate the administration of the trusts hereunder by more than one Trustee, pursuant to the requirement of Section 610(1).

###### SECTION 902. SUPPLEMENTAL INDENTURES WITH CONSENT OF HOLDERS.

With the consent of the Holders of not less than a majority in principal amount of the outstanding Debt Securities of each series affected by such Supplemental Indenture, by Act of said Holders delivered to the Company and the Trustee, the Company, when authorized by a Board Resolution, and the Trustee may enter into a Supplemental Indenture hereto for the purpose of adding any provisions to or changing in any manner or eliminating any of the provisions of this Indenture or of modifying in any manner the rights of the Holders of Debt Securities of that series under this Indenture; provided, however, that no such Supplemental

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Indenture shall, without the consent of the Holder of each Outstanding Debt Security affected thereby.

(1) change the Stated Maturity of the principal of, or any installment of interest on, any Debt Security, or reduce the principal amount thereof or the rate of interest thereon or any premium payable upon the redemption thereof, or reduce the amount of the principal of an Original Issue Discount Debt Security that would be due and payable



upon a declaration of acceleration of the Maturity thereof pursuant to Section 502, or change the coin or currency in which, the principal of (or premium, if any, on) any Debt Security or the interest, if any, thereon is payable, or impair the right to institute suit for the enforcement of any such payment on or after the Stated Maturity thereof (or, in the case of redemption, on or after the Redemption Date), or modify the provisions of this Indenture with respect to the conversion or exchange of the Debt Securities into Common Stock or into Debt Securities of another series in a manner adverse to the Holders,

(2) reduce the percentage in principal amount of the Outstanding Debt Securities of any series, the consent of whose Holders is required for any such Supplemental Indenture, or the consent of whose Holders is required for any waiver (of compliance with certain provisions of this Indenture or certain defaults hereunder and their consequences) provided for in this Indenture, or

(3) modify any of the provisions of this Section or Section 513 or Section 1005, except to increase any such percentage or to provide that certain other provisions of this Indenture cannot be modified or waived without the consent of the Holder of each Outstanding Debt Security affected thereby.

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

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

#### SECTION 903. EXECUTION OF SUPPLEMENTAL INDENTURES.

In executing, or accepting the additional trusts created by, any Supplemental Indenture permitted by this Article or the modifications thereby of the trusts created by this Indenture, the Trustee shall be entitled to receive, and (subject to Section 601) shall be fully protected in relying upon, an Opinion of Counsel stating that the execution of such Supplemental Indenture

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is authorized or permitted by this Indenture. The Trustee may, but shall not be obligated to, enter into any such Supplemental Indenture which affects the Trustee's own rights, duties or immunities under this Indenture or otherwise.

#### SECTION 904. EFFECT OF SUPPLEMENTAL INDENTURES.

Upon the execution of any Supplemental Indenture under this Article, this Indenture shall be modified in accordance therewith, and such Supplemental Indenture shall form a part of this Indenture for all purposes; and every Holder of Debt Securities theretofore or thereafter authenticated and delivered hereunder shall be bound thereby. Any Supplemental Indenture executed under this Article shall comply in all respects with the requirements of the TIA.

#### SECTION 905. REFERENCE IN DEBT SECURITIES TO SUPPLEMENTAL INDENTURES.

Debt Securities of any series authenticated and delivered after the execution of any Supplemental Indenture pursuant to this Article may, and shall if required by the Trustee, bear a notation in form approved by the Trustee as to any matter provided for in such Supplemental Indenture. If the Company shall so determine, new Debt Securities of any series so modified as to conform, in the opinion of the Trustee and the Board of Directors, to any such Supplemental Indenture may be prepared and executed by the Company and authenticated and delivered by the Trustee in exchange for Outstanding Debt Securities of that series.

### ARTICLE TEN

#### COVENANTS

#### SECTION 1001. PAYMENT OF PRINCIPAL, PREMIUM AND INTEREST.

The Company will duly and punctually pay the principal of (and premium, if any) and interest (including any additional interest provided for in an Officers' Certificate or Supplemental Indenture referred to in Section 301 with respect to any Debt Securities of a series), if any, or the Debt

Securities in accordance with the terms of the Debt Securities and this Indenture.

SECTION 1002. MAINTENANCE OF OFFICE OR AGENCY.

The Company will maintain in the City of New York, an office or agency or offices or agencies where, unless otherwise set forth in the Officers' Certificate or Supplemental Indenture referred to in Section 301 with respect to any Debt Securities of a series, Debt Securities may be presented or surrendered for payment, Debt Securities may be surrendered for registration of transfer or exchange, and notices and demands to or upon the Company in respect of the Debt Securities and this Indenture may be served. The Company initially

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appoints First Chicago Trust Company of New York, as its agent for purposes of presentation or surrender of Debt Securities for payment, registration of transfer, exchange or conversion and for service of notices or demands to or upon it in respect of the Debt Securities and this Indenture. The Company will give prompt written notice to the Trustee of any change in the location of any such office or agency. If at any time the Company shall fail to maintain such office or agency or shall fail to furnish the Trustee with the address thereof, such presentations, surrenders, notices and demands may be made or served at the Corporate Trust Office of the Trustee, and the Company hereby appoints the Corporate Trust Office of the Trustee its agent to receive all such presentations, surrenders, notices and demands.

In addition to such office or agency, the Company may from time to time designate one or more other offices or agencies where the Debt Securities of one or more series may be presented or surrendered for any or all of the purposes specified above in this Section and may constitute and appoint one or more Paying Agents for the payment of the Debt Securities of that or those series in one or more other cities, and may from time to time rescind such designations and appointments, as the Company may deem desirable or expedient, provided, however, that no such designation, appointment or rescission shall in any manner relieve the Company of its obligation to maintain such office and agency in the City of New York for the purposes above mentioned.

SECTION 1003. MONEY FOR DEBT SECURITY PAYMENTS TO BE HELD IN TRUST.

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

Whenever the Company shall have one or more Paying Agents for any series of Debt Securities, it will, prior to each due date of the principal of (and premium, if any) or interest, if any, on any Debt Securities of that series, deposit with a Paying Agent a sum sufficient to pay the principal (and premium, if any) or interest, if any, so becoming due, such sum to be held in trust for the benefit of the persons entitled to such principal, premium or interest, and (unless such Paying Agent is the Trustee) the Company will promptly notify the Trustee of its action or failure so to act.

The Company will cause each Paying Agent for any series of Debt Securities other than the Trustee to execute and deliver to the Trustee an instrument in which such Paying Agent shall agree with the Trustee, subject to the provisions of this Section, that such Paying Agent will:

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(1) hold all sums held by it for the payment of the principal of (and premium, if any) or interest, if any, on Debt Securities of that series in trust for the benefit of the persons entitled thereto until such sums shall be paid to such persons or otherwise disposed of as herein provided;

(2) give the Trustee notice of any Event of Default by the Company in the making of any payment of principal (and premium, if any) or interest, if any, on the Debt Securities of that series; and

(3) at any time during the continuance of any such Event of Default, upon the written request of the Trustee, forthwith pay to

the Trustee all sums so held in trust by such Paying Agent.

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

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

#### SECTION 1004. STATEMENT AS TO COMPLIANCE.

The Company will deliver to the Trustee, within 120 days after the end of each fiscal year, a written statement, which need not comply with Section 102, signed by the Chairman of the Board, a Vice Chairman, the President or a Vice President and by the Treasurer, an

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Assistant Treasurer, the Controller or an Assistant Controller of the Company, stating, as to each signer thereof, that

(1) a review of the activities of the Company during such year and of performance under this Indenture has been made under his supervision, and

(2) to the best of his knowledge, based on such review, (a) the Company has fulfilled all its obligations under this Indenture throughout such year, or, if there has been a default in the fulfillment of any such obligation, specifying each such default known to him and the nature and status thereof, and (b) no event has occurred and is continuing which is, or after notice or lapse of time or both would become, an Event of Default, or, if such an event has occurred and is continuing, specifying each such event known to him and the nature and status thereof.

#### SECTION 1005. WAIVER OF CERTAIN COVENANTS.

The Company may omit in any particular instance to comply with any covenant or condition set forth in Section 1004 with respect to the Debt Securities of any series, if before or after the time for such compliance the Holders of at least a majority in principal amount of the Debt Securities of that series at the time Outstanding shall, by Act of such Holders, either waive such compliance in such instance or generally waive compliance with such covenant or condition, but no such waiver shall extend to or affect such covenant or condition except to the extent so expressly waived, and, until such waiver shall become effective, the obligations of the Company and the duties of the Trustee in respect of any such covenant or condition shall remain in full force and effect.

#### SECTION 1006. SEC REPORTS.

The Company shall file with the Trustee within 15 days after it files them with the SEC copies of the annual reports and of the information, documents, and other reports (or copies of such portions of any of the foregoing as the SEC may by rules and regulations prescribe) which the Company is required to file with the SEC pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934. The Company shall also comply with the other provisions of TIA Section 314(a) concerning the filing and transmission of reports to the SEC, the Trustee and Holders.

