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ANNALY CAPITAL MANAGEMENT INC

FORM 10-Q
(Quarterly Report)

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

FORM 10-Q

☑ QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

FOR THE QUARTERLY PERIOD ENDED: March 31, 2025

OR

☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

FOR THE TRANSITION PERIOD FROM _____ TO _____

COMMISSION FILE NUMBER: 1-13447

ANNALY®

ANNALY CAPITAL MANAGEMENT INC

(Exact Name of Registrant as Specified in its Charter)

Maryland	**22-3479661**
(State or other jurisdiction of incorporation or organization)	(IRS Employer Identification No.)
1211 Avenue of the Americas **New York, New York**	**10036**
(Address of principal executive offices)	(Zip Code)

(212) 696-0100

(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

Title of Each Class	Trading Symbol(s)	Name of Each Exchange on Which Registered
Common Stock, par value $0.01 per share	NLY	New York Stock Exchange
6.95% Series F Fixed-to-Floating Rate Cumulative Redeemable Preferred Stock	NLY.F	New York Stock Exchange
6.50% Series G Fixed-to-Floating Rate Cumulative Redeemable Preferred Stock	NLY.G	New York Stock Exchange
6.75% Series I Fixed-to-Floating Rate Cumulative Redeemable Preferred Stock	NLY.I	New York Stock Exchange

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☑ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☑ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	Accelerated filer	Non-accelerated filer	Smaller reporting company	Emerging growth company
☑	☐	☐	☐	☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). Yes ☐ No ☑

The number of shares of the registrant's Common Stock outstanding on April 30, 2025 was 605,089,071.

WEBSITE AND SOCIAL MEDIA DISCLOSURE

We use our website (www.annaly.com) and LinkedIn account (www.linkedin.com/company/annaly-capital-management) as channels of distribution of company information. The information we post through these channels may be deemed material. Accordingly, investors should monitor these channels, in addition to following our press releases, SEC filings and public conference calls and webcasts. In addition, you may automatically receive email alerts and other information about Annaly when you enroll your email address by visiting the "News & Insights" section of our website, then clicking on "Subscribe" and completing the email notification form. Our website, any alerts and social media channels are not incorporated into this quarterly report on Form 10-Q.

ANNALY CAPITAL MANAGEMENT, INC.
FORM 10-Q
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PART I - FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

ANNALY CAPITAL MANAGEMENT, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF FINANCIAL CONDITION
(dollars in thousands, except per share data)

	March 31, 2025 (Unaudited)	December 31, 2024 [1]
Assets		
Cash and cash equivalents (includes pledged assets of $1,536,590 and $1,202,880, respectively) [2]	**$ 1,833,528**	$ 1,488,027
Securities (includes pledged assets of $63,270,998 and $67,692,062, respectively) [3]	**70,361,364**	69,756,447
Loans, net (includes pledged assets of $3,708,202 and $2,754,028, respectively) [4]	**3,860,555**	3,546,902
Mortgage servicing rights (includes pledged assets of $2,793,456 and $2,460,252, respectively)	**3,272,902**	2,909,134
Assets transferred or pledged to securitization vehicles	**24,464,281**	21,973,188
Derivative assets	**67,257**	225,351
Receivable for unsettled trades	**2,523**	2,201,447
Principal and interest receivable	**836,946**	1,069,038
Intangible assets, net	**8,743**	9,416
Other assets	**407,247**	377,434
Total assets	**$ 105,115,346**	$ 103,556,384
Liabilities and stockholders' equity		
Liabilities		
Repurchase agreements	**$ 61,659,460**	$ 65,688,923
Other secured financing	**900,000**	750,000
Debt issued by securitization vehicles	**21,802,193**	19,540,678
Participations issued	**1,748,273**	1,154,816
U.S. Treasury securities sold, not yet purchased	**2,519,125**	2,470,629
Derivative liabilities	**181,065**	59,586
Payable for unsettled trades	**2,304,774**	308,282
Interest payable	**285,858**	268,317
Dividends payable	**421,637**	375,932
Other liabilities	**208,453**	242,269
Total liabilities	**92,030,838**	90,859,432
Stockholders' equity		
Preferred stock, par value $0.01 per share, 63,500,000 authorized, issued and outstanding	**1,536,569**	1,536,569
Common stock, par value $0.01 per share, 1,468,250,000 authorized, 602,338,286 and 578,357,118 issued and outstanding, respectively	**6,023**	5,784
Additional paid-in capital	**25,749,468**	25,257,716
Accumulated other comprehensive income (loss)	**(787,402)**	(1,017,682)
Accumulated deficit	**(13,509,942)**	(13,173,146)
Total stockholders' equity	**12,994,716**	12,609,241
Noncontrolling interests	**89,792**	87,711
Total equity	**13,084,508**	12,696,952
Total liabilities and equity	**$ 105,115,346**	$ 103,556,384

[1] Derived from the audited consolidated financial statements at December 31, 2024.

[2] Includes cash of consolidated Variable Interest Entities ("VIEs") of $3.7 million and $2.8 million at March 31, 2025 and December 31, 2024, respectively.

[3] Excludes $2.3 billion and $2.2 billion at March 31, 2025 and December 31, 2024, respectively, of non-Agency mortgage-backed securities in consolidated VIEs pledged as collateral and eliminated from the Company's Consolidated Statements of Financial Condition.

[4] Includes $6.3 million and $10.0 million of residential mortgage loans held for sale at March 31, 2025 and December 31, 2024, respectively.

See notes to consolidated financial statements.

ANNALY CAPITAL MANAGEMENT, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)
(dollars in thousands, except per share data)
(Unaudited)

	For The Three Months Ended March 31,	
	2025	**2024**
Net interest income		
Interest income	**$ 1,317,108**	$ 1,094,488
Interest expense	**1,097,137**	1,100,939
Net interest income	**219,971**	(6,451)
Net servicing income		
Servicing and related income	**140,435**	115,084
Servicing and related expense	**14,113**	12,216
Net servicing income	**126,322**	102,868
Other income (loss)		
Net gains (losses) on investments and other	**810,812**	(994,127)
Net gains (losses) on derivatives	**(977,867)**	1,377,144
Other, net	**7,398**	23,367
Total other income (loss)	**(159,657)**	406,384
General and administrative expenses		
Compensation expense	**37,297**	28,721
Other general and administrative expenses	**10,767**	9,849
Total general and administrative expenses	**48,064**	38,570
Income (loss) before income taxes	**138,572**	464,231
Income taxes	**8,267**	(943)
Net income (loss)	**130,305**	465,174
Net income (loss) attributable to noncontrolling interests	**6,081**	2,282
Net income (loss) attributable to Annaly	**124,224**	462,892
Dividends on preferred stock	**37,157**	37,061
Net income (loss) available (related) to common stockholders	**$ 87,067**	$ 425,831
Net income (loss) per share available (related) to common stockholders		
Basic	**$ 0.15**	$ 0.85
Diluted	**$ 0.15**	$ 0.85
Weighted average number of common shares outstanding		
Basic	**587,149,704**	500,612,840
Diluted	**588,420,998**	501,182,043
Other comprehensive income (loss)		
Net income (loss)	**$ 130,305**	$ 465,174
Unrealized gains (losses) on available-for-sale securities	**164,877**	(281,869)
Reclassification adjustment for net (gains) losses included in net income (loss)	**65,403**	335,351
Other comprehensive income (loss)	**230,280**	53,482
Comprehensive income (loss)	**360,585**	518,656
Comprehensive income (loss) attributable to noncontrolling interests	**6,081**	2,282
Comprehensive income (loss) attributable to Annaly	**354,504**	516,374
Dividends on preferred stock	**37,157**	37,061
Comprehensive income (loss) attributable to common stockholders	**$ 317,347**	$ 479,313

See notes to consolidated financial statements.

ANNALY CAPITAL MANAGEMENT, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY
(dollars in thousands, except per share data)
(Unaudited)

	For The Three Months Ended March 31,	
	2025	**2024**
Preferred stock		
Beginning of period	**$ 1,536,569**	$ 1,536,569
End of period	**$ 1,536,569**	$ 1,536,569
Common stock		
Beginning of period	**$ 5,784**	$ 5,001
Issuance	**233**	—
Stock-based award activity	**6**	3
End of period	**$ 6,023**	$ 5,004
Additional paid-in capital		
Beginning of period	**$ 25,257,716**	$ 23,672,391
Issuance	**495,274**	(48)
Stock-based award activity	**(3,522)**	1,344
End of period	**$ 25,749,468**	$ 23,673,687
Accumulated other comprehensive income (loss)		
Beginning of period	**$ (1,017,682)**	$ (1,335,400)
Unrealized gains (losses) on available-for-sale securities	**164,877**	(281,869)
Reclassification adjustment for net (gains) losses included in net income (loss)	**65,403**	335,351
End of period	**$ (787,402)**	$ (1,281,918)
Accumulated deficit		
Beginning of period	**$ (13,173,146)**	$ (12,622,768)
Net income (loss) attributable to Annaly	**124,224**	462,892
Dividends declared on preferred stock [(1)]	**(37,157)**	(37,061)
Dividends and dividend equivalents declared on common stock and stock-based awards [(1)]	**(423,863)**	(326,872)
End of period	**$ (13,509,942)**	$ (12,523,809)
Total stockholder's equity	**$ 12,994,716**	$ 11,409,533
Noncontrolling interests		
Beginning of period	**$ 87,711**	$ 89,298
Net income (loss) attributable to noncontrolling interests	**6,081**	2,282
Equity contributions from (distributions to) noncontrolling interests	**(4,000)**	(5,000)
End of period	**$ 89,792**	$ 86,580
Total equity	**$ 13,084,508**	$ 11,496,113

[(1)] Refer to the "Capital Stock" Note for dividends per share for each class of shares.

See notes to consolidated financial statements.

