

for any calendar year in which they hold such Preferred Shares. The FBAR reports on accounts in the preceding calendar year, is not filed as part of an annual tax return, and the reporting requirements thereunder are not governed by the Code. Purchasers of Preferred Shares should consult their own tax advisors regarding these reporting requirements.

#### **Tax Treatment of Non-U.S. Holders**

The Issuer does not expect (though no assurance can be given) that it will be treated as engaged in a trade or business within the United States or recognize income effectively connected with a U.S. trade or business ("ECI"). Non-ECI income from U.S. sources (e.g., U.S. source dividends and interest) will generally be subject to U.S. federal withholding tax at a rate of 30% (or a reduced rate under an applicable U.S. income tax treaty or in the case of certain interest income that qualifies for the "portfolio interest" exemption). Capital gains from the disposition of U.S. investments generally will not be subject to U.S. federal income tax (except in the case of certain real estate intensive investments subject to U.S. federal income tax under the U.S. Foreign Investment in Real Property Tax Act of 1980).

Non-U.S. Holders generally should not recognize ECI from an investment in the Preferred Shares regardless of whether the Issuer is engaged in a U.S. trade or business. As such, a Non-U.S. Holder will generally not be subject to U.S. federal income tax, and will not be required to file U.S. federal income tax returns, with respect to its investment in the Issuer, subject to the discussion below concerning backup withholding and FATCA; provided that (i) its investment is not effectively connected with the conduct of a trade or business in the United States by such Non-U.S. Holder and, in the case of a resident of a country which has a tax treaty with the United States, such investment is not attributable to a permanent establishment or, in the case of an individual, a fixed place of business, within the United States, (ii) such Non-U.S. Holder is not an individual who is present in the United States for 183 days or more during the taxable year and certain other requirements are met, and (iii) the certification requirements described below are satisfied.

The certification requirements referred to above generally will be satisfied if the Non-U.S. Holder provides the applicable withholding agent with a statement (generally on IRS Form or W-BEN or W-8BEN-E), signed under penalties of perjury, stating, among other things, that such Non-U.S. Holder is not a U.S. person. The Issuer believes that it will not be, and does not anticipate becoming, a "United States real property holding corporation" for U.S. federal income tax purposes, although there can be no assurance that it will not become such a corporation. If the Issuer becomes a U.S. real property holding corporation, and certain other conditions are satisfied, Non-U.S. Holders could be subject to additional U.S. taxes.

#### **Information Reporting and Backup Withholding**

Distributions to a Non-U.S. Holder and the amount of any tax withheld from such payments generally will be reported annually to the IRS and to such Non-U.S. Holder.

The information reporting and backup withholding rules that apply to payments of dividends to a U.S. Holder generally will not apply to amounts treated as payments of dividends to a Non-U.S. Holder if such Non-U.S. Holder certifies under penalties of perjury that it is not a U.S. person (generally by providing an IRS Form or W-BEN or W-8BEN-E) or otherwise establishes an exemption.

Proceeds from the sale, exchange, retirement or other disposition of Preferred Shares by a Non-U.S. Holder effected through a non-U.S. office of a U.S. broker or of a non-U.S. broker with certain specified U.S. connections generally may be subject to information reporting, but not backup withholding, unless such Non-U.S. Holder certifies under penalties of perjury that it is not a U.S. person (generally by providing an IRS Form or W-BEN or W-8BEN-E) or otherwise establishes an exemption. Backup withholding is not an additional tax. Any amounts withheld under the backup withholding rules generally will be allowed as a refund or a credit against a Non-U.S. Holder's U.S. federal income tax liability if the required information is furnished by such Non-U.S. Holder to the IRS in a timely manner.