#### SECTION 1007. LIMITATIONS ON DIVIDENDS, DISTRIBUTIONS AND

## ACQUISITIONS OF CAPITAL STOCK.

The Company will not declare or pay any dividends or make any distribution to holders of its capital stock (other than dividends or distributions payable in capital stock of the Company or other than as the Company determines is necessary to maintain its status as a REIT), or purchase, redeem or otherwise acquire or retire for value any of its capital stock or

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any warrants, rights or options (including any securities convertible into or exercisable for such capital stock but not including the Debt Securities) to purchase or acquire any shares of its capital stock or permit any Subsidiary to purchase, redeem or otherwise acquire or retire for value any of the Company's capital stock or any warrants, rights or options (including any securities convertible into or exercisable for such capital stock but not including the Debt Securities) to purchase or acquire any shares of the Company's capital stock if at the time of such action an Event of Default has occurred and is continuing or would exist immediately after giving effect to such action.

Notwithstanding the foregoing, the provisions of this Section 1007 will not prevent (i) the payment of any dividend within 60 days after the date of declaration when the payment would have complied with the foregoing provisions on the date of declaration; (ii) the retirement of any share of the Company's capital stock by exchange for, or out of the proceeds of the substantially concurrent sale (other than to a Subsidiary) of, other shares of its capital stock.

## ARTICLE ELEVEN

### REDEMPTION OF DEBT SECURITIES

#### SECTION 1101. RIGHT OF REDEMPTION.

Redemption of Debt Securities of any series at the option of the Company as permitted or required by the terms of such Debt Securities shall be made in accordance with the terms of such Debt Securities and this Article. The Debt Securities also shall be subject to redemption, in whole or from time to time in part, at any time in order to protect the Company's status as a REIT, at the option of the Company at a redemption price equal to 100% of the principal amount, premium, if any, plus accrued interest to the date of redemption.

#### SECTION 1102. ELECTION TO REDEEM: NOTICE TO TRUSTEE.

The election of the Company to redeem any Debt Securities pursuant to Section 1101 shall be evidenced by a Board Resolution. The Company shall, at least 60 days prior to the Redemption Date fixed by the Company (unless a shorter notice shall be satisfactory to the Trustee), notify the Trustee of such Redemption Date and, in the case of any redemption at the election of the Company of less than all the Debt Securities of any series, of the principal amount of Debt Securities of that series to be redeemed.

#### SECTION 1103. SELECTION BY TRUSTEE OF DEBT SECURITIES TO BE REDEEMED.

If less than all the Debt Securities of any series with the same issue date and Stated Maturity are to be redeemed, the particular Debt Securities to be redeemed shall be selected

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not more than 60 days prior to the Redemption Date by the Trustee, from the Outstanding Debt Securities of that series not previously called for redemption, by such method as specified in the Officers' Certificate or Supplemental Indenture referred to in Section 301 or, if not so specified, by such method as the Trustee shall deem fair and appropriate and which may provide for the selection for redemption of portions (equal to \$100,000 or a multiple of \$1,000 above \$100,000) of the principal of Debt Securities of that series of a denomination larger than \$100,000. The portions of the principal of Debt Securities of that series so selected for partial redemption shall be equal to the smallest authorized denomination of the Debt Securities of that series or a multiple of \$1,000 above \$100,000. The portion of the principal of any Debt Security not redeemed shall not be less than the smallest authorized denomination of the Debt Securities of that series.

The Trustee shall promptly notify the Company and each Debt Securities Registrar in writing of the Debt Securities selected for redemption and, in the

case of any Debt Securities selected for partial redemption, the principal amount thereof to be redeemed.

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

SECTION 1104. NOTICE OF REDEMPTION.

Notice of redemption shall be given in the manner provided in Section 106 not less than 30 nor more than 60 days prior to the Redemption Date unless a shorter period is specified in the Debt Security of the series to be redeemed, to each Holder of Debt Securities to be redeemed, but failure to give such notice in the manner herein provided to the Holder of any Debt Securities designated for redemption as a whole or in part, or any defect in the notice to any such Holder, shall not affect the validity of the proceedings for the redemption of any other such Debt Securities or portion thereof.

Any notice that is mailed in the manner herein provided shall be conclusively presumed to have been given, whether or not the Holder receives the notice.

All notices of redemption shall state:

- (1) the Redemption Date;
- (2) the Redemption Price and the amount of accrued interest, if any, to be paid;
- (3) if less than all the Outstanding Debt Securities of any series are to be redeemed, the identification (and, in the case of partial redemption, the principal amounts) of the particular Debt Securities to be redeemed;

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(4) in case any Debt Security is to be redeemed in part only, the notice which relates to such Debt Security shall state that on and after the Redemption Date, upon surrender of such Debt Security, the Holder will receive, without charge, a new Debt Security or Debt Securities of authorized denominations for the principal amount thereof remaining unredeemed;

(5) that on the Redemption Date the Redemption price and accrued interest, if any, will become due and payable upon each such Debt Security to be redeemed and, if applicable, that the interest thereon will cease to accrue on and after said date;

(6) the place or places where such Debt Securities are to be surrendered for payment of the Redemption Price and accrued interest, if any; and

(7) the conversion rights, if any, pertaining to such Debt Securities.

Notice of redemption of Debt Securities to be redeemed at the election of the Company shall be given by the Company or, at the Company's request, by the Trustee in the name of and at the expense of the Company.

SECTION 1105. DEPOSIT OF REDEMPTION PRICE.

On or prior to each Redemption Date, the Company shall deposit with the Trustee or with a Paying Agent (or, if the Company is acting as its own Paying Agent, segregate and hold in trust as provided in Section 1003) an amount of money sufficient to pay the Redemption Price of, and (unless the Redemption Date shall be an Interest Payment Date) accrued interest on, (and premium, if any) on all the Debt Securities or portions thereof which are to be redeemed on that date.

SECTION 1106. DEBT SECURITIES PAYABLE ON REDEMPTION DATE.

Notice of redemption having been given as aforesaid, the Debt Securities so to be redeemed shall, on the Redemption Date, become due and payable at the Redemption Price therein specified, and from and after such date (unless the Company shall default in the payment of the Redemption Price and accrued interest) such Debt Securities shall cease to bear interest. Upon surrender of any such Debt Security for redemption in accordance with said notice, such Debt Security shall be paid by the Company at the Redemption Price, together with accrued interest to the Redemption Date; provided,

however, that notwithstanding any other provision of this Indenture and unless otherwise specified in the Officers' Certificate or Supplemental Indenture referred to in Section 301 with respect to such Debt Security, installments of interest whose Stated Maturity is on or prior to the Redemption Date shall be payable (but without interest thereon, unless the Company shall default in the payment thereof in which case the provisions of Section 307 shall apply) to the Holders of such Debt Securities

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or one or more Predecessor Debt Securities, registered as such at the close of business on the relevant Record Dates according to their terms and the provisions of Section 307.

If any Debt Security called for redemption shall not be so paid upon surrender thereof for redemption, the principal (and premium, if any) shall, until paid, bear interest, to the extent lawful, from the Redemption Date at the rate borne by the Debt Security.

#### SECTION 1107. DEBT SECURITIES REDEEMED IN PART.

Any Debt Security which is to be redeemed only in part shall be surrendered at the office or agency of the Company designated for that purpose pursuant to Section 1002 (with, if the Company or the Trustee so requires, due endorsement by, or a written instrument of transfer in form satisfactory to the Company and the Trustee duly executed by, the Holder thereof or his attorney duly authorized in writing) and the Company shall execute and the Trustee shall authenticate and deliver to the Holder of such Debt Security without service charge a new Debt Security or Debt Securities of any authorized denomination of the same series as requested by such Holder, in aggregate principal amount equal to and in exchange for the unredeemed portion of the principal of the Debt Security so surrendered. If a Global Debt Security is so surrendered, such new Debt Security so issued shall be a new Global Debt Security.

### ARTICLE TWELVE

#### SINKING FUND

##### SECTION 1201. MANDATORY AND OPTIONAL SINKING FUND PAYMENTS.

The provisions of this Article shall be applicable to any sinking fund for the retirement of Debt Securities of any series, except as otherwise permitted or required by any form of Debt Security of that series issued pursuant to this Indenture. The minimum amount of any sinking fund payment provided for by the terms of Debt Securities of any series is herein referred to as a "mandatory sinking fund payment", and any payment in excess of that minimum amount provided for by the terms of Debt Securities of that series is herein referred to as an "optional sinking fund payment". If provided for by the terms of Debt Securities of any series, the cash amount of any sinking fund payment may be subject to reduction as provided in Section 1202. Each sinking fund payment shall be applied to the redemption of Debt Securities of any series as provided for by the terms of Debt Securities of that series.