ANNALY CAPITAL MANAGEMENT, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(dollars in thousands)
(Unaudited)

	For The Three Months Ended March 31,	
	2025	**2024**
Cash flows from operating activities		
Net income (loss)	**$ 130,305**	$ 465,174
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities		
Amortization of premiums and discounts of investments, net	**71,249**	28,050
Amortization of securitized debt premiums and discounts and deferred financing costs	**(2,724)**	2,292
Depreciation, amortization and other noncash expenses	**9,217**	6,884
Net (gains) losses on investments and derivatives	**358,600**	(52,868)
Income (loss) from unconsolidated joint ventures	**4,376**	3,381
Payments on purchases of loans held for sale	**(38,611)**	(2,643)
Proceeds from sales and repayments of loans held for sale	**42,072**	—
Proceeds from U.S. Treasury securities	**2,465,677**	2,093,527
Payments on U.S. Treasury securities	**(2,486,009)**	(2,093,489)
Net receipts (payments) on derivatives	**(899,210)**	826,716
Net change in		
Other assets	**(26,196)**	(2,877)
Interest receivable	**230,790**	354,997
Interest payable	**17,541**	62,468
Other liabilities	**(33,343)**	6,277
Net cash provided by (used in) operating activities	**(156,266)**	1,697,889
Cash flows from investing activities		
Payments on purchases of securities	**(4,368,706)**	(7,788,513)
Proceeds from sales of securities	**7,337,167**	9,483,792
Principal payments on securities	**1,672,398**	1,424,656
Payments on purchases and origination of loans	**(3,875,537)**	(3,134,429)
Proceeds from sales of loans	**378,893**	—
Principal payments on loans	**900,695**	363,741
Payments on purchases of MSR	**(387,147)**	(515,760)
Proceeds from sales of MSR	**1,871**	—
Proceeds from reverse repurchase agreements	**172,207,075**	149,589,734
Payments on reverse repurchase agreements	**(172,207,075)**	(149,589,734)
Distributions in excess of cumulative earnings from unconsolidated joint ventures	**3,400**	—
Net cash provided by (used in) investing activities	**1,663,034**	(166,513)
Cash flows from financing activities		
Proceeds from repurchase agreements and other secured financing	**1,549,426,696**	1,373,554,795
Payments on repurchase agreements and other secured financing	**(1,553,306,159)**	(1,376,683,890)
Proceeds from issuances of securitized debt	**2,914,309**	2,496,810
Principal payments on securitized debt	**(819,591)**	(323,854)
Payments on purchases of securitized debt	**(4,350)**	—
Payment of deferred financing cost	**(7,011)**	(1,191)
Proceeds from participations issued	**1,771,940**	1,001,297
Payments on repurchases of participations issued	**(1,188,368)**	(933,543)
Principal payments on participations issued	**(13,110)**	(15,344)
Net contributions (distributions) from (to) noncontrolling interests	**(4,000)**	(5,000)
Net proceeds from stock offerings, direct purchases and dividend reinvestments	**495,507**	(48)
Settlement of stock-based awards in satisfaction of withholding tax requirements	**(13,922)**	(5,993)
Dividends paid	**(413,208)**	(362,193)
Net cash provided by (used in) financing activities	**(1,161,267)**	(1,278,154)
Net (decrease) increase in cash and cash equivalents	**345,501**	253,222
Cash and cash equivalents including cash pledged as collateral, beginning of period	**1,488,027**	1,412,148
Cash and cash equivalents including cash pledged as collateral, end of period	**$ 1,833,528**	$ 1,665,370
Supplemental disclosure of cash flow information		
Interest received	**$ 1,025,159**	$ 915,491
Interest paid (excluding interest paid on interest rate swaps)	**$ 799,833**	$ 913,729
Net interest received (paid) on interest rate swaps	**$ 448,039**	$ 759,440
Taxes received (paid)	**$ (237)**	$ (236)
Noncash investing and financing activities		
Receivable for unsettled trades	**$ 2,523**	$ 941,366
Payable for unsettled trades	**$ 2,304,774**	$ 2,556,798
Net change in unrealized gains (losses) on available-for-sale securities, net of reclassification adjustment	**$ 230,280**	$ 53,482
Dividends declared, not yet paid	**$ 421,637**	$ 325,286

See notes to consolidated financial statements.

ANNALY CAPITAL MANAGEMENT, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

1. DESCRIPTION OF BUSINESS

Annaly Capital Management, Inc. (the "Company" or "Annaly") is a Maryland corporation that commenced operations on February 18, 1997. The Company is a leading diversified capital manager with investment strategies across mortgage finance. The Company owns a portfolio of real estate related investments, including mortgage pass-through certificates, collateralized mortgage obligations, credit risk transfer ("CRT") securities, other securities representing interests in or obligations backed by pools of mortgage loans, residential mortgage loans and mortgage servicing rights ("MSR"). The Company's principal business objective is to generate net income for distribution to its stockholders and optimize its returns through prudent management of its diversified investment strategies.

Annaly is an internally-managed company that has elected to be taxed as a Real Estate Investment Trust ("REIT") as defined under the Internal Revenue Code of 1986, as amended, and regulations promulgated thereunder (the "Code").

The Company's three investment groups are primarily comprised of the following:

Investment Groups	Description
Annaly Agency Group	Invests in Agency mortgage-backed securities ("MBS") collateralized by residential mortgages which are guaranteed by Fannie Mae, Freddie Mac or Ginnie Mae and complementary investments within the Agency market, including Agency commercial MBS.
Annaly Residential Credit Group	Invests primarily in non-Agency residential whole loans and securitized products within the residential and commercial markets.
Annaly Mortgage Servicing Rights Group	Invests in mortgage servicing rights ("MSR"), which provide the right to service residential mortgage loans in exchange for a portion of the interest payments made on the loans.

2. BASIS OF PRESENTATION

The accompanying consolidated financial statements and related notes of the Company have been prepared in accordance with U.S. generally accepted accounting principles ("GAAP").

The accompanying consolidated financial statements and related notes are unaudited and should be read in conjunction with the audited consolidated financial statements included in the Company's most recent Annual Report on Form 10-K for the fiscal year ended December 31, 2024 (the "2024 Form 10-K"). The consolidated financial information as of December 31, 2024 has been derived from audited consolidated financial statements included in the Company's 2024 Form 10-K.

The preparation of the consolidated financial statements requires management to make estimates and assumptions that affect the reported balance sheet amounts and/or disclosures at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ materially from those estimates.

In the opinion of management, all normal, recurring adjustments have been included for a fair presentation of this interim financial information. Interim period operating results may not be indicative of the operating results for a full year.

3. SIGNIFICANT ACCOUNTING POLICIES

The Company's significant accounting policies are described below or are included elsewhere in these notes to the consolidated financial statements.

Principles of Consolidation – The consolidated financial statements include the accounts of the entities where the Company has a controlling financial interest. In order to determine whether the Company has a controlling financial interest, it first evaluates whether an entity is a voting interest entity ("VOE") or a variable interest entity ("VIE"). All intercompany balances and transactions have been eliminated in consolidation.

Voting Interest Entities – A VOE is an entity that has sufficient equity and in which equity investors have a controlling financial interest. The Company consolidates VOEs where it has a majority of the voting equity of such VOE.

Variable Interest Entities – A VIE is defined as an entity in which equity investors (i) do not have the characteristics of a controlling financial interest, and/or (ii) do not have sufficient equity at risk for the entity to finance its activities without additional subordinated financial support from other parties. A VIE is required to be consolidated by its primary beneficiary, which is defined as the party that has both (i) the power to control the activities that most significantly impact the VIE's

economic performance and (ii) the obligation to absorb losses or the right to receive benefits from the VIE that could potentially be significant to the VIE.

The Company performs ongoing reassessments of whether changes in the facts and circumstances regarding the Company's involvement with a VIE causes the Company's consolidation conclusion to change. Refer to the "Variable Interest Entities" Note for further information.

Equity Method Investments - For entities that are not consolidated, but where the Company has significant influence over the operating or financial decisions of the entity, the Company accounts for the investment under the equity method of accounting. In accordance with the equity method of accounting, the Company will recognize its share of earnings or losses of the investee in the period in which they are reported by the investee. The Company also considers whether there are any indicators of other-than-temporary impairment of joint ventures accounted for under the equity method. These investments are included in Other assets with income or loss included in Other, net.

Cash and Cash Equivalents – Cash and cash equivalents include cash on hand, cash held in money market funds on an overnight basis and cash pledged as collateral with counterparties. Cash deposited with clearing organizations is carried at cost, which approximates fair value. Cash and securities deposited with clearing organizations and collateral held in the form of cash on margin with counterparties to the Company's interest rate swaps and other derivatives totaled $1.5 billion and $1.2 billion at March 31, 2025 and December 31, 2024, respectively.

Fair Value Measurements and the Fair Value Option – The Company reports various investments at fair value, including certain eligible financial instruments elected to be accounted for under the fair value option ("FVO"). The Company chooses to elect the FVO in order to simplify the accounting treatment for certain financial instruments. Items for which the FVO has been elected are presented at fair value in the Consolidated Statements of Financial Condition and any change in fair value is recorded in Net gains (losses) on investments and other in the Consolidated Statements of Comprehensive Income (Loss). For additional information regarding financial instruments for which the Company has elected the FVO refer to the table in the "Financial Instruments" Note.

Refer to the "Fair Value Measurements" Note for a complete discussion on the methodology utilized by the Company to estimate the fair value of certain financial instruments.

Offsetting Assets and Liabilities - The Company elected to present all derivative instruments on a gross basis as discussed in the "Derivative Instruments" Note. Reverse repurchase and repurchase agreements are presented net in the Consolidated Statements of Financial Condition if they meet the offsetting criteria. Refer to the "Secured Financing" Note for further discussion on reverse repurchase and repurchase agreements.

Derivative Instruments – Derivatives are recognized as either assets or liabilities at fair value in the Consolidated Statements of Financial Condition with changes in fair value recognized in the Consolidated Statements of Comprehensive Income (Loss). The changes in the estimated fair value are presented within Net gains (losses) on derivatives. None of the Company's derivative transactions have been designated as hedging instruments for accounting purposes. Refer to the "Derivative Instruments" Note for further discussion.

Stock-Based Compensation – The Company measures compensation expense for stock-based awards at fair value, which is generally based on the grant-date fair value of the Company's common stock. Compensation expense is recognized ratably over the vesting or requisite service period of the award. Stock-based awards that contain market-based conditions are valued using a model.

Compensation expense for awards with performance conditions is recognized based on the probable outcome of the performance condition at each reporting date. Compensation expense for awards with market conditions is recognized irrespective of the probability of the market condition being achieved and is not reversed if the market condition is not met. Stock-based awards that do not require future service (i.e., vested awards) are expensed immediately. Forfeitures are recorded when they occur. The Company generally issues new shares of common stock upon delivery of stock-based awards.

Interest Income - The Company recognizes interest income primarily on Residential Securities (as defined in the "Securities" Note), residential mortgage loans, commercial investments and reverse repurchase agreements. Interest accrued but not received is recognized as Interest receivable in the Consolidated Statements of Financial Condition. Interest income is presented as a separate line item in the Consolidated Statements of Comprehensive Income (Loss).

For its securities, the Company recognizes coupon income, which is a component of interest income, based upon the outstanding principal amounts of the financial instruments and their contractual terms. In addition, the Company amortizes or accretes premiums or discounts into interest income for its Agency mortgage-backed securities (other than interest-only securities, multifamily and reverse mortgages), taking into account estimates of future principal prepayments in the calculation of the effective yield. The Company recalculates the effective yield as differences between anticipated and actual prepayments occur. Using third party model and market information to project future cash flows and expected remaining lives of securities, the effective interest rate determined for each security is applied as if it had been in place from the date of the security's acquisition. The amortized cost of the security is then adjusted to the amount that would have existed had the new effective yield been applied since the acquisition date, which results in a cumulative premium amortization adjustment in each period. The adjustment to amortized cost is offset with a charge or credit to interest income. Changes in interest rates and other market factors will impact prepayment speed projections and the amount of premium amortization recognized in any given period.

Premiums or discounts associated with the purchase of Agency interest-only securities, reverse mortgages and residential credit securities are amortized or accreted into interest income based upon current expected future cash flows with any adjustment to yield made on a prospective basis.

Premiums or discounts associated with the purchase of multifamily securities are amortized or accreted into interest income based upon their contractual payment terms. If a prepayment occurs, an adjustment is made to the unpaid principal balance and unamortized premium or discount in the current period and the original effective yield continues to be applied.

Premiums and discounts associated with the purchase of residential mortgage loans and with those transferred or pledged to securitization trusts are primarily amortized or accreted into interest income over their estimated remaining lives using the effective interest rates inherent in the estimated cash flows from the mortgage loans. Amortization of premiums and accretion of discounts are presented in Interest income in the Consolidated Statements of Comprehensive Income (Loss).

If collection of a loan's principal or interest is in doubt or the loan is 90 days or more past due, interest income is not accrued. For nonaccrual status loans carried at fair value or held for sale, interest is not accrued but is recognized on a cash basis. For nonaccrual status loans carried at amortized cost, if collection of principal is not in doubt but collection of interest is in doubt, interest income is recognized on a cash basis. If collection of principal is in doubt, any interest received is applied against principal until collectability of the remaining balance is no longer in doubt; at that point, any interest income is recognized on a cash basis. Generally, a loan is returned to accrual status when the borrower has resumed paying the full amount of the scheduled contractual obligation, if all principal and interest amounts contractually due are reasonably assured of repayment within a reasonable period of time and there is a sustained period of repayment performance by the borrower.

The Company has made an accounting policy election not to measure an allowance for loans losses for accrued interest receivable. If interest receivable is deemed to be uncollectible or not collected within 90 days of its contractual due date for commercial loans carried at amortized cost, it is written off through a reversal of interest income. Any interest written off that is recovered is recognized as interest income.

Refer to the "Interest Income and Interest Expense" Note for further discussion of interest income.

Income Taxes – The Company has elected to be taxed as a REIT and intends to comply with the provisions of the Code, with respect thereto. As a REIT, the Company will not incur federal income tax to the extent that it distributes its taxable income to its stockholders. The Company and certain of its direct and indirect subsidiaries have made separate joint elections to treat these subsidiaries as taxable REIT subsidiaries ("TRSs"). As such, each of these TRSs is taxable as a domestic C corporation and subject to federal, state and local income taxes based upon its taxable income. Refer to the "Income Taxes" Note for further discussion on income taxes.

Recent Accounting Pronouncements

The Company considers the applicability and impact of all Accounting Standard Updates ("ASUs"). The Company reviewed recently issued ASUs and determined that they were not expected to have a significant impact on the Company's consolidated financial statements when adopted or did not have a significant impact on the Company's consolidated financial statements upon adoption.

4. FINANCIAL INSTRUMENTS

The following table presents characteristics for certain of the Company's financial instruments at March 31, 2025 and December 31, 2024.

Financial Instruments [1]				
Balance Sheet Line Item	**Type / Form**	**Measurement Basis**	**March 31, 2025**	**December 31, 2024**
Assets		**(dollars in thousands)**		
Securities	Agency mortgage-backed securities [2]	Fair value, with unrealized gains (losses) through other comprehensive income	**$ 7,668,927**	$ 8,234,911
Securities	Agency mortgage-backed securities [3]	Fair value, with unrealized gains (losses) through earnings	**60,660,793**	59,199,157
Securities	Residential credit risk transfer securities	Fair value, with unrealized gains (losses) through earnings	**521,059**	754,915
Securities	Non-agency mortgage-backed securities	Fair value, with unrealized gains (losses) through earnings	**1,451,524**	1,493,186
Securities	Commercial real estate debt investments - CMBS	Fair value, with unrealized gains (losses) through earnings	**59,061**	74,278
Total securities			**70,361,364**	69,756,447
Loans, net	Residential mortgage loans	Fair value, with unrealized gains (losses) through earnings	**3,860,555**	3,546,902
Assets transferred or pledged to securitization vehicles	Residential mortgage loans	Fair value, with unrealized gains (losses) through earnings	**24,464,281**	21,973,188
Liabilities				
Repurchase agreements	Repurchase agreements	Amortized cost	**$ 61,659,460**	$ 65,688,923
Other secured financing	Loans	Amortized cost	**900,000**	750,000
Debt issued by securitization vehicles	Securities	Fair value, with unrealized gains (losses) through earnings	**21,802,193**	19,540,678
Participations issued	Participations issued	Fair value, with unrealized gains (losses) through earnings	**1,748,273**	1,154,816
U.S. Treasury securities sold, not yet purchased	Securities	Fair value, with unrealized gains (losses) through earnings	**2,519,125**	2,470,629

[1] Receivable for unsettled trades, Principal and interest receivable, Payable for unsettled trades, Interest payable and Dividends payable are accounted for at cost.
[2] Includes Agency pass-through, collateralized mortgage obligation ("CMO") and multifamily securities purchased prior to July 1, 2022.
[3] Includes interest-only securities and reverse mortgages and, effective July 1, 2022, newly purchased Agency pass-through, CMO and multifamily securities.

5. SECURITIES

The Company's investments in securities include agency, credit risk transfer, non-agency and commercial mortgage-backed securities. All of the debt securities are classified as available-for-sale. Available-for-sale debt securities are carried at fair value, with changes in fair value recognized in other comprehensive income, unless the fair value option is elected in which case changes in fair value are recognized in Net gains (losses) on investments and other in the Consolidated Statements of Comprehensive Income (Loss). Effective July 1, 2022, the Company elected the fair value option for any newly purchased Agency mortgage-backed securities in order to simplify the accounting for these securities. During the three months ended March 31, 2025 and 2024, $901.6 million and ($674.0) million, respectively, of unrealized gains (losses) on the Agency mortgage-backed securities, for which the fair value option was elected, were reported in Net gains (losses) on investments and other in the Company's Consolidated Statements of Comprehensive Income (Loss). Agency mortgage-backed securities purchased prior to July 1, 2022, are still classified as available-for-sale with changes in fair value recognized in other comprehensive income. The Company has also elected the fair value option for CRT securities, interest only securities, Non-Agency and commercial mortgage-backed securities in order to simplify the accounting. Transactions for regular-way securities are recorded on trade date, including to-be-announced ("TBA") securities that meet the regular-way securities scope exception from derivative accounting. Gains and losses on disposals of securities are recorded on trade date based on the specific identification method.

Impairment – Management evaluates available-for-sale securities where the fair value option has not been elected and held-to-maturity debt securities for impairment at least quarterly, and more frequently when economic or market conditions warrant such evaluation. When the fair value of an available-for-sale security is less than its amortized cost, the security is considered impaired. For securities that are impaired, the Company determines if it (1) has the intent to sell the security, (2) is more likely than not that it will be required to sell the security before recovery of its amortized cost basis, or (3) does not expect to recover the entire amortized cost basis of the security. Further, the security is analyzed for credit loss (the difference between the present value of cash flows expected to be collected and the amortized cost basis). The credit loss, if any, will then be

recognized in the Consolidated Statements of Comprehensive Income (Loss) as a securities loss provision and reflected as an allowance for credit losses on securities in the Consolidated Statements of Financial Condition, while the balance of losses related to other factors will be recognized as a component of Other comprehensive income (loss). When the fair value of a held-to-maturity security is less than the cost, the Company performs an analysis to determine whether it expects to recover the entire cost basis of the security.

Agency Mortgage-Backed Securities **-** The Company invests in mortgage pass-through certificates, collateralized mortgage obligations and other MBS representing interests in or obligations backed by pools of residential or multifamily mortgage loans and certificates. Many of the underlying loans and certificates are guaranteed by the Government National Mortgage Association ("Ginnie Mae"), the Federal Home Loan Mortgage Corporation ("Freddie Mac") or the Federal National Mortgage Association ("Fannie Mae") (collectively, "Agency mortgage-backed securities").

Agency mortgage-backed securities may include forward contracts for Agency mortgage-backed securities purchases or sales of a generic pool, on a to-be-announced basis. TBA securities without intent to accept delivery ("TBA derivatives") are accounted for as derivatives as discussed in the "Derivative Instruments" Note.

CRT Securities **-** CRT securities are risk sharing instruments issued by Fannie Mae and Freddie Mac, and similarly structured transactions arranged by third party market participants. CRT securities are designed to synthetically transfer mortgage credit risk from Fannie Mae and Freddie Mac to private investors.

Non-Agency Mortgage-Backed Securities **-** The Company invests in non-Agency mortgage-backed securities such as those issued in prime loan, prime jumbo loan, Alt-A loan, subprime loan, non-performing loan ("NPL") and re-performing loan ("RPL") securitizations.

Agency mortgage-backed securities, non-Agency mortgage-backed securities and residential CRT securities are referred to herein as "Residential Securities." Although the Company generally intends to hold most of its Residential Securities until maturity, it may, from time to time, sell any of its Residential Securities as part of the overall management of its portfolio.

Commercial Mortgage-Backed Securities ("Commercial Securities") **-** The Company invests in Commercial Securities such as conduit, credit CMBS, single-asset single borrower and collateralized loan obligations.