##### SECTION 1202. SATISFACTION OF SINKING FUND PAYMENTS WITH DEBT SECURITIES.

The Company may, in satisfaction of all or any part of any sinking fund payment with respect to the Debt Securities of any series to be made pursuant to the terms of such Debt

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Securities as provided for by the terms of that series (1) deliver Outstanding Debt Securities of that series (other than any of such Debt Securities previously called for redemption or any of such Debt Securities in respect of which cash shall have been released to the Company), (2) apply as a credit Debt Securities of that series which have been redeemed either at the election of the Company pursuant to the terms of that series of Debt Securities or through the application of permitted optional sinking fund payments pursuant to the terms of such Debt Securities, provided that such series of Debt Securities have not been previously so credited and (3) apply as a credit Debt Securities of that series which have been converted or exchanged into Common Stock or Debt Securities of another series pursuant to the terms of that series of Debt Securities, provided that such series of Debt Securities have not been previously so credited. Such Debt Securities shall be received and credited for such purpose by the Trustee at the Redemption Price specified in such Debt Securities for redemption through operation of the sinking fund and the amount

of such sinking fund payment shall be reduced accordingly. If as a result of the delivery or credit of Debt Securities of any series in lieu of cash payments pursuant to this Section, the principal amount of Debt Securities of that series to be redeemed in order to exhaust the aforesaid cash payment shall be less than \$100,000, the Trustee need not call Debt Securities of that series for redemption, except upon Company Request, and such cash payment shall be held by the Trustee or a Paying Agent and applied to the next succeeding sinking fund payment, provided, however, that the Trustee or such Paying Agent shall at the request of the Company from time to time pay over and deliver to the Company any cash payment so being held by the Trustee or such Paying Agent upon delivery by the Company to the Trustee of Debt Securities of that series purchased by the Company having an unpaid principal amount equal to the cash payment requested to be released to the Company.

#### SECTION 1203. REDEMPTION OF DEBT SECURITIES FOR SINKING FUNDS.

Not less than 60 days prior to each sinking fund payment date for any series of Debt Securities, the Company will deliver to the Trustee an Officers' Certificate specifying the amount of the next ensuing mandatory sinking fund payment for that series pursuant to the terms of that series, the portion thereof, if any, which is to be satisfied by payment of cash and the portion thereof, if any, which is to be satisfied by delivering and crediting of Debt Securities of that series pursuant to Section 1202, and the optional amount, if any, to be added in cash to the next ensuing mandatory sinking fund payment, and will also deliver to the Trustee any Debt Securities to be so credited and not theretofore delivered. If such Officers' Certificate shall specify an optional amount to be added in cash to the next ensuing mandatory sinking fund payment, the Company shall thereupon be obligated to pay the amount therein specified. Not less than 30 days before each such sinking fund payment date the Trustee shall select the Debt Securities to be redeemed upon such sinking fund payment date in the manner specified in Section 1103 and cause notice of the redemption thereof to be given in the name of and at the expense of the Company in the manner provided in Section 1104. Such notice having been duly given, the redemption of such Debt Securities shall be made upon the terms and in the manner stated in Section 1106 and 1107.

### ARTICLE THIRTEEN

#### CONVERSION OF DEBT SECURITIES

##### SECTION 1301. CONVERSION PRIVILEGE.

Conversion of Debt Securities of any series into Common Stock of the Company as permitted by the terms of such Debt Securities shall be made in accordance with the terms of such Debt Securities and this Article. "Common Stock" used herein in Article Thirteen means the Common Stock of the Company on the date the Debt Securities of such series are issued. Notwithstanding the foregoing, and in order to protect the Company's status as a REIT, a Holder may not convert any Debt Security; and any such Debt Security shall not be convertible by any Holder, if as a result of such conversion any person would then be deemed to beneficially own directly or indirectly, 9.9% or more of Common Stock. Except as otherwise set forth herein, the Trustee shall have no duties or responsibilities in respect of the conversion privilege or of any matter relating thereto, including without limitation and determination of the conversion price or any adjustment thereto. The Trustee shall have no duty, responsibility or liability in connection with the observation or enforcement of the aforementioned restriction on transfer or the consequences of such restriction or the correction of any such breach or violation.

##### SECTION 1302. EXERCISE OF CONVERSION PRIVILEGE.

In order to exercise the conversion privilege, the Holder of any Debt Security of any series to be converted shall surrender such Debt Security, duly endorsed or assigned to the Company or in blank, at any office or agency of the Company maintained for that purpose, accompanied by written notice to the Company at such office or agency that the Holder elects to convert such Debt Security or, if less than the entire principal amount thereof is to be converted, the portion thereof to be converted Debt Securities surrendered for conversion during the period from the close of business on any Regular Record Date for the payment of interest on the Debt Securities of that series to the opening of business on the Interest Payment Date for such interest shall (except in the case of Debt Securities of that series or portions thereof which have been called for redemption on a Redemption Date within such period) be accompanied by payment of an amount equal to the interest payable on such Interest Payment Date on the principal amount of Debt Securities being surrendered for conversion. Except as provided in the preceding sentence, no payment or adjustment shall be made upon any conversion on account of any interest accrued on the Debt Securities of that series surrendered for conversion or on account of any dividends on the Common Stock issued upon

conversion.

Debt Securities of any series shall be deemed to have been converted immediately prior to the close of business on the day of surrender of such Debt Security for conversion in accordance with the foregoing provisions, and at such time the rights of the Holder of such

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Debt Security as Holder shall cease, and the Person or Persons entitled to receive the Common Stock issuable upon conversion shall be treated for all purposes as the record holder or holders of such Common Stock at such time. As promptly as practicable on or after the conversion date, the Company shall issue and shall deliver at said office or agency a certificate or certificates for the number of full shares of Common Stock issuable upon conversion, together with payment in lieu of any fraction of a share, as provided in Section 1303.

In the case of any Debt Security which is converted in part only, upon such conversion the Company shall execute and the Trustee shall authenticate and deliver to the Holder thereof, at the expense of the Company, a new Debt Security or Debt Securities of authorized denominations in aggregate principal amount equal to the unconverted portion of the principal amount of such Debt Security.

#### SECTION 1303. FRACTIONS OF SHARES.

No fractional shares of Common Stock shall be issued upon conversion of Debt Securities. If more than one Debt Security shall be surrendered for conversion at one time by the same Holder, the number of full shares which shall be issuable upon conversion thereof shall be computed on the basis of the aggregate principal amount of the Debt Securities (or specified portions thereof) so surrendered. Instead of any fractional share of Common Stock which would otherwise be issuable upon conversion of any Debt Security or Debt Securities (or specified portions thereof), the Company shall pay a cash adjustment in respect of such fraction in an amount equal to the same fraction of the closing price per share of Common Stock on the day of conversion. The closing price shall be the reported last sale price of the Common Stock on the New York Stock Exchange -Composite Transactions or, in case no such reported sale takes place on such day, the average of the reported closing bid and asked prices regular way on the New York Stock Exchange, or if the common stock is not listed or admitted to trading on such Exchange, on the principal national exchange on which the Common Stock is listed or admitted to trading or, if not listed or admitted to trading on any national securities exchange, the average of the closing bid and asked prices as furnished by any New York Stock Exchange member firm selected from time to time by the Company for that purpose.

#### SECTION 1304. ADJUSTMENTS OF CONVERSION PRICE.

(1) In the case the Company shall pay or make a dividend or other distribution on any class of capital stock of the Company in Common Stock after the issuance of a Debt Security entitled to exercise the conversion privilege, the conversion price of such Debt Security in effect at the opening of business on the day following the date fixed for the determination of stockholders entitled to receive such dividend or other distribution shall be reduced by multiplying such conversion price by a fraction of which the numerator shall be the number of shares of Common Stock outstanding at the close of business on the date fixed for such determination and the denominator shall be the sum of such number of shares and the

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total number of shares constituting such dividend or other distribution, such reduction to become effective immediately after the opening of business on the day following the date fixed for such determination. For the purposes of this paragraph (1), the number of shares of common Stock at any time outstanding shall include shares issuable in respect of scrip certificates issued in lieu of fractions of shares of Common Stock.

(2) In case the Company shall issue, after the issuance of a Debt Security entitled to the conversion privilege, rights or warrants to all holders of its Common Stock entitling them to subscribe for or purchase shares of Common Stock at a price per share less than the current market price per share (determined as provided in paragraph (6) of this Section) of the Common Stock on the date fixed for the determination of stockholders entitled to receive such rights or warrants, the conversion price for such Debt Security in effect at the opening of business on the day following the date fixed for such determination shall be reduced by multiplying such conversion price by a



fraction of which the numerator shall be the number of shares of common Stock outstanding at the close of business on the date fixed for such determination plus the number of shares of Common Stock which the aggregate of the offering price of the total number of shares of Common Stock so offered for subscription or purchase would purchase at such current market price and the denominator shall be the number of shares of Common Stock outstanding at the close of business on the date fixed for such determination plus the number of shares of Common Stock so offered for subscription or purchase, such reduction to become effective immediately after the opening of business on the day following the date fixed for such determination; provided, however, that if all the shares of Common Stock offered for subscription or purchase are not subscribed for or purchased, upon the expiration of such rights or warrants the conversion price shall be immediately readjusted to what would have been the conversion price had the above-referenced fraction been calculated with reference to the actual number of shares of Common Stock subscribed for or purchased rather than the number of shares of Common Stock offered for subscription or purchase. For the purposes of this paragraph (2), the number of shares of Common Stock at any time outstanding shall include shares issuable in respect of scrip certificates issued in lieu of fractions of shares of Common Stock. For purposes of this paragraph (2), the granting of the right to purchase shares of Common stock pursuant to any shareholder rights plan, any dividend or interest reinvestment plan and/or any Common Stock purchase plan providing for the reinvestment of dividends or interest payable on securities of the Company and/or the investment of periodic optional payments at a price per share of not less than 95 percent of the current market price per share (determined as provided in such plans) of the Common Stock (so long as such right to purchase is in no case evidenced by the delivery of rights or warrants) shall be deemed not to constitute an issue of rights or warrants by the Company within the meaning of this paragraph (2).