The following table represents a rollforward of the activity for the Company's securities for the three months ended March 31, 2025:

	Agency Securities	Residential Credit Securities	Commercial Securities	Total
	(dollars in thousands)			
Beginning balance January 1, 2025	$ 67,434,068	$ 2,248,101	$ 74,278	$ 69,756,447
Purchases	6,263,002	101,318	—	6,364,320
Sales	(4,967,149)	(214,381)	(12,886)	(5,194,416)
Principal paydowns	(1,516,963)	(152,573)	(2,283)	(1,671,819)
(Amortization) / accretion	(56,057)	(1,356)	(17)	(57,430)
Fair value adjustment	1,172,819	(8,526)	(31)	1,164,262
Ending balance March 31, 2025	$ 68,329,720	$ 1,972,583	$ 59,061	$ 70,361,364

The following tables present the Company's securities portfolio that were carried at their fair value at March 31, 2025 and December 31, 2024:

	March 31, 2025						
	Principal / Notional	Remaining Premium	Remaining Discount	Amortized Cost	Unrealized Gains	Unrealized Losses	Estimated Fair Value
Agency	(dollars in thousands)						
Fixed-rate pass-through	$ 64,549,014	$ 1,258,704	$ (1,191,086)	$ 64,616,632	$ 356,094	$ (1,418,833)	$ 63,553,893
Adjustable-rate pass-through	137,157	8,972	(40)	146,089	1,949	(6,641)	141,397
CMO	85,886	1,418	—	87,304	—	(13,496)	73,808
Interest-only	3,757,295	545,553	—	545,553	29,256	(105,328)	469,481
Multifamily[1]	29,947,936	544,756	(8,058)	4,085,912	29,207	(49,245)	4,065,874
Reverse mortgages	24,234	2,279	—	26,513	—	(1,246)	25,267
Total agency securities	$ 98,501,522	$ 2,361,682	$ (1,199,184)	$ 69,508,003	$ 416,506	$ (1,594,789)	$ 68,329,720
Residential credit							
Credit risk transfer	$ 492,296	$ 1,493	$ (3,385)	$ 490,404	$ 30,751	$ (96)	$ 521,059
Alt-A	204,309	34	(2,062)	202,281	2,969	(7,696)	197,554
Prime [2]	1,867,436	28,175	(10,084)	44,362	3,035	(700)	46,697
Subprime	247,047	12	(29,638)	217,421	7,488	(8,207)	216,702
NPL/RPL	832,022	4,304	(4,691)	831,635	2,266	(3,626)	830,275
Prime jumbo (>=2010 vintage) [3]	10,692,985	85,262	(30,144)	146,838	17,726	(4,268)	160,296
Total residential credit securities	$ 14,336,095	$ 119,280	$ (80,004)	$ 1,932,941	$ 64,235	$ (24,593)	$ 1,972,583
Total residential securities	$ 112,837,617	$ 2,480,962	$ (1,279,188)	$ 71,440,944	$ 480,741	$ (1,619,382)	$ 70,302,303
Commercial							
Commercial securities	$ 59,015	$ 144	$ —	$ 59,159	$ —	$ (98)	$ 59,061
Total securities	$ 112,896,632	$ 2,481,106	$ (1,279,188)	$ 71,500,103	$ 480,741	$ (1,619,480)	$ 70,361,364

	December 31, 2024						
	Principal / Notional	Remaining Premium	Remaining Discount	Amortized Cost	Unrealized Gains	Unrealized Losses	Estimated Fair Value
Agency	(dollars in thousands)						
Fixed-rate pass-through	$ 65,010,762	$ 1,329,117	$ (1,178,444)	$ 65,161,435	$ 130,742	$ (2,242,503)	$ 63,049,674
Adjustable-rate pass-through	157,123	11,936	(42)	169,017	2,216	(8,995)	162,238
CMO	87,467	1,459	—	88,926	—	(15,242)	73,684
Interest-only	3,437,570	493,803	—	493,803	14,843	(127,914)	380,732
Multifamily [1]	26,216,351	514,726	(11,830)	3,844,575	7,644	(110,454)	3,741,765
Reverse mortgages	24,916	2,499	—	27,415	—	(1,440)	25,975
Total agency investments	$ 94,934,189	$ 2,353,540	$ (1,190,316)	$ 69,785,171	$ 155,445	$ (2,506,548)	$ 67,434,068
Residential credit							
Credit risk transfer	$ 707,169	$ 1,608	$ (3,581)	$ 705,196	$ 49,819	$ (100)	$ 754,915
Alt-A	172,368	35	(1,724)	170,679	2,694	(8,481)	164,892
Prime [2]	1,824,609	27,484	(10,228)	43,725	2,732	(667)	45,790
Subprime	280,820	12	(30,081)	250,751	6,325	(11,493)	245,583
NPL/RPL	882,547	4,540	(3,762)	883,325	1,630	(6,347)	878,608
Prime jumbo (>=2010 vintage) [3]	10,334,669	84,431	(30,385)	146,285	17,072	(5,044)	158,313
Total residential credit securities	$ 14,202,182	$ 118,110	$ (79,761)	$ 2,199,961	$ 80,272	$ (32,132)	$ 2,248,101
Total residential securities	$ 109,136,371	$ 2,471,650	$ (1,270,077)	$ 71,985,132	$ 235,717	$ (2,538,680)	$ 69,682,169
Commercial							
Commercial securities	$ 74,151	$ 193	$ —	$ 74,344	$ 38	$ (104)	$ 74,278
Total securities	$ 109,210,522	$ 2,471,843	$ (1,270,077)	$ 72,059,476	$ 235,755	$ (2,538,784)	$ 69,756,447

[1] Principal/Notional amount includes $26.4 billion and $22.9 billion of Agency Multifamily interest-only securities as of March 31, 2025 and December 31, 2024, respectively.
[2] Principal/Notional amount includes $1.8 billion and $1.8 billion of Prime interest-only securities as of March 31, 2025 and December 31, 2024, respectively.
[3] Principal/Notional amount includes $10.6 billion and $10.2 billion of Prime Jumbo interest-only securities as of March 31, 2025 and December 31, 2024, respectively.

The following table presents the Company's Agency mortgage-backed securities portfolio by issuing Agency at March 31, 2025 and December 31, 2024:

	March 31, 2025	December 31, 2024
Investment Type	**(dollars in thousands)**	
Fannie Mae	**$ 63,937,187**	$ 63,211,517
Freddie Mac	**4,243,501**	4,115,085
Ginnie Mae	**149,032**	107,466
Total	**$ 68,329,720**	$ 67,434,068

Actual maturities of the Company's Residential Securities are generally shorter than stated contractual maturities because actual maturities of the portfolio are affected by periodic payments and prepayments of principal on the underlying mortgages.

The following table summarizes the Company's Residential Securities at March 31, 2025 and December 31, 2024, according to their estimated weighted average life classifications:

	March 31, 2025		December 31, 2024	
	Estimated Fair Value	Amortized Cost	Estimated Fair Value	Amortized Cost
Estimated weighted average life	**(dollars in thousands)**			
Less than one year	**$ 369,403**	**$ 369,373**	$ 407,856	$ 408,090
Greater than one year through five years	**1,747,308**	**1,748,581**	1,308,898	1,325,093
Greater than five years through ten years	**66,096,901**	**67,235,550**	66,027,670	68,242,391
Greater than ten years	**2,088,691**	**2,087,440**	1,937,745	2,009,558
Total	**$ 70,302,303**	**$ 71,440,944**	$ 69,682,169	$ 71,985,132

The estimated weighted average lives of the Residential Securities at March 31, 2025 and December 31, 2024 in the table above are based upon projected principal prepayment rates. The actual weighted average lives of the Residential Securities could be longer or shorter than projected.

The following table presents the gross unrealized losses and estimated fair value of the Company's Agency mortgage-backed securities, accounted for as available-for-sale where the fair value option has not been elected, by length of time that such securities have been in a continuous unrealized loss position at March 31, 2025 and December 31, 2024.

	March 31, 2025			December 31, 2024		
	Estimated Fair Value [1]	Gross Unrealized Losses [1]	Number of Securities [1]	Estimated Fair Value [1]	Gross Unrealized Losses [1]	Number of Securities [1]
	(dollars in thousands)					
Less than 12 months	**$ 28,285**	**$ (547)**	**9**	$ 49,820	$ (1,477)	34
12 Months or more	**7,502,140**	**(791,682)**	**1,311**	8,054,162	(1,020,427)	1,377
Total	**$ 7,530,425**	**$ (792,229)**	**1,320**	$ 8,103,982	$ (1,021,904)	1,411

[1] Excludes interest-only mortgage-backed securities and reverse mortgages, and effective July 1, 2022, newly purchased Agency pass-through, collateralized mortgage obligation ("CMO") and multifamily securities.

The decline in value of these securities is solely due to market conditions and not the quality of the assets. Substantially all of the Agency mortgage-backed securities have an actual or implied credit rating that is the same as that of the U.S. government. An impairment has not been recognized in earnings related to these investments because the decline in value is not related to credit quality, the Company currently has not made a decision to sell the securities nor is it more likely than not that the securities will be required to be sold before recovery.

During the three months ended March 31, 2025 and 2024, the Company disposed of $5.2 billion and $8.1 billion of Residential Securities, respectively. The following table presents the Company's net gains (losses) from the disposal of Residential Securities for the three months ended March 31, 2025 and 2024.

	Gross Realized Gains	Gross Realized Losses	Net Realized Gains (Losses)
For the three months ended	**(dollars in thousands)**		
March 31, 2025	**$ 64,880**	**$ (119,486)**	**$ (54,606)**
March 31, 2024	$ 32,924	$ (471,172)	$ (438,248)

6. LOANS

The Company invests in residential loans. Loans are classified as either held for investment or held for sale. Loans are eligible to be accounted for under the fair value option. If loans are elected under the fair value option, they are carried at fair value with changes in fair value recognized in earnings. Otherwise, loans held for investment are carried at cost less impairment and loans held for sale are accounted for at the lower of cost or fair value.

Excluding loans transferred or pledged to securitization vehicles, as of March 31, 2025 and December 31, 2024, the Company had $3.9 billion and $3.5 billion, respectively, of loans for which the fair value option was elected. If the Company intends to sell or securitize the loans and the securitization vehicle is not expected to be consolidated, the loans are classified as held for sale. Any origination fees and costs or purchase premiums or discounts are deferred and recognized upon sale. The Company determines the fair value of loans held for sale on an individual loan basis. The carrying value of the Company's residential loans held for sale was $6.3 million and $10.0 million at March 31, 2025 and December 31, 2024, respectively.

The following table presents the activity of the Company's loan investments, excluding loans transferred or pledged to securitization vehicles, for the three months ended March 31, 2025:

	Residential Loans
	(dollars in thousands)
Beginning balance January 1, 2025	**$ 3,546,902**
Purchases / originations	**3,919,866**
Sales and transfers [1]	**(3,595,522)**
Principal payments	**(48,269)**
Gains / (losses)	**42,180**
(Amortization) / accretion	**(4,602)**
Ending balance March 31, 2025	**$ 3,860,555**

[1] Includes transfer of residential loans to securitization vehicles with a carrying value of $3.2 billion during the three months ended March 31, 2025.

Residential

The Company's residential mortgage loans are primarily comprised of performing adjustable-rate and fixed-rate whole loans. The Company's residential loans are accounted for under the fair value option with changes in fair value reflected in Net gains (losses) on investments and other in the Consolidated Statements of Comprehensive Income (Loss). The Company also consolidates securitization trusts in which it retained securities because it also has certain powers and rights to direct the activities of such trusts. Refer to the "Variable Interest Entities" Note for further information related to the Company's consolidated residential mortgage loan trusts.