(3) In case outstanding shares of Common Stock shall be subdivided into a greater number of shares of Common Stock after the issuance of a Debt Security entitled to the conversion privilege, the conversion price for such Debt Security in effect at the opening of business on the day following the day upon which such subdivision becomes effective shall be

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proportionately reduced, and, conversely, in case outstanding shares of Common Stock shall each be combined into a smaller number of shares of Common Stock, the conversion price of such Debt Security in effect at the opening of business on the day following the day upon which such combination becomes effective shall be proportionately increased, such reduction or increase, as the case may be, to become effective immediately after the opening of business on the day following the day upon which such subdivision or combination becomes effective.

(4) In case the Company shall, after the issuance of a Debt Security entitled to the conversion privilege, by dividend or otherwise, distribute to all holders of its Common Stock evidences of its indebtedness or assets (including securities, but excluding any dividend or distribution referred to in paragraph (1) of this Section, any rights or warrants referred to in paragraph (2) of this section and any dividend or distribution paid in cash out of the consolidated earnings or retained earnings of the Company), the conversion price of such Debt Security shall be adjusted so that the same shall equal the price determined by multiplying the conversion price in effect immediately prior to the close of business on the date fixed for the determination of stockholders entitled to receive such distribution by a fraction of which the numerator shall be the current market price per share (determined as provided in paragraph (6) of this Section) of the Common Stock on the date fixed for such determination less the then fair market value (as determined by the Board of Directors, whose determination shall be conclusive and described in a Board Resolution filed with the Trustee) of the portion of the assets or evidences of indebtedness so distributed applicable to one share of Common Stock and the denominator shall be such current market price per share of the Common Stock, such adjustment to become effective immediately prior to the opening of business on the day following the date fixed for the determination of stockholders entitled to receive such distribution.

(5) The reclassification (including any reclassification upon a consolidation or merger in which the Company is the continuing corporation) of Common Stock into securities including other than Common Stock shall be deemed to involve (a) a distribution of such securities other than Common Stock to all holders of Common Stock (and the effective date of such reclassification shall be deemed to be "the date fixed for the determination of stockholders entitled to receive such distribution" and "the date fixed for such determination" within the meaning of paragraph (4) of this section), and (b) a subdivision or combination, as the case may be, of the number of shares of Common Stock outstanding immediately prior to such reclassification into the number of shares of Common Stock outstanding immediately thereafter (and the effective date of such reclassification shall be deemed to be "the day upon which such subdivision becomes effective" or "the day upon which such combination becomes effective", as the case may be, and "the day upon which

such subdivision or combination becomes effective" within the meaning of paragraph (3) of this Section).

(6) For the purpose of any computation under paragraphs (2) and (4) of this Section, the current market price per share of Common Stock on any date shall be deemed to be the average of the daily closing prices for the 15 consecutive Business Days selected by the

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Company commencing not less than 20 nor more than 30 Business Days before the day in question. The closing price for each day shall be determined in the manner set forth in Section 1303.

(7) The Company may from time to time reduce, in addition to those required by paragraphs (1), (2), (3) and (4) of this Section, the conversion price of Debt Securities of any series by any amount for any period if the period is at least 20 days and if the reduction is irrevocable during the period.

(8) Notwithstanding the provisions of this Article, the conversion price per share shall not be reduced to less than the par value thereof as a result of any adjustment made hereunder.

(9) No adjustment in the conversion price shall be required unless such adjustment would require an increase or decrease of at least 1% in such price; provided, however, that any adjustment which by reason of this paragraph (9) is not required to be made shall be carried forward and taken into account in any subsequent adjustment. All calculations under this Article Thirteen shall be made to the nearest cent or the nearest one-hundredth of a share, as the case may be.

#### SECTION 1305. NOTICE OF ADJUSTMENTS OF CONVERSION PRICE.

Whenever the conversion price of any Debt Security is adjusted as herein provided:

(1) the Company shall compute the adjusted conversion price in accordance with Section 1304 and shall prepare an Officers' Certificate setting forth the adjusted conversion price and showing in reasonable detail the facts upon which such adjustment is based, and such certificate shall forthwith be filed at each office or agency maintained for the purpose of conversion of Debt Securities.

(2) a notice stating that the conversion price has been adjusted and setting forth the adjusted conversion price shall be mailed by the Company to the Holders of Debt Securities for which the conversion price has been adjusted as herein provided.

#### SECTION 1306. NOTICE OF CERTAIN CORPORATE ACTION.

In case:

(1) the Company shall declare a dividend (or any other distribution) on its Common Stock payable otherwise than in cash out of its consolidated earnings or retained earnings; or

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(2) the Company shall authorize the granting to all the holders of its Common Stock of rights or warrants to subscribe for or purchase any shares of capital stock of any class or of any other rights (other than a dividend or distribution payable in cash out of the consolidated earnings or retained earnings of the Company); or

(3) of any reclassification of the Common Stock of the Company (other than a subdivision or combination of its outstanding shares of Common Stock); or

(4) of the voluntary or involuntary dissolution liquidation or winding up of the Company;

then the Company shall cause to be filed at each office or agency maintained for the purpose of conversion of Debt Securities, and shall cause to be mailed to the Holders of Debt Securities entitled to the conversion privilege as herein provided, at least 20 days (or 10 days in any case specified in clause (a) or (b) above) prior to the applicable record date hereinafter specified, a

notice stating (a) the date on which a record is to be taken for the purpose of such dividend, distribution, rights or warrants, or, if a record is not to be taken, the date as of which the holders of Common Stock of record to be entitled to such dividend, distribution, rights or warrants are to be determined, or (y) the date on which such reclassification, dissolution, liquidation or winding up is expected to become effective, and the date as of which it is expected that holders of Common Stock of record shall be entitled to exchange their shares of Common Stock for securities, cash or other property deliverable upon such reclassification, dissolution, liquidation or winding up.

SECTION 1307. TAXES ON CONVERSIONS.

The Company will pay any and all taxes that may be payable in respect of the issue or delivery of shares of Common Stock on conversion of Debt Securities pursuant hereto. The Company shall not, however, be required to pay any tax which may be payable in respect of any transfer involved in the issue and delivery of shares of Common Stock in a name other than that of the Holder of the Debt Security or Debt Securities to be converted, and no such issue or delivery shall be made unless and until the person requesting such issue has paid to the Company the amount of any such tax, or has established to the satisfaction of the Company that such tax has been paid.

ARTICLE FOURTEEN

RESTRICTIONS ON TRANSFER

SECTION 1401. RESTRICTIONS ON TRANSFER.

Any transfer of Debt Securities that, if effective, would result in any Person becoming the Beneficial Owner of more than 9.9% of the outstanding stock of the Company shall be deemed void ab initio, and the intended transferee shall be deemed never to have had an interest therein. The Trustee shall have no duty, responsibility or liability in connection with the observation or enforcement of the aforementioned restriction on transfer or the consequences of such restriction or the correction of any such breach or violation.

\* \* \* \* \*

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

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

OMEGA HEALTHCARE INVESTORS, INC.,  
a Maryland corporation

By \_\_\_\_\_

Its: \_\_\_\_\_

Attest:

\_\_\_\_\_

NBD BANK, a Michigan banking corporation

By \_\_\_\_\_

Its: \_\_\_\_\_

Attest:

\_\_\_\_\_



January 24, 1997

Omega Healthcare Investors, Inc.  
 905 West Eisenhower Circle, Suite 110  
 Ann Arbor, Michigan 48103

RE: \$150,000,000 AGGREGATE OFFERING PRICE OF SECURITIES OF  
 OMEGA HEALTHCARE INVESTORS, INC.

Gentlemen:

At your request, we have examined the Registration Statement on Form S-3 (the "Registration Statement") to be filed by Omega Healthcare Investors, Inc. (the "Company") with the Securities and Exchange Commission in connection with the registration of \$150,000,000 aggregate offering price of securities (the "Securities"), consisting of (i) shares of its common stock, par value \$.10 per share (the "Common Stock"); (ii) shares of its preferred stock, par value \$1.00 per share (the "Preferred Stock"); (iii) its unsecured senior debt securities (the "Debt Securities"); or (iv) warrants to purchase Common Stock (the "Common Stock Warrants"), warrants to purchase Debt Securities (the "Debt Securities Warrants"), and warrants to purchase Preferred Stock (the "Preferred Stock Warrants"), on terms to be determined at the time of offering. The Common Stock Warrants, the Debt Securities Warrants and the Preferred Stock Warrants shall be referred to herein collectively as the "Securities Warrants."

We also have examined the Indenture, dated as of January 24, 1997, between the Company and NBD Bank, as Trustee, relating to the Debt Securities (the "Indenture"). We are familiar with the proceedings heretofore taken and proposed to be taken by the Company in connection with the authorization, registration, issuance and sale of the Securities.

Subject to the (i) proposed additional proceedings being taken as now contemplated by us as your counsel prior to the issuance and sale of the Securities; (ii) the effectiveness of the Registration Statement under the Securities Act of 1933, as amended; (iii) the establishment of the terms of the Debt Securities in accordance with the terms of the Indenture; (iv) the

Omega Healthcare Investors, Inc.  
 January 24, 1997  
 Page 2

establishment of the terms of the Preferred Stock, if applicable, in accordance with the terms of the Company's Articles of Incorporation and applicable law; (v) the due authorization, execution and delivery of a Warrant Agreement (in the case of Securities Warrants); and (vi) the execution, delivery and authentication of and payment for the Securities, it is our opinion that:

1. The Common Stock, including any Common Stock that may be issuable pursuant to the conversion of any Debt Securities, or Preferred Stock or upon exercise of Any Common Stock Warrants, will, upon the issuance and sale thereof in the manner specified in the Registration Statement, be validly issued, fully paid and nonassessable.
2. The Preferred Stock, including any Preferred Stock that may be issued upon the exercise of any Preferred Stock Warrants, will, upon the issuance and sale thereof in the manner referred to in the Registration Statement, be validly issued, fully paid and nonassessable.
3. The Debt Securities, including any Debt Securities that may be issued upon the exercise of any Debt Warrants, will, upon the issuance and sale thereof in the manner referred to in the Registration Statement, constitute legally valid and binding obligations of the Company, enforceable against the Company in accordance with their terms, except as limited by bankruptcy, insolvency, reorganization, moratorium or similar laws effecting creditors' rights generally, and except that we advise you that the enforceability of the Debt Securities is subject to the effect of general principles of equity including, without limitations, concepts of materiality, reasonableness, good faith and fair dealing and the possible unavailability of specific performance or injunctive relief regardless of whether considered in a proceeding in equity or at law.
4. The Securities Warrants will, upon the issuance and sale thereof in the manner specified in the Registration Statement, be validly issued, fully paid and nonassessable.

We consent to the filing of this opinion as an exhibit to the Registration Statement.

Very truly yours,

/s/ Argue Pearson Harbison & Myers, LLP



## RATIO OF EARNINGS TO FIXED CHARGES

OMEGA HEALTHCARE INVESTORS, INC.

<TABLE>  
<CAPTION>

	AUGUST 14, 1992 (INCEPTION) TO	YEAR ENDED DECEMBER 31			
	DECEMBER 31, 1992 (1)	1993	1994	1995	1996E
	(IN \$1,000, EXCEPT RATIO)				
<S>	<C>	<C>	<C>	<C>	<C>
Earnings before extraordinary item....	\$4,424	\$11,573	\$17,777	\$29,490	\$34,590
Fixed Charges:					
Interest.....	266	4,317	9,520	14,262	20,247
Amortization of debt issue costs.....	40	288	1,029	1,063	524
Total fixed charges.....	306	4,605	10,549	15,325	20,771
Earnings before Fixed Charges.....	\$4,730	\$16,178	\$28,326	\$44,815	\$55,361
Ratio.....	15.45x	3.51x	2.69x	2.92x	2.67x

&lt;/TABLE&gt;

- -----

(1) Operations Commenced on August 14th, 1992.

We consent to the reference to our firm under the caption "Experts" in the Registration Statement Form S-3 and related Prospectus of Omega Healthcare Investors, Inc. for the registration of Common Stock, Preferred Stock, Debt Securities, and Securities Warrants and to the incorporation by reference therein of our reports dated March 25, 1996, with respect to the consolidated financial statements of Omega Healthcare Investors, Inc. incorporated by reference in its Annual Report (Form 10-K) for the year ended December 31, 1995 and the related financial statement schedules included therein, filed with the Securities and Exchange Commission.

s/ Ernst & Young LLP

Detroit, Michigan  
January 27, 1997



SECURITIES AND EXCHANGE COMMISSION  
 WASHINGTON, D.C. 20549

FORM T-1

STATEMENT OF ELIGIBILITY AND QUALIFICATION  
 UNDER THE TRUST INDENTURE ACT OF 1939, AS AMENDED  
 OF A CORPORATION DESIGNATED TO ACT AS TRUSTEE  
 CHECK IF AN APPLICATION TO DETERMINE ELIGIBILITY OF A  
 TRUSTEE PURSUANT TO SECTION 305(b) (2)

NBD BANK

(Exact name of Trustee as specified in its charter)

611 WOODWARD AVENUE  
 DETROIT, MICHIGAN 48226 38-0864715  
 (Address of principal executive offices) (Zip Code) (I.R.S. Employer  
 Identification No.)

NBD BANK

611 Woodward Avenue  
 Detroit, Michigan 48226  
 Corporate Trust Services  
 Attn: James D. Khami (313) 225-3189  
 (Name, address and telephone number of agent for service)

OMEGA HEALTHCARE INVESTORS, INC.

(Exact name of obligor as specified in its charter)

MARYLAND 38-3041398  
 (State or other jurisdiction of (I.R.S. Employer  
 incorporation or organization) Identification No.)

905 W. EISENHOWER CIRCLE, SUITE 110  
 ANN ARBOR, MICHIGAN 48103  
 (Address of principal executive offices) (Zip Code)

\$150,000,000 DEBT SECURITIES  
 (Title of Indenture Securities)

1. GENERAL INFORMATION

(a) The following are the names and addresses of each examining or  
 supervising authority to which the Trustee is subject:

State of Michigan Financial Institutions Bureau  
 Federal Reserve Bank of Chicago, Chicago, Illinois  
 Federal Deposit Insurance Corporation, Washington,  
 D.C.

(b) The Trustee is authorized to exercise corporate trust powers.

2. AFFILIATIONS WITH OBLIGOR.

The obligor is not an affiliate of the Trustee.

3. VOTING SECURITIES OF THE TRUSTEE.

The following information is furnished as to each class of voting  
 securities of the Trustee:

AS OF JANUARY 22, 1997

<TABLE> <CAPTION>	
COLUMN A TITLE OF CLASS -----	COLUMN B AMOUNT OUTSTANDING -----
<S> Common Stock, par value \$12.50 per share	<C> 8,948,648 shares

</TABLE>

4. TRUSTEESHIPS UNDER OTHER INDENTURES.

The Trustee is not a Trustee under another indenture under which any other securities, or certificates of interest or participations in any other securities of the obligor are outstanding.

5. INTERLOCKING DIRECTORATES AND SIMILAR RELATIONSHIPS WITH THE OBLIGOR OR UNDERWRITERS.  
Neither the Trustee nor any of the directors nor executive officers of the Trustee is a director, officer, partner, employee, appointee or representative of the obligor or of any underwriter for the obligor.
6. VOTING SECURITIES OF THE TRUSTEE OWNED BY THE OBLIGOR OR ITS OFFICIALS.  
Voting securities of the Trustee owned by the obligor and its directors, partners and executive officers, taken as a group, do not exceed one percent of the outstanding voting securities of the Trustee.
7. VOTING SECURITIES OF THE TRUSTEE OWNED BY UNDERWRITERS OR THEIR OFFICIALS.  
Voting securities of the Trustee owned by any underwriter and its directors, partners and executive officers, taken as a group, do not exceed one percent of the outstanding voting securities of the Trustee.
8. SECURITIES OF OBLIGOR OWNED OR HELD BY THE TRUSTEE.  
The amount of securities of the obligor which the Trustee owns beneficially or holds as collateral security for obligations in default does not exceed one percent of the outstanding securities of the obligor.
9. SECURITIES OF UNDERWRITERS OWNED OR HELD BY THE TRUSTEE.  
The Trustee does not own beneficially or hold as collateral security for obligations in default any securities of an underwriter for the obligor.
10. OWNERSHIP OR HOLDINGS BY THE TRUSTEE OF VOTING SECURITIES OF CERTAIN AFFILIATES OR SECURITY HOLDERS OF THE OBLIGOR.  
The Trustee does not own beneficially or hold as collateral security for obligations in default voting securities of a person who, to the knowledge of the Trustee (1) owns 10% or more of the voting securities of the obligor, or (2) is an affiliate, other than a subsidiary, of the obligor.
11. OWNERSHIP OR HOLDINGS BY THE TRUSTEE OF ANY SECURITIES OF A PERSON OWNING 50 PER CENT OR MORE OF THE VOTING SECURITIES OF THE OBLIGOR.  
The Trustee does not own beneficially or hold as collateral security for obligations in default any securities of a person who, to the knowledge of the Trustee, owns 50 percent or more of the voting securities of the obligor.
12. INDEBTEDNESS OF THE OBLIGOR TO THE TRUSTEE.  
The obligor is not indebted to the Trustee.
13. DEFAULTS BY THE OBLIGOR.  
Not applicable.
14. AFFILIATIONS WITH THE UNDERWRITERS.  
No underwriter is an affiliate of the Trustee.
15. FOREIGN TRUSTEE.  
Not applicable.
16. LIST OF EXHIBITS.
  - (1) Articles of Incorporation of the Trustee.
  - (2) Certificate of Authority of the Trustee to commence business. Incorporated by reference to Exhibit (2) filed with Amendment No. 1 to Form T-1 Statement, Registration No. 22-4501.
  - (3) Authorization of the Trustee to exercise corporate trust powers. Incorporated by reference to Exhibit (3) filed with Amendment No. 1 to Form T-1 Statement, Registration No. 22-4501.
  - (4) By-laws of the Trustee.

- (5) Not Applicable.
- (6) Consent by the Trustee required by Section 321 (b) of the Trust Indenture Act of 1939. Incorporated by reference to Exhibit (6) filed with Amendment No. 1 to Form T-1 Statement, Registration No. 22-4501.
- (7) Report of condition of Trustee.
- (8) Not applicable.
- (9) Not applicable.

SIGNATURE

Pursuant to the requirements of the Trust Indenture Act of 1939, as amended, the Trustee, NBD BANK, a Michigan banking corporation organized and existing under the laws of the State of Michigan, has duly caused this statement of eligibility and qualification to be signed on its behalf by the undersigned, thereunto duly authorized, all in the City of Detroit, State of Michigan on the 22nd day of January, 1997.

NBD BANK, (Trustee)

By: \_\_\_\_\_  
James D. Khami  
Trust Officer

NBD BANK  
DETROIT, MICHIGAN  
CHARTER NO. 970

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ARTICLES OF INCORPORATION  
EFFECTIVE JANUARY 1, 1995

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FIRST.

The name of this Bank shall be NBD Bank.

SECOND.

The place where the principal office of this Bank is located is in the City of Detroit, Wayne County, State of Michigan.

The Board of Directors shall have the power to change the location of the main office anywhere within the City of Detroit without the approval of the shareholders and shall have the power to establish or change the location of any branch or branches of this Bank to any other location without the approval of the shareholders.

THIRD.

The purpose of this Bank is to carry on the business of banking pursuant to the Michigan Banking Code of 1969, as amended.

FOURTH.

The authorized amount of the capital stock of this Bank shall be 10,000,000 shares of common stock of the par value of \$12.50 each. The authorized amount of the capital stock of this Bank may be increased or decreased from time to time in accordance with provisions of the laws of the State of Michigan.

FIFTH.

The period for which this Bank is organized is perpetual.

SIXTH.

A Director of the Bank shall not be personally liable to the Bank or its shareholders for monetary damages for a breach of fiduciary duty as a Director, except for liability: (a) for any breach of the Director's duty of loyalty to the Bank or its shareholders; (b) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law; (c) resulting from a violation of Section 43 of the Michigan Banking Code, as amended; (d) for any transaction from which the Director derived an improper personal benefit; or (e) for any act or omission occurring prior to the date upon which this Article is duly adopted and filed as required by law. If, following approval of this Article by the shareholders, the Michigan Banking Code is amended to authorize corporate action further eliminating or limiting the personal liability of Directors, then the liability of a Director of the Bank shall be eliminated or limited to the fullest extent permitted by the Michigan Banking Code, as amended. Any repeal, modification or adoption of any provisions in these Articles of Incorporation inconsistent with this Article shall not adversely affect any right or protection of a Director of the Bank existing at the time of such repeal, modification or adoption.

SEVENTH.

These Articles of Incorporation may be changed or amended at any time by a vote

of the shareholders owning a majority of the stock of this Bank in any manner not inconsistent with the provisions of law.

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NBD BANK  
DETROIT, MICHIGAN

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BYLAWS  
EFFECTIVE JANUARY 1, 1995

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ARTICLE I  
STOCKHOLDERS' MEETINGS

Section 1. Annual Meetings. The regular Annual Meeting of the stockholders of this Bank for the election of directors and for the transaction of any other business as may properly come before the meeting shall be held on the third Monday in May of each year or at such other date as from time to time may be designated by the Board of Directors. If the election of directors shall not be held on the day designated for an annual meeting, or at any adjournment thereof, the Board of Directors shall cause the election to be held at a meeting of the stockholders as soon thereafter as convenient. Nominations for election to the Board of Directors may be made by the Board of Directors or by any stockholders entitled to vote for the election of directors.

Section 2. Special Meetings. Except as otherwise specifically provided by statute, special meetings of the stockholders may be called for any purpose at any time by the Board of Directors or by the holders of at least ten per cent (10%) of the then outstanding shares of stock.

Section 3. Place of Meetings. Annual meetings or special meetings of the stockholders shall be held at the main office of the Bank or at such other place within or without the State of Michigan as is established by the Board of Directors.

Section 4. Proxies. All proxies secured for any annual or special meeting of stockholders shall be dated and filed by the Secretary with the records of the meeting.

Section 5. Notice of Meetings. Written notice stating the place, day and hour of the meeting and, in case of a special meeting, the purpose or purposes for which the meeting is called, shall be delivered not less than ten days, before the date of the meeting either personally or by mail, by or at the direction of the President, or the Secretary, or the officer or persons calling the meeting to each stockholder of record entitled to vote at such meeting. If mailed, such notices shall be deemed to be delivered when deposited in the United States mail, addressed to the stockholder at his address as it appears on the records of the Bank with postage thereon prepaid. Such notice may be waived in writing.

Section 6. Fixing the Record Date. For the purpose of determining stockholders entitled to notice of or to vote at any meeting of stockholders, annual or special, or entitled to receive payment of any dividend, or in order to make a determination of stockholders for any other proper purpose, the Board of Directors shall fix in advance a record date and hour for any such determination of stockholders, such date in any case to be not more than fifty (50) days and, in case of a meeting of stockholders, not less than ten (10) days prior to the date on which the particular action, requiring such determination of stockholders, is to be taken. When a determination of stockholders entitled to vote at any meeting of stockholders has been made as provided in this section, such determination shall apply to any adjournment thereof.

Section 7. Stockholders' Action Without A Meeting. Unless otherwise restricted in the Articles of Incorporation or these Bylaws, any action which may be taken at the annual or any special meeting of stockholders may be taken without a meeting, without prior notice and without a vote, if a consent in writing, setting forth the action so taken, shall be signed by all stockholders entitled to vote with respect to the subject matter thereof.

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ARTICLE II  
DIRECTORS

Section 1. Size and Vacancies. The Board of Directors shall consist of such number of persons, not less than five nor more than twenty-five, as from time

to time shall be determined by a majority of the votes to which all stockholders are at the time entitled or by resolution adopted by the affirmative vote of a majority of the Board of Directors. Any vacancies in the Board of Directors may be filled by action of a majority of the remaining Directors between meetings of stockholders. Subject to the limitation as to the number of Directors, the stockholders may elect not to exceed two less than the full Board, and the unfilled directorships shall be considered as vacancies and may be filled thereafter by the Board of Directors.

Section 2. Powers. The Board of Directors, a majority of whom shall be a quorum to transact business, shall have power to manage and administer the business and affairs of the Bank and to prescribe Bylaws for the regulation of the business of the Bank and the conduct of its affairs not inconsistent with law, the Articles of Incorporation and these Bylaws. Except as expressly limited by law, all corporate powers of the Bank shall be vested in and may be exercised by the Board of Directors.

Section 3. Officers and Employees. The Board of Directors shall have power to elect or appoint such officers and employees as may be required to transact the business of the Bank, to define their duties, to require bonds from them and to fix the penalty thereof, and to continue them in office or dismiss them.

Section 4. Meetings. The regular meetings of the Board of Directors shall be held on such date and at such time each month, within or without the State of Michigan as shall from time to time be determined by the Board of Directors by resolution, except that in the month in which the regular annual meeting of the stockholders is held, the regular meeting of the Board of Directors shall be held following and on the same day as the regular meeting of the stockholders. When any regular meeting of the Board of Directors falls upon a holiday, the meeting shall be held on such other day as the Board of Directors may previously designate. Special meetings of the Board of Directors may be called at any time by the Secretary or by any officer of higher rank than Vice President, or any three Directors. Notice of each special meeting shall be given personally or by duly mailing, telephoning, or telegraphing the same, at least twenty-four hours before the meeting. Any or all Directors may waive notice of any meeting either before or after the meeting.

Section 5. Participation In Meetings By Telephone. Unless otherwise restricted by the Articles of Incorporation or these Bylaws, members of the Board of Directors or any committee designated by the Board may participate in a meeting of the Board or committee by means of conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other, and such participation in a meeting shall constitute presence in person at such meeting.

Section 6. Directors' Action Without A Meeting. Unless otherwise restricted by the Articles of Incorporation or these Bylaws, any action required or permitted to be taken at any meeting of the Board of Directors or of any committee thereof may be taken without a meeting, if a written consent thereto is signed by all members of the Board or of such committee as the case may be, and such written consent is filed with the minutes of proceedings of the Board or committee.

### ARTICLE III COMMITTEES OF THE BOARD

Section 1. Executive Committee. There shall be a committee composed of not less than four (4) members to be known as the Executive Committee which shall consist of all the officer-directors of the Bank and two (2) other directors appointed as shall be provided by the Board of Directors. Provision shall be made by the Board of Directors for the appointment of alternates to act for members in the event of their absence or disability.

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1.1 Presiding Officer. The Chairman of the Board shall act as presiding officer at any meeting of the Executive Committee. In the event of the absence or disability of the Chairman of the Board, the President shall act as presiding officer. In the event of the absence or disability of the Chairman of the Board and President, another officer-director, if present, shall act as presiding officer. If no officer-director member is present, an Executive Vice President of the Bank may serve as the presiding officer or the other members present at the meeting shall elect one of their members as presiding officer.

1.2 Quorum. Any two (2) persons, each of whom is a member or alternate member of the Executive Committee, of whom not less than one (1) shall be non-officer directors, shall constitute a quorum for the transaction of business at any meeting of the Executive Committee.

1.3 Duties. The Executive Committee shall function from day to day or

such other short intervals as shall be found requisite and expedient in the carrying on of the business and affairs of the Bank, and between meetings of the Board of Directors, said Committee, within the scope of the jurisdiction and functions assigned by the Board of Directors to such Committee, shall have and may exercise, so far as may be permitted by law, all power and authority of the Board of Directors (including the right to authorize the seal of the Bank to be affixed to all instruments on which the same may be required or appropriate) and shall have power, but not by way of limitation of its general powers, to discount and purchase bills, notes, and other evidences of debt, and to buy and sell bills of exchange. A record of the meetings of the Committee shall be kept, which shall be accessible to inspection by the Directors at all times, and the Committee shall, at each regular meeting of the Board of Directors and at such other times as the Board of Directors may request, submit in writing a full report of its actions. The Board of Directors shall approve or disapprove the report of the Executive Committee, such action to be recorded in the minutes of the meeting; provided, however, that no rights of third parties shall be affected by any action of the Board of Directors, if such rights have attached by virtue of action of the Executive Committee within the scope of the jurisdiction and functions assigned by the Board of Directors to said Committee.

Section 2. Audit Committee. There shall be appointed annually by the Board of Directors an Audit Committee composed of not less than three (3) Directors none of whom shall be officers of the Bank.

2.1 Duties. The Audit Committee shall:

(i) Cause to be made by the Auditing Department of the Bank a suitable examination of the financial records and operations of the Bank through a program of continuous internal audits. The Committee may employ independent certified public accounting firms of recognized standing to make such additional examinations and audits as it may deem advisable. The examinations caused to be made by the Committee shall meet any examination requirements prescribed from time to time by the Michigan Financial Institutions Bureau or other regulatory authorities having jurisdiction and may be made in conjunction with examinations of the Michigan Financial Institutions Bureau.

(ii) Report to the Board of Directors at least once in each calendar year the results of the examinations made and such conclusions and recommendations as the Committee deems appropriate.

Section 3. Other Committees. The Board of Directors may create and appoint such other committees as it may, at any time or from time to time, find necessary or desirable to facilitate and expedite the management and administration of the affairs of the Bank. The Board of Directors shall have power to specify the number of members of any such other committee, to designate the powers and duties of any such other committee, and to provide for the tenure in office of its members, its method of organization, and its procedure for the transaction of business.

#### ARTICLE IV OFFICERS

Section 1. Appointment and Titles. The officers of this Bank shall include a Chairman of the Board and a President and may include one or more Vice Chairman of the Board, each of whom shall be a member of the Board of Directors, and shall further include one or more Vice Presidents, a Secretary, one or more Assistant Secretaries, and such other officers as may be from time to time required for the prompt and orderly transaction of its business, to be elected by the Board of Directors. The same person may hold any two or more offices, and in any such case, these Bylaws shall be construed and understood accordingly; provided that the same person may not hold the offices of Chairman of the Board and Secretary or President and Secretary. The duties and authorities of the officers of the Bank, other than those mentioned in these Bylaws, shall be those usually pertaining to their respective offices, or as may be designated by the Chairman of the Board, subject to the supervision and direction of the Board of Directors.

Section 2. Term of Office of Officer-Directors. The Chairman of the Board, the President and any Vice Chairman of the Board shall hold office for the current year for which the Board of Directors of which they shall be members was elected, unless they shall resign, become disqualified, or be removed; and any vacancy occurring in any of such offices may be filled by the remaining members of the Board of Directors.

Section 3. Chairman of the Board and President. The Chairman of the Board shall be the chief executive officer of the Bank, shall preside at meetings of stockholders and directors, shall have general supervision and direction of the business of the Bank, and perform such other duties as may be designated by the Board of Directors. The President shall perform such duties as may be designated by the Board of Directors and, in the event of the absence or disability of the Chairman of the Board, shall have his powers and duties. The Vice Chairman of the Board shall perform such duties as may be designated by the Board of Directors.

Section 4. Officers. All other officers shall be elected to hold their respective offices at the pleasure of the Board of Directors of the Bank, and shall have such duties, other than those mentioned herein, as shall be prescribed by the Board of Directors.

Section 5. Secretary. The Secretary or Assistant Secretary or other officers designated by the Board of Directors shall be responsible for stock books and records, and other valuables of the Bank, and shall keep accurate minutes of all meetings. The Secretary shall attend to the giving of all notices required by these Bylaws to be given. He shall be custodian of the corporate seal, records, documents and papers of the Bank. He shall provide for the keeping of proper records of all transactions of the Bank. The Secretary, or Assistant Secretary in his absence, shall have the power to sign indemnity agreements and appoint agents by executing powers of attorney or such other similar documents deemed necessary in the ordinary course of transacting the Bank's business. He shall serve as Cashier, and he or his Deputy Cashiers shall have and may exercise any and all other powers and duties pertaining by law, regulation or practice, to the office of the Cashier, or imposed by these Bylaws. He shall also perform such other duties as may be assigned to him, from time to time, by the Board of Directors.

Section 6. Officers, Employees and Agents. All other officers, employees and agents of this Bank shall be responsible for all such sums of money and property of every kind as may be entrusted to their care or placed in their hands by the Board of Directors, or otherwise come into their hands as officers, employees or agents; and shall qualify under the bankers blanket bond covering the bank officers and employees, approved as to type and amount from year to year by the Board of Directors, conditioned for the honest and faithful discharge of their duties as such officers, employees or agents, and that they will faithfully and honestly apply and account for all sums of money and other property of this Bank that may come into their hands as such officers, employees or agents and pay over and deliver the same to the order of the Board of Directors, or to any other person or persons authorized by the Board of Directors to receive the same.

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ARTICLE V  
SEAL

The Board may adopt a seal of the Bank in any form including a raised impression or a stamp bearing the name of the Bank and the city and state of its principal place of business. The Secretary shall be the official custodian of the seal and shall be responsible for the safekeeping and proper use thereof. The seal shall not be used or affixed to any paper or document whatsoever except by the Secretary or any Assistant Secretary, or such other officers or employees of the Bank as may be authorized by the Secretary or any Assistant Secretary to affix the seal.

ARTICLE VI  
EXECUTION OF INSTRUMENTS

Section 1. Conveyance of Real Estate. All transfers and conveyances of real estate shall be made by the Bank, under seal, and shall be signed by the President or any Vice President or any other officer, employee or agent of the Bank as may be designated by the Secretary, and shall be attested by the Secretary or any Assistant Secretary, or such other officer or employee of this Bank as may be authorized by the Secretary to affix the seal.

Section 2. Contracts. All contracts, checks, drafts, etc., shall be signed by the Secretary, or any officer of the rank of Vice President or higher rank, or any other officer or employee designated by the Secretary.

Section 3. Absence of Resolution. No resolution of the Board of Directors shall be necessary in order to authorize the execution, acknowledgement or verification of any document by any officer who is authorized under these Bylaws to do so, and he or she shall have full authority to act as if he or she were duly authorized by resolution of the Board of Directors in each particular case.

ARTICLE VII  
BANKING HOURS

The Bank shall be open for business upon such hours of each day of the year as the Chief Executive Officer or his delegate shall from time to time direct and the Chief Executive Officer or his delegate may, in his discretion, prescribe different banking hours for different classes of business and different banking hours for one or more branch offices, than prescribed for the principal banking office.

ARTICLE VIII  
MINUTE BOOK

The organization papers of this Bank, the returns of the judges of the elections, the proceedings of all regular and special meetings of the Board of Directors and of the stockholders, the Bylaws and any amendments thereto, and reports of the committees of the Board of Directors shall be recorded in the minute book and the minutes of each meeting shall be signed by the person presiding at such meeting and attested by the Secretary.

ARTICLE IX  
TRANSFERS OF STOCK

Section 1. Transfers. The stock of this Bank shall be assignable and transferable only on the books of this Bank, subject to the restrictions and provisions of the law; and a transfer book shall be provided in which all assignments and transfers of stock shall be made.

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Section 2. Record Date. The stock transfer books of the Bank shall not be closed for the determination of stockholders entitled to dividends, but any dividend can be made payable to stockholders of record on the date such dividend is declared, or any subsequent date. The Bank shall be fully protected in giving notices of meetings, paying dividends and doing such other things as require a knowledge of the names of the stockholders of the Bank, in relying upon the names of the stockholders as they appear upon the stock books of the Bank.

Section 3. Form and Issuance. Certificates of stock, bearing the manual or facsimile signature of the Chairman of the Board, President or any Vice President, and the Secretary, or the manual or facsimile signature of any two of such other employees of the Bank as may be designated for such purpose from time to time by resolution of the Board of Directors, and bearing the impressed or facsimile seal of the Bank, may be issued to stockholders. The death, resignation, discharge or incapacity of any person whose manual or facsimile signature appears on any certificate, shall not affect the validity of such certificate of stock, whether such certificate has theretofore or is thereafter issued. All certificates of stock shall state upon the face thereof that the stock is transferable only upon the books of the Bank; and when stock is transferred, the certificates therefore shall be returned to the Bank, canceled, preserved and new certificates issued.

ARTICLE X  
PROXIES AND CONSENTS

Proxies to vote and written consent with respect to shares of stock of other corporations owned by or standing in the name of the Bank may be executed and delivered from time to time on behalf of the Bank by two officers, one of whom shall be the Chairman, President, Executive Vice President, Senior Vice President or a Vice President and the other of whom shall be the Secretary or an Assistant Secretary of the Bank; or by any other person or persons duly authorized by the Board of Directors.

ARTICLE XI  
TRUST DIVISION

Section 1. Exercise of Fiduciary Powers. All fiduciary powers of the Bank shall be exercised through the Trust Division under the supervision of the Trust Committee, subject to the Michigan Banking Code and subject to such regulations as the Michigan Financial Institutions Bureau shall from time to time establish. All books and records relating to fiduciary activities shall be kept separate and distinct from the other books and records of the Bank.

Section 2. Officer in Charge. The Trust Division shall be placed under the management and immediate supervision of an officer in charge appointed by the Board of Directors. The duties of such officer shall be to cause the policies and instructions of the Board of Directors, the chief executive officer and the Trust Committee, with respect to the fiduciary accounts entrusted to the Bank, to be carried out, and to supervise the due performance of such accounts in accordance with law and their terms.

Section 3. Other Officers. Any other officer specifically appointed for the performance of fiduciary activities shall exercise such powers and perform such



duties as are prescribed by these Bylaws, or as may be assigned to them by the Board of Directors, the chief executive officer or the officer in charge of fiduciary activities.

Section 4. Signature and Authentication of Instruments. All instruments in which the Bank is named as Trustee or in any other fiduciary capacity and all authentications or certificates by the Bank as Trustee under any mortgage, deed of trust or other instrument securing bonds, debentures, notes or other obligations of any individual, association or corporation, and all certificates as Registrar or Transfer Agent and all certificates of deposit for stocks and bonds, interim certificates, trust certificates and any other certificates, document or instrument requiring execution may be signed or countersigned in behalf of the Bank by any Trust Officer or officer of equal or higher rank specifically elected or appointed for the performance of fiduciary duties or the Secretary or any officer of the rank of Vice President or higher rank or by any other person appointed for that purpose by the Board of Directors.

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Section 5. Custody of Investments. The investments of each fiduciary account shall be kept separate from the assets of the Bank, and shall be placed in the joint custody or control of not less than two of the officers or employees of the Bank designated for that purpose by the Board of Directors. All such officers and employees shall be adequately bonded. The investments of each such fiduciary account shall be either: kept separate from those of all other accounts, except as provided under the regulations of the Michigan Financial Institutions Bureau for collective investment, or adequately identified as the property of the relevant account.

Section 6. Trust Committee. There shall be a Trust Committee which shall be composed of not less than five (5) members of the Board of Directors, at least three (3) of whom shall be non-officer directors, and may include one or more officers of the Bank who are not directors, appointed by the Board of Directors to serve during its pleasure. The Trust Committee shall have general supervision of and shall determine the policies relating to the administration of fiduciary relationships. It shall have general supervision of the Trust Division, the other committees to which the exercise of fiduciary powers of the Bank are assigned, and the investment of funds and disposition of investments held by the Bank in a fiduciary capacity. It shall have such other powers and duties relating to the administration of fiduciary accounts entrusted to the Bank as may be conferred upon it from time to time by the Board of Directors. The Trust Committee shall meet at least once a month and shall keep minutes of its meetings showing the disposition of all matters considered and passed upon, and shall make monthly reports to the Board of Directors. Any three (3) persons, each of whom is a member of the Trust Committee, of whom not less than two (2) shall be nonofficer directors, shall constitute a quorum for the transaction of business at any meeting of the Trust Committee.

#### ARTICLE XII QUORUM

Except as otherwise provided by statute or in the Articles of Incorporation or these Bylaws, a majority of all the stockholders or Directors, as the case may be, shall be required to constitute a quorum to do business. Should there be no quorum at any regular or special meeting of stockholders or Directors, the stockholders or Directors present may adjourn from day to day until a quorum is in attendance.

#### ARTICLE XIII INDEMNIFICATION AND INSURANCE

The Bank shall indemnify and reimburse any director, officer, employee, or agent to the fullest extent permitted by the laws of the State of Michigan, as amended from time to time.

#### ARTICLE XIV AMENDMENTS TO BYLAWS

These Bylaws may be repealed, altered, or amended, in whole or in part, by the vote of a majority of the Directors, at any regular or special meeting of the Board of Directors.

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EXHIBIT 7

DOMESTIC AND FOREIGN SUBSIDIARIES OF THE  
NBD BANK

in the State of Michigan, at the close of business on Sep. 30, 1996 published in response to call made by Comptroller of the Currency, under title 12, United States Code, Section 161.

<TABLE>  
<CAPTION>

ASSETS	Thousands of dollars
<S>	<C>
Cash and balances due from depository institutions	
Noninterest-bearing balances and currency and coin.....	2,228,000
Interest-bearing balances.....	0
Securities:	
Held-to-maturity securities.....	0
Available-for-sale securities.....	2,064,214
Federal funds sold and securities purchased under agreements to resell in domestic offices of the bank and of its Edge and Agreement subsidiaries, and in IBFs:	
Federal funds sold.....	64,800
Securities purchased under agreements to resell.....	0
Loans and lease financing receivables:	
Loans and leases, net of unearned income.....	18,465,038
LESS: Allowance for loan and lease losses.....	271,373
Loans and leases, net of unearned income and allowance.....	18,193,665
Assets held in trading accounts.....	98,089
Premises and fixed assets (including capitalized leases).....	341,127
Other real estate owned.....	12,654
Investments in unconsolidated subsidiaries and associated companies.....	-
Customers' liability to this bank on acceptances outstanding.....	47,385
Intangible assets.....	32,220
Other assets.....	645,638
	-----
Total assets.....	23,727,792
	=====

</TABLE>

LIABILITIES

<TABLE>		<C>
<S>		
Deposits:		
In domestic offices.....		16,726,460
Noninterest-bearing.....	5,140,981	
Interest-bearing.....	11,585,479	
In foreign offices, Edge and Agreement subsidiaries, and IBFs.....		271,715
Noninterest-bearing.....	0	
Interest-bearing.....	271,715	
Federal funds purchased and securities sold under agreements to repurchase in domestic offices of the bank and of its Edge and Agreement subsidiaries, and in IBFs:		
Federal funds purchased.....		729,180
Securities sold under agreements to repurchase.....		7,492
Demand notes issued to the U.S. Treasury.....		22,611
Trading liabilities.....		47,609
Other borrowed money:		
With remaining maturity of one year or less.....		2,051,461
With remaining maturity of more than one year.....		302,812
Mortgage indebtedness and obligations under capitalized leases.....		12,702
Bank's liability on acceptances executed and outstanding.....		47,385
Notes and debentures subordinated to deposits.....		700,000
Other liabilities.....		432,684
		-----
Total liabilities.....		21,352,111
		-----

EQUITY CAPITAL

Common stock.....	111,858
Surplus.....	639,780
Undivided profits and capital reserves.....	1,615,483
Net unrealized holding gains (losses) on available-for-sale securities.....	8,557
Cumulative foreign currency translation adjustments.....	3
	-----
Total equity capital.....	2,375,681
	-----
Total liabilities and equity capital.....	23,727,792
	=====

</TABLE>

I, Jason N. Hansen, Vice President of the above-named bank do hereby declare that this Report of Condition is true and correct to the best of my knowledge and belief.

JASON N. HANSEN  
October 29, 1996

We, the undersigned directors, attest to the correctness of this statement of resources and liabilities. We declare that it has been examined by us, and to the best of our knowledge and belief has been prepared in conformance with the instructions and is true and correct.

ALFRED R. GLANCY III  
JOSEPH L. HUDSON, JR.  
THOMAS H. JEFFS II  
Directors