The mortgage loans are secured by first liens on primarily one-to-four family residential properties. A subsidiary of the Company has engaged a third party to act as its custodian, agent and bailee for the purposes of receiving and holding certain documents, instruments and papers related to the residential mortgage loans it purchases. Pursuant to the custodial agreement, the custodian segregates and maintains continuous custody of all documents constituting the mortgage file with respect to each mortgage loan owned by the subsidiary in secure and fire resistant facilities and in a manner consistent with the standard of care employed by prudent mortgage loan document custodians. At or prior to the funding of any residential mortgage loan, the related seller, pursuant to the terms of our mortgage loan purchase agreement, must deliver to the custodian, the mortgage loan documents including the mortgage note, the mortgage and other related loan documents. In addition, a complete credit file for the related mortgage and borrower must be delivered to the subsidiary prior to the date of purchase.

The following table presents the fair value and the unpaid principal balances of the residential mortgage loan portfolio, including loans transferred or pledged to securitization vehicles, at March 31, 2025 and December 31, 2024:

	March 31, 2025	December 31, 2024
	(dollars in thousands)	
Fair value	**$ 28,324,836**	$ 25,520,090
Unpaid principal balance	**$ 28,798,298**	$ 26,297,725

The following table provides information regarding the line items and amounts recognized in the Consolidated Statements of Comprehensive Income (Loss) for the three months ended March 31, 2025 and 2024 for these investments:

	For the Three Months Ended	
	March 31, 2025	March 31, 2024
	(dollars in thousands)	
Interest income	**$ 426,055**	$ 252,016
Net gains (losses) on disposal of investments [1]	**(9,993)**	(2,117)
Net unrealized gains (losses) on instruments measured at fair value through earnings [1]	**240,830**	(84,786)
Total included in net income (loss)	**$ 656,892**	$ 165,113

[1] These amounts are presented in the line item Net gains (losses) on investments and other in the Consolidated Statements of Comprehensive Income (loss).

The following table provides the geographic concentrations based on the unpaid principal balances at March 31, 2025 and December 31, 2024 for the residential mortgage loans, including loans transferred or pledged to securitization vehicles:

Geographic Concentrations of Residential Mortgage Loans			
March 31, 2025		December 31, 2024	
Property location	% of Balance	Property location	% of Balance
California	**39.9%**	California	39.5%
New York	**11.2%**	New York	10.9%
Florida	**9.8%**	Florida	10.1%
Texas	**5.4%**	Texas	5.4%
All other (none individually greater than 5%)	**33.7%**	All other (none individually greater than 5%)	34.1%
Total	**100.0%**		100.0%

The following table provides additional data on the Company's residential mortgage loans, including loans transferred or pledged to securitization vehicles, at March 31, 2025 and December 31, 2024:

	March 31, 2025		December 31, 2024	
	Portfolio Range	Portfolio Weighted Average	Portfolio Range	Portfolio Weighted Average
	(dollars in thousands)			
Unpaid principal balance	**$1 - $4,396**	**$465**	$1 - $4,396	$471
Interest rate	**2.00% - 18.00%**	**6.54%**	2.00% - 18.00%	6.43%
Maturity	**7/1/2029 - 4/1/2065**	**4/24/2053**	7/1/2029 - 12/1/2064	2/3/2053
FICO score at loan origination	**549 - 850**	**758**	549 - 850	758
Loan-to-value ratio at loan origination	**1% - 100%**	**68%**	2% - 100%	68%

At March 31, 2025 and December 31, 2024, approximately 15% and 16%, respectively, of the carrying value of the Company's residential mortgage loans, including loans transferred or pledged to securitization vehicles, were adjustable-rate.

7. MORTGAGE SERVICING RIGHTS

MSR represent the rights and obligations associated with servicing pools of residential mortgage loans. The Company and its subsidiaries do not originate or directly service residential mortgage loans. Rather, these activities are carried out by duly licensed subservicers who perform substantially all servicing functions for the loans underlying the MSR. The Company generally intends to hold the MSR as investments and elected to account for all of its investments in MSR at fair value. As such, they are recognized at fair value in the accompanying Consolidated Statements of Financial Condition with changes in the estimated fair value presented as a component of Net gains (losses) on investments and other in the Consolidated Statements of Comprehensive Income (Loss).

The following table presents activity related to MSR for the three months ended March 31, 2025 and 2024:

Mortgage Servicing Rights	Three Months Ended	
	March 31, 2025	March 31, 2024
	(dollars in thousands)	
Fair value, beginning of period	**$ 2,909,134**	$ 2,122,196
Purchases [1]	**396,662**	515,731
Change in fair value due to:		
Changes in valuation inputs or assumptions [2]	**12,768**	46,136
Other changes, including realization of expected cash flows	**(45,662)**	(32,784)
Fair value, end of period	**$ 3,272,902**	$ 2,651,279

[1] Includes adjustments to original purchase price from early payoffs, defaults, or loans that were delivered but were deemed to not be acceptable.
[2] Principally represents changes in discount rates and prepayment speed inputs used in valuation model, primarily due to changes in interest rates.

8. VARIABLE INTEREST ENTITIES

The Company's exposure to the obligations of its VIEs is generally limited to the Company's investment in the VIEs of $2.5 billion at March 31, 2025. Assets of the VIEs may only be used to settle obligations of the VIEs. Creditors of the VIEs have no recourse to the general credit of the Company. The Company is not contractually required to provide and has not provided any form of financial support to the VIEs. No gains or losses were recognized upon consolidation of existing VIEs. Interest income and expense are recognized using the effective interest method.

Residential Securitizations

The Company also invests in residential mortgage-backed securities issued by entities that are VIEs because they do not have sufficient equity at risk for the entities to finance their activities without additional subordinated financial support from other parties. The Company is not the primary beneficiary because it does not have the power to direct the activities that most significantly impact the VIEs' economic performance. For these entities, the Company's maximum exposure to loss is the amortized cost basis of the securities it owns and it does not provide any liquidity arrangements, guarantees or other commitments to these VIEs. Refer to the "Securities" Note for further information on Residential Securities.

OBX Trusts

Residential securitizations are issued by entities generally referred to collectively as the "OBX Trusts." These securitizations represent financing transactions that provide non-recourse financing to the Company and are collateralized by residential mortgage loans purchased by the Company. Residential securitizations closed as of March 31, 2025 are included in the following table:

Securitization	Date of Closing	Face Value at Closing
		(dollars in thousands)
OBX 2025-NQM1	January 2025	$ 618,433
OBX 2025-NQM2	February 2025	$ 719,218
OBX 2025-NQM3	February 2025	$ 577,442
OBX 2025-NQM4	March 2025	$ 625,807
OBX 2025-HE1	March 2025	$ 216,455
OBX 2025-NQM5	March 2025	$ 334,879

As of March 31, 2025 and December 31, 2024, a total carrying value of $21.8 billion and $19.5 billion, respectively, of bonds were held by third parties and the Company retained $2.5 billion and $2.3 billion, respectively, of MBS, which were eliminated in consolidation. The Company is deemed to be the primary beneficiary and consolidates the OBX Trusts because it has power to direct the activities that most significantly impact the OBX Trusts' performance and holds a variable interest that could be potentially significant to these VIEs. Effective August 1, 2022, upon initial consolidation of new securitization entities, the Company elected to apply the measurement alternative for consolidated collateralized financing entities in order to simplify the accounting and valuation processes. The liabilities of these securitization entities are deemed to be more observable and are used to measure the fair value of the assets. The Company incurred $6.8 million and $3.7 million of costs during the three months ended March 31, 2025 and 2024, respectively, in connection with these securitizations that were expensed as incurred. The contractual principal amount of the OBX Trusts' debt held by third parties was $22.5 billion and $20.5 billion at March 31, 2025 and December 31, 2024, respectively. During the three months ended March 31, 2025 and 2024, the Company recorded ($170.9) million and $86.0 million, respectively, of unrealized gains (losses) on debt held by third parties issued by OBX Trusts, which is reported in Net gains (losses) on investments and other in the Company's Consolidated Statements of Comprehensive Income (Loss).

Although the residential mortgage loans have been sold for bankruptcy and state law purposes, the transfers of the residential mortgage loans to the OBX Trusts did not qualify for sale accounting and are reflected as intercompany secured borrowings that are eliminated upon consolidation.

Residential Credit Fund

The Company manages a fund investing in participations in residential mortgage loans. The residential credit fund is deemed to be a VIE because the entity does not have sufficient equity at risk to permit the legal entity to finance its activities without additional subordinated financial support provided by any parties, including equity holders, as capital commitments are not considered equity at risk. The Company is not the primary beneficiary and does not consolidate the residential credit fund as its only interest in the fund is the management and performance fees that it earns, which are not considered variable interests in the entity. As of March 31, 2025 and December 31, 2024, the Company had outstanding participating interests in residential mortgage loans of $1.7 billion and $1.2 billion, respectively. These transfers do not meet the criteria for sale accounting and are accounted for as secured borrowings, thus the residential loans are reported as Loans, net and the associated liability is reported as Participations issued in the Consolidated Statements of Financial Condition. The Company elected the fair value option for participations issued with changes in fair value reflected in Net gains (losses) on investments and other in the Consolidated Statements of Comprehensive Income (Loss) to more accurately reflect the economics of the transfers as the underlying loans are carried at fair value through earnings.

9. DERIVATIVE INSTRUMENTS

Derivative instruments include, but are not limited to, interest rate swaps, options to enter into interest rate swaps ("swaptions"), TBA derivatives, U.S. Treasury and Secured Overnight Financing Rate ("SOFR") futures contracts and certain forward purchase commitments. The Company may also enter into other types of mortgage derivatives such as interest-only securities, credit derivatives referencing the commercial mortgage-backed securities index and synthetic total return swaps.

In connection with the Company's investment/market rate risk management strategy, the Company economically hedges a portion of its interest rate risk by entering into derivative financial instrument contracts, which include interest rate swaps, swaptions and futures contracts. The Company may also enter into TBA derivatives, U.S. Treasury futures contracts, certain forward purchase commitments and credit derivatives to economically hedge its exposure to market risks. The purpose of using derivatives is to manage overall portfolio risk with the potential to generate additional income for distribution to stockholders. These derivatives are subject to changes in market values resulting from changes in interest rates, volatility, Agency mortgage-backed security spreads to U.S. Treasuries and market liquidity. The use of derivatives also creates exposure to credit risk relating to potential losses that could be recognized if the counterparties to these instruments fail to perform their obligations under the stated contract. Additionally, the Company may have to pledge cash or assets as collateral for the derivative transactions, the amount of which may vary based on the market value and terms of the derivative contract. In the case of market agreed coupon ("MAC") interest rate swaps, the Company may make or receive a payment at the time of entering into such interest rate swaps, which represents fair value of these swaps, to compensate for the out of market nature of such interest rate swaps. Subsequent changes in fair value from inception of these interest rate swaps are reflected within Net gains (losses) on derivatives in the Consolidated Statements of Comprehensive Income (Loss). Similar to other interest rate swaps, the Company may have to pledge cash or assets as collateral for the MAC interest rate swap transactions. In the event of a default by the counterparty, the Company could have difficulty obtaining its pledged collateral as well as receiving payments in accordance with the terms of the derivative contracts.

Derivatives are recognized as either assets or liabilities at fair value in the Consolidated Statements of Financial Condition with changes in fair value recognized in the Consolidated Statements of Comprehensive Income (Loss). The changes in the estimated fair value are presented within Net gains (losses) on derivatives. None of the Company's derivative transactions have been designated as hedging instruments for accounting purposes.

The Company also maintains collateral in the form of cash on margin with counterparties to its interest rate swaps and other derivatives. In accordance with a clearing organization's rulebook, the Company presents the fair value of centrally cleared interest rate swaps net of variation margin pledged or received under such transactions. At March 31, 2025 and December 31, 2024, ($2.6) billion and ($3.3) billion, respectively, of variation margin was reported as an adjustment to interest rate swaps, at fair value. Initial margin is reported in Cash and cash equivalents in the Consolidated Statements of Financial Condition.

Interest Rate Swap Agreements – Interest rate swap agreements are the primary instruments used to mitigate interest rate risk. In particular, the Company uses interest rate swap agreements to manage its exposure to changing interest rates on its repurchase agreements by economically hedging cash flows associated with these borrowings. The Company may have outstanding interest rate swap agreements where the floating leg is linked to the SOFR, the overnight index swap rate or another index. Interest rate swap agreements may or may not be cleared through a derivatives clearing organization ("DCO"). Uncleared interest rate swaps are fair valued using internal pricing models and compared to the counterparty market values. Centrally cleared interest rate swaps, including MAC interest rate swaps, are generally fair valued using the DCO's market values. If an interest rate swap is terminated, the realized gain (loss) on the interest rate swap would be equal to the difference between the cash received or paid and fair value.

Swaptions – Swaptions are purchased or sold to mitigate the potential impact of increases or decreases in interest rates. Interest rate swaptions provide the option to enter into an interest rate swap agreement for a predetermined notional amount, stated term and pay and receive interest rates in the future. The Company's swaptions are not centrally cleared. The premium paid or received for swaptions is reported as an asset or liability in the Consolidated Statements of Financial Condition. If a swaption expires unexercised, the realized gain (loss) on the swaption would be equal to the premium received or paid. If the Company sells or exercises a swaption, the realized gain (loss) on the swaption would be equal to the difference between the cash received or the fair value of the underlying interest rate swap received and the premium paid. The fair value of swaptions are estimated using internal pricing models and compared to the counterparty market values.

TBA Dollar Rolls – TBA dollar roll transactions are accounted for as a series of derivative transactions. The fair value of TBA derivatives is based on methods similar to those used to value Agency mortgage-backed securities.

Futures Contracts – Futures contracts are derivatives that track the prices of specific assets or benchmark rates. Short sales of futures contracts help to mitigate the potential impact of changes in interest rates on the portfolio performance. The Company maintains margin accounts which are settled daily with Futures Commission Merchants ("FCMs"). The margin requirement varies based on the market value of the open positions and the equity retained in the account. Futures contracts are fair valued based on exchange pricing.

Forward Purchase Commitments – The Company may enter into forward purchase commitments with counterparties whereby the Company commits to purchasing residential mortgage loans at a particular price, provided the residential mortgage loans close with the counterparties. The counterparties are required to deliver the committed loans on a "best efforts" basis.

Credit Derivatives – The Company may enter into credit derivatives referencing a commercial mortgage-backed securities index, such as the CMBX index, and synthetic total return swaps.

The following table summarizes fair value information about the Company's derivative assets and liabilities at March 31, 2025 and December 31, 2024:

Derivatives Instruments	March 31, 2025	December 31, 2024
Assets	(dollars in thousands)	
Interest rate swaps	**$ 8,012**	$ 21,226
Interest rate swaptions	**7,595**	—
TBA derivatives	**35,095**	8,635
Futures contracts	**5,597**	190,980
Purchase commitments	**10,958**	4,510
Total derivative assets	**$ 67,257**	$ 225,351
Liabilities		
Interest rate swaps	**$ 18,455**	$ 7,212
TBA derivatives	**12,467**	30,539
Futures contracts	**148,371**	16,650
Purchase commitments	**1,772**	5,185
Total derivative liabilities	**$ 181,065**	$ 59,586

The following tables summarize certain characteristics of the Company's interest rate swaps at March 31, 2025 and December 31, 2024:

March 31, 2025				
Maturity	Current Notional [1]	Weighted Average Pay Rate	Weighted Average Receive Rate	Weighted Average Years to Maturity [2]
	(dollars in thousands)			
0 - 3 years	**$ 25,483,937**	**3.27 %**	**4.40 %**	**1.72**
3 - 6 years	**8,678,730**	**2.96 %**	**4.41 %**	**4.61**
6 - 10 years	**19,698,720**	**2.61 %**	**4.48 %**	**7.37**
Greater than 10 years	**1,591,381**	**3.38 %**	**4.41 %**	**22.96**
Total / Weighted average	**$ 55,452,768**	**2.98 %**	**4.43 %**	**4.79**

December 31, 2024				
Maturity	Current Notional [1]	Weighted Average Pay Rate	Weighted Average Receive Rate	Weighted Average Years to Maturity [2]
	(dollars in thousands)			
0 - 3 years	$ 30,411,229	3.49 %	4.48 %	1.14
3 - 6 years	12,764,021	3.15 %	4.50 %	4.27
6 - 10 years	21,318,937	2.55 %	4.53 %	7.63
Greater than 10 years	1,559,384	3.40 %	4.41 %	23.25
Total / Weighted average	$ 66,053,571	3.11 %	4.50 %	4.36

[1] As of March 31, 2025, 93% and 7% of the Company's interest rate swaps were linked to SOFR and the Federal funds rate, respectively. As of December 31, 2024, 95% and 5% of the Company's interest rate swaps were linked to SOFR and the Federal funds rate, respectively.

[2] The weighted average years to maturity of payer interest rate swaps is offset by the weighted average years to maturity of receiver interest rate swaps. As such, the net weighted average years to maturity for each maturity bucket may fall outside of the range listed.

The following tables summarize certain characteristics of the Company's swaptions at March 31, 2025 and December 31, 2024:

March 31, 2025					
	Current Underlying Notional	Weighted Average Underlying Fixed Rate	Weighted Average Underlying Floating Rate	Weighted Average Underlying Years to Maturity	Weighted Average Months to Expiration
	(dollars in thousands)				
Long pay	**$1,000,000**	**4.68%**	**SOFR**	**10.83**	**9.92**
Long receive	**$—**	**—%**	**SOFR**	**0.00**	**0.00**

December 31, 2024					
	Current Underlying Notional	Weighted Average Underlying Fixed Rate	Weighted Average Underlying Floating Rate	Weighted Average Underlying Years to Maturity	Weighted Average Months to Expiration
	(dollars in thousands)				
Long pay	$—	—%	SOFR	0.00	0.00
Long receive	$—	—%	SOFR	0.00	0.00

The following tables summarize certain characteristics of the Company's TBA derivatives at March 31, 2025 and December 31, 2024:

March 31, 2025				
Purchase and Sale Contracts for Derivative TBAs	Notional	Implied Cost Basis	Implied Market Value	Net Carrying Value
	(dollars in thousands)			
Purchase contracts	**$ 6,902,000**	**$ 6,612,755**	**$ 6,635,383**	**$ 22,628**
Net TBA derivatives	**$ 6,902,000**	**$ 6,612,755**	**$ 6,635,383**	**$ 22,628**

December 31, 2024				
Purchase and Sale Contracts for Derivative TBAs	Notional	Implied Cost Basis	Implied Market Value	Net Carrying Value
	(dollars in thousands)			
Purchase contracts	$ 4,237,000	$ 4,239,001	$ 4,209,341	$ (29,660)
Sale contracts	(1,120,000)	(1,080,943)	(1,073,187)	7,756
Net TBA derivatives	$ 3,117,000	$ 3,158,058	$ 3,136,154	$ (21,904)

The following tables summarize certain characteristics of the Company's futures derivatives at March 31, 2025 and December 31, 2024:

March 31, 2025			
	Notional - Long Positions	Notional - Short Positions	Weighted Average Years to Maturity
	(dollars in thousands)		
U.S. Treasury futures - 10 year and greater	**$ —**	**$ (11,659,400)**	**10.52**
Total	**$ —**	**$ (11,659,400)**	**10.52**

December 31, 2024			
	Notional - Long Positions	Notional - Short Positions	Weighted Average Years to Maturity
	(dollars in thousands)		
U.S. Treasury futures - 2 year	$ 6,511,600	$ —	1.98
U.S. Treasury futures - 5 year	1,960,500	—	4.40
U.S. Treasury futures - 10 year and greater	—	(9,840,500)	11.05
Total	$ 8,472,100	$ (9,840,500)	7.11

The Company presents derivative contracts on a gross basis in the Consolidated Statements of Financial Condition. Derivative contracts may contain legally enforceable provisions that allow for netting or setting off receivables and payables with each counterparty.

The following tables present information about derivative assets and liabilities that are subject to such provisions and can be offset in the Company's Consolidated Statements of Financial Condition at March 31, 2025 and December 31, 2024, respectively.

March 31, 2025				
		Amounts Eligible for Offset		
	Gross Amounts	Financial Instruments	Cash Collateral	Net Amounts
Assets		(dollars in thousands)		
Interest rate swaps, at fair value	$ 8,012	$ (3,238)	$ —	$ 4,774
Interest rate swaptions, at fair value	7,595	—	(7,515)	80
TBA derivatives, at fair value	35,095	(23,242)	(11,270)	583
Futures contracts, at fair value	5,597	(5,597)	—	—
Purchase commitments	10,958	—	—	10,958
Liabilities				
Interest rate swaps, at fair value	$ 18,455	$ (16,942)	$ —	$ 1,513
TBA derivatives, at fair value	12,467	(12,311)	—	156
Futures contracts, at fair value	148,371	(5,597)	(142,774)	—
Purchase commitments	1,772	—	—	1,772

December 31, 2024				
		Amounts Eligible for Offset		
	Gross Amounts	Financial Instruments	Cash Collateral	Net Amounts
Assets		(dollars in thousands)		
Interest rate swaps, at fair value	$ 21,226	$ (8,138)	$ —	$ 13,088
TBA derivatives, at fair value	8,635	(879)	(929)	6,827
Futures contracts, at fair value	190,980	(16,650)	—	174,330
Purchase commitments	4,510	—	—	4,510
Liabilities				
Interest rate swaps, at fair value	$ 7,212	$ (7,212)	$ —	$ —
TBA derivatives, at fair value	30,539	(19,495)	—	11,044
Futures contracts, at fair value	16,650	(16,650)	—	—
Purchase commitments	5,185	—	—	5,185

The effect of interest rate swaps in the Consolidated Statements of Comprehensive Income (Loss) is as follows:

Location on Consolidated Statements of Comprehensive Income (Loss)			
	Net Interest Component of Interest Rate Swaps [1]	Realized Gains (Losses) on Termination of Interest Rate Swaps [1]	Unrealized Gains (Losses) on Interest Rate Swaps [1]
For the three months ended		(dollars in thousands)	
March 31, 2025	$ 191,545	$ (43,789)	$ (753,601)
March 31, 2024	$ 330,149	$ (21,237)	$ 900,902

[1] Included in Net gains (losses) on derivatives in the Consolidated Statements of Comprehensive Income (Loss).

The effect of other derivative contracts in the Company's Consolidated Statements of Comprehensive Income (Loss) is as follows:

Three Months Ended March 31, 2025			
Derivative Instruments	Realized Gain (Loss)	Unrealized Gain (Loss)	Amount of Gain/(Loss) Recognized in Net Gains (Losses) on Other Derivatives
	(dollars in thousands)		
Net TBA derivatives	$ (14,355)	$ 44,533	$ 30,178
Net interest rate swaptions	—	(8,600)	(8,600)
Futures	(86,356)	(317,103)	(403,459)
Purchase commitments	—	9,859	9,859
Total			$ (372,022)

[1] For the three months ended March 31, 2025, includes $9.0 million of realized gain related to SOFR futures options.

Three Months Ended March 31, 2024			
Derivative Instruments	**Realized Gain (Loss)**	**Unrealized Gain (Loss)**	**Amount of Gain/(Loss) Recognized in Net Gains (Losses) on Other Derivatives**
	(dollars in thousands)		
Net TBA derivatives	$ (8,615)	$ 14,898	$ 6,283
Net interest rate swaptions	—	30,631	30,631
Futures [1]	(8,680)	145,709	137,029
Purchase commitments	—	(6,613)	(6,613)
Total			$ 167,330

[1] For the three months ended March 31, 2024, includes $1.2 million of unrealized gain related to SOFR futures options.

Certain of the Company's derivative contracts are subject to International Swaps and Derivatives Association Master Agreements or other similar agreements which may contain provisions that grant counterparties certain rights with respect to the applicable agreement upon the occurrence of certain events such as (i) a decline in stockholders' equity in excess of specified thresholds or dollar amounts over set periods of time, (ii) the Company's failure to maintain its REIT status, (iii) the Company's failure to comply with limits on the amount of leverage, and (iv) the Company's stock being delisted from the New York Stock Exchange.

Upon the occurrence of any one of items (i) through (iv), or another default under the agreement, the counterparty to the applicable agreement has a right to terminate the agreement in accordance with its provisions. The aggregate fair value of all derivative instruments with the aforementioned features were in a net liability position at March 31, 2025 of $115.1 million, which represents the maximum amount the Company would be required to pay upon termination. This amount is fully collateralized.

10. FAIR VALUE MEASUREMENTS

The Company follows fair value guidance in accordance with GAAP to account for its financial instruments and MSR that are accounted for at fair value. The fair value of a financial instrument and MSR is the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

GAAP requires classification of financial instruments and MSR into a three-level hierarchy based on the priority of the inputs to the valuation technique. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3).

If the inputs used to measure the financial instrument and MSR fall within different levels of the hierarchy, the categorization is based on the lowest priority input that is significant to the fair value measurement of the instrument. Financial assets and liabilities recorded at fair value in the Consolidated Statements of Financial Condition or disclosed in the related notes are categorized based on the inputs to the valuation techniques as follows:

Level 1 – inputs to the valuation methodology are quoted prices (unadjusted) for identical assets and liabilities in active markets.

Level 2 – inputs to the valuation methodology include quoted prices for similar assets and liabilities in active markets, and inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the financial instrument.

Level 3 – inputs to the valuation methodology are unobservable and significant to overall fair value.

The Company designates its securities as trading, available-for-sale or held-to-maturity depending upon the type of security and the Company's intent and ability to hold such security to maturity. Securities classified as available-for-sale and trading are reported at fair value on a recurring basis.

The following is a description of the valuation methodologies used for instruments carried at fair value. These methodologies are applied to assets and liabilities across the three-level fair value hierarchy, with the observability of inputs determining the appropriate level.

Futures contracts and U.S. Treasury securities are valued using quoted prices for identical instruments in active markets and are classified as Level 1.

Residential Securities, interest rate swaps, swaptions and other derivatives are valued using quoted prices or internally estimated prices for similar assets using internal models. The Company incorporates common market pricing methods, including a spread measurement to the Treasury curve as well as underlying characteristics of the particular security including coupon, prepayment speeds, periodic and life caps, rate reset period and expected life of the security in its estimates of fair value. Fair value estimates for residential mortgage loans are generated by a discounted cash flow model and are primarily based on observable market-based inputs including discount rates, prepayment speeds, delinquency levels, and credit losses. Management reviews and indirectly corroborates its estimates of the fair value derived using internal models by comparing its results to independent prices provided by dealers in the securities and/or third party pricing services. Certain liquid asset classes, such as Agency fixed-rate pass-throughs, may be priced using independent sources such as quoted prices for TBA securities.

Residential Securities, residential mortgage loans, interest rate swap and swaption markets and TBA derivatives are considered to be active markets such that participants transact with sufficient frequency and volume to provide transparent pricing information on an ongoing basis. The liquidity of the Residential Securities, residential mortgage loans, interest rate swaps, swaptions and TBA derivatives markets and the similarity of the Company's securities to those actively traded enable the Company to observe quoted prices in the market and utilize those prices as a basis for formulating fair value measurements. Consequently, the Company has classified Residential Securities, residential mortgage loans, interest rate swaps, swaptions and TBA derivatives as Level 2.

The fair value of commercial mortgage-backed securities classified as available-for-sale is determined based upon quoted prices of similar assets in recent market transactions and requires the application of judgment due to differences in the underlying collateral. Consequently, commercial mortgage-backed securities carried at fair value are classified as Level 2.

For the fair value of debt issued by securitization vehicles, refer to the "Variable Interest Entities" Note for additional information.

The Company has classified its investments in MSR as Level 3. Fair value estimates for these investments are obtained from models, which use significant unobservable inputs in their valuations. These valuations primarily utilize discounted cash flow models that incorporate unobservable market data inputs including discount rates, prepayment rates, delinquency rates and costs to service. Model valuations are then compared to valuations obtained from third party pricing providers. Management reviews the valuations received from third party pricing providers and uses them as a point of comparison to modeled values. The valuation of MSR requires significant judgment by management and the third party pricing providers. Assumptions used for which there is a lack of observable inputs may significantly impact the resulting fair value and therefore the Company's financial statements.

The following tables present the estimated fair values of financial instruments and MSR measured at fair value on a recurring basis as of March 31, 2025 and December 31, 2024. There were no transfers between levels of the fair value hierarchy during the periods presented.

March 31, 2025				
	Level 1	Level 2	Level 3	Total
Assets		(dollars in thousands)		
Securities				
Agency mortgage-backed securities	$ —	$ 68,329,720	$ —	$ 68,329,720
Credit risk transfer securities	—	521,059	—	521,059
Non-Agency mortgage-backed securities	—	1,451,524	—	1,451,524
Commercial mortgage-backed securities	—	59,061	—	59,061
Loans				
Residential mortgage loans	—	3,860,555	—	3,860,555
Mortgage servicing rights	—	—	3,272,902	3,272,902
Assets transferred or pledged to securitization vehicles	—	24,464,281	—	24,464,281
Derivative assets				
Interest rate swaps	—	8,012	—	8,012
Other derivatives	5,597	53,648	—	59,245
Total assets	$ 5,597	$ 98,747,860	$ 3,272,902	$ 102,026,359
Liabilities				
Debt issued by securitization vehicles	$ —	$ 21,802,193	$ —	$ 21,802,193
Participations issued	—	1,748,273	—	1,748,273
U.S. Treasury securities sold, not yet purchased	2,519,125	—	—	2,519,125
Derivative liabilities				
Interest rate swaps	—	18,455	—	18,455
Other derivatives	148,371	14,239	—	162,610
Total liabilities	$ 2,667,496	$ 23,583,160	$ —	$ 26,250,656

December 31, 2024				
	Level 1	Level 2	Level 3	Total
Assets		(dollars in thousands)		
Securities				
Agency mortgage-backed securities	$ —	$ 67,434,068	$ —	$ 67,434,068
Credit risk transfer securities	—	754,915	—	754,915
Non-Agency mortgage-backed securities	—	1,493,186	—	1,493,186
Commercial mortgage-backed securities	—	74,278	—	74,278
Loans				
Residential mortgage loans	—	3,546,902	—	3,546,902
Mortgage servicing rights	—	—	2,909,134	2,909,134
Assets transferred or pledged to securitization vehicles	—	21,973,188	—	21,973,188
Derivative assets				
Interest rate swaps	—	21,226	—	21,226
Other derivatives	190,980	13,145	—	204,125
Total assets	$ 190,980	$ 95,310,908	$ 2,909,134	$ 98,411,022
Liabilities				
Debt issued by securitization vehicles	$ —	$ 19,540,678	$ —	$ 19,540,678
Participations issued	—	1,154,816	—	1,154,816
U.S. Treasury securities sold, not yet purchased	2,470,629	—	—	2,470,629
Derivative liabilities				
Interest rate swaps	—	7,212	—	7,212
Other derivatives	16,650	35,724	—	52,374
Total liabilities	$ 2,487,279	$ 20,738,430	$ —	$ 23,225,709

Qualitative and Quantitative Information about Level 3 Fair Value Measurements

The Company considers unobservable inputs to be those for which market data is not available and that are developed using the best information available to us about the assumptions that market participants would use when pricing the asset. Relevant inputs vary depending on the nature of the instrument being measured at fair value. The sensitivities of significant unobservable inputs along with interrelationships between and among the significant unobservable inputs and their impact on the fair value measurements are described below. The effect of a change in a particular assumption in the sensitivity analysis below is considered independently from changes in any other assumptions. In practice, simultaneous changes in assumptions may not always have a linear effect on the inputs discussed below. Interrelationships may also exist between observable and unobservable inputs. Such relationships have not been included in the discussion below. For each of the individual relationships described below, the inverse relationship would also generally apply. For MSR, in general, increases in the discount, prepayment or delinquency rates or in annual servicing costs in isolation would result in a lower fair value measurement. A decline in interest rates could lead to higher-than-expected prepayments of mortgages underlying the Company's investments in MSR, which in turn could result in a decline in the estimated fair value of MSR. Refer to the "Mortgage Servicing Rights" Note for additional information, including rollforwards.

The following table presents information about the significant unobservable inputs used for recurring fair value measurements for Level 3 MSR. The table does not give effect to the Company's risk management practices that might offset risks inherent in these Level 3 investments.

Unobservable Input [1]	Range (Weighted Average) [2]	
	March 31, 2025	December 31, 2024
Discount rate	**6.2% - 12.2% (8.2%)**	7.4% - 12.4% (8.4%)
Prepayment rate	**4.4% - 21.3% (5.5%)**	4.7% - 17.2% (5.6%)
Delinquency rate	**0.2% - 3.9% (1.2%)**	0.2% - 4.1% (1.3%)
Cost to service	**$83 - $98 ($87)**	$83 - $99 ($87)

[1] Represents rates, estimates and assumptions that the Company believes would be used by market participants when valuing these assets.

[2] Weighted average discount rate computed based on the fair value of MSR, weighted average prepayment rate, delinquency rate and cost to service based on unpaid principal balances of loans underlying the MSR.

The following table summarizes the estimated fair values for financial assets and liabilities that are not carried at fair value at March 31, 2025 and December 31, 2024.

	March 31, 2025		December 31, 2024	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Financial liabilities				
Repurchase agreements	**$61,659,460**	**$61,659,460**	$65,688,923	$65,688,923
Other secured financing	**900,000**	**900,000**	750,000	750,000

The carrying values of repurchase agreements and short term other secured financing approximate fair value and are considered Level 2 fair value measurements. Long term other secured financing is valued using Level 2 inputs.

11. INTANGIBLE ASSETS

Intangible assets, net

Finite life intangible assets are amortized over their expected useful lives. As part of the Company's management internalization transaction, which closed on June 30, 2020, the Company recognized an intangible asset for the acquired assembled workforce of approximately $41.2 million based on the replacement cost of the employee base acquired by the Company.

The following table presents the activity of finite lived intangible assets for the three months ended March 31, 2025.

Intangible Assets, net (dollars in thousands)	
Beginning balance January 1, 2025	$ 9,416
Less: amortization expense	(673)
Ending balance March 31, 2025	$ 8,743

12. SECURED FINANCING

Reverse Repurchase and Repurchase Agreements – The Company finances a significant portion of its assets with repurchase agreements. At the inception of each transaction, the Company assessed each of the specified criteria in ASC 860, *Transfers and Servicing*, and has determined that each of the financing agreements should be treated as a secured financing.

The Company enters into reverse repurchase agreements to earn a yield on excess cash balances. To mitigate credit exposure, the Company monitors the market value of these securities and delivers or obtains additional collateral based on changes in market value of these securities. Generally, the Company receives or posts collateral with a fair value approximately equal to or greater than the value of the secured financing.

Reverse repurchase agreements and repurchase agreements with the same counterparty and the same maturity are presented net in the Consolidated Statements of Financial Condition when the terms of the agreements meet the criteria to permit netting. The Company reports cash flows on repurchase agreements as financing activities and cash flows on reverse repurchase agreements as investing activities in the Consolidated Statements of Cash Flows.

The Company had outstanding $61.7 billion and $65.7 billion of repurchase agreements with weighted average remaining maturities of 50 days and 32 days and weighted average rates of 4.56% and 4.76% at March 31, 2025 and December 31, 2024, respectively. In connection with its residential mortgage loans, the Company has select arrangements with counterparties to enter into repurchase agreements for $3.9 billion with remaining capacity of $2.2 billion at March 31, 2025.

At March 31, 2025 and December 31, 2024, the repurchase agreements had the following remaining maturities and collateral types:

March 31, 2025						
	Agency Mortgage-Backed Securities	CRTs	Non-Agency Mortgage-Backed Securities	Residential Mortgage Loans	Commercial Mortgage-Backed Securities	Total Repurchase Agreements
	(dollars in thousands)					
1 day	$ 22,600,000	$ —	$ —	$ —	$ —	$ 22,600,000
2 to 29 days	2,056,765	257,622	861,199	—	52,559	3,228,145
30 to 59 days	14,680,029	51,904	709,891	—	—	15,441,824
60 to 89 days	20,336,079	36,152	411,299	223,945	—	21,007,475
90 to 119 days	—	—	115,425	—	—	115,425
Over 119 days [1]	—	—	362,623	1,445,128	—	1,807,751
Total	$ 59,672,873	$ 345,678	$ 2,460,437	$ 1,669,073	$ 52,559	$ 64,200,620
Amounts offset in accordance with netting arrangements						(2,541,160)
Net amounts of Repurchase agreements as presented in the Consolidated Statements of Financial Condition						$ 61,659,460

December 31, 2024						
	Agency Mortgage-Backed Securities	CRTs	Non-Agency Mortgage-Backed Securities	Residential Mortgage Loans	Commercial Mortgage-Backed Securities	Total Repurchase Agreements
	(dollars in thousands)					
1 day	$ —	$ —	$ —	$ —	$ —	$ —
2 to 29 days	28,603,831	405,341	861,271	—	66,010	29,936,453
30 to 59 days	34,496,443	116,087	682,037	251,357	—	35,545,924
60 to 89 days	692,255	47,583	545,684	—	—	1,285,522
90 to 119 days	2,085	—	60,383	—	—	62,468
Over 119 days [1]	—	—	332,040	1,139,604	—	1,471,644
Total	$ 63,794,614	$ 569,011	$ 2,481,415	$ 1,390,961	$ 66,010	$ 68,302,011
Amounts offset in accordance with netting arrangements						(2,613,088)
Net amounts of Repurchase agreements as presented in the Consolidated Statements of Financial Condition						$ 65,688,923

[1] Less than 1% of repurchase agreements had a remaining maturity over 1 year at March 31, 2025 and December 31, 2024.

The following table summarizes the gross amounts of reverse repurchase agreements and repurchase agreements, amounts offset in accordance with netting arrangements and net amounts of repurchase agreements and reverse repurchase agreements as presented in the Consolidated Statements of Financial Condition at March 31, 2025 and December 31, 2024. Refer to the "Derivative Instruments" Note for information related to the effect of netting arrangements on the Company's derivative instruments.

	March 31, 2025		December 31, 2024	
	Reverse Repurchase Agreements	Repurchase Agreements	Reverse Repurchase Agreements	Repurchase Agreements
	(dollars in thousands)			
Gross amounts	**$ 2,541,160**	**$ 64,200,620**	$ 2,613,088	$ 68,302,011
Amounts offset	**(2,541,160)**	**(2,541,160)**	(2,613,088)	(2,613,088)
Netted amounts	**$ —**	**$ 61,659,460**	$ —	$ 65,688,923

The fair value of collateral received in connection with reverse repurchase agreements as of March 31, 2025 was $2.5 billion, of which the Company sold $2.5 billion. The fair value of collateral received in connection with reverse repurchase agreements as of December 31, 2024 was $2.6 billion, of which the Company sold $2.5 billion. The amount of collateral sold is reported at fair value in the Company's Consolidated Statements of Financial Condition as U.S. Treasury securities sold, not yet purchased.

Other Secured Financing - As of March 31, 2025, the Company had $1.8 billion in total committed credit facilities to finance a portion of its MSR portfolio. Outstanding borrowings under these facilities as of March 31, 2025 totaled $900.0 million with maturities ranging between one year to two years. As of December 31, 2024, the Company had $1.6 billion in total committed credit facilities to finance a portion of its MSR portfolio. Outstanding borrowings under these facilities as of December 31, 2024 totaled $750.0 million with maturities ranging between one month to two years. The weighted average interest rate of the borrowings was 7.03% and 7.21% as of March 31, 2025 and December 31, 2024, respectively. Borrowings are reported in Other secured financing in the Company's Consolidated Statements of Financial Condition.

Refer to the "Variable Interest Entities" Note for additional information on the Company's other secured financing arrangements at December 31, 2024.

Investments pledged as collateral under secured financing arrangements and interest rate swaps, excluding residential mortgage loans of consolidated VIEs, had an estimated fair value and accrued interest of $68.0 billion and $310.1 million, respectively, at March 31, 2025 and $71.8 billion and $332.7 million, respectively, at December 31, 2024.

13. CAPITAL STOCK

(A) Common Stock

The following table provides a summary of the Company's common shares authorized, and issued and outstanding at March 31, 2025 and December 31, 2024.

	Shares authorized		Shares issued and outstanding		
	March 31, 2025	December 31, 2024	March 31, 2025	December 31, 2024	Par Value
Common stock	**1,468,250,000**	1,468,250,000	**602,338,286**	578,357,118	$0.01

In January 2022, the Company announced that its Board authorized the repurchase of up to $1.5 billion of its outstanding shares of common stock through December 31, 2024 (the "Prior Common Stock Repurchase Program"). In January 2025, the Company announced that its Board authorized the repurchase of up to $1.5 billion of its outstanding shares of common stock through December 31, 2029 (the "Current Common Stock Repurchase Program"). The Current Common Stock Repurchase Program replaced the Prior Common Stock Repurchase Program. During the three months ended March 31, 2025 and 2024, no shares were repurchased under the Current Common Stock Repurchase Program or the Prior Common Stock Repurchase Program, respectively.

On September 20, 2024, the Company entered into separate Distribution Agency Agreements (collectively, the "Prior Sales Agreements") with each of Barclays Capital Inc., BNP Paribas Securities Corp., BofA Securities, Inc., Citizens JMP Securities, LLC, Goldman Sachs & Co. LLC, J.P. Morgan Securities LLC, Keefe, Bruyette & Woods, Inc., Morgan Stanley & Co., LLC, RBC Capital Markets, LLC, UBS Securities LLC and Wells Fargo Securities, LLC (collectively, the "Prior Sales Agents"). Under the terms of the Prior Sales Agreements, the Company offered and sold shares of its common stock, having an aggregate offering price of up to $1.5 billion, from time to time through any of the Prior Sales Agents (the "at-the-market sales program").

During the three months ended March 31, 2025, under the at-the-market sales program, the Company issued 23.3 million shares for proceeds of $495.7 million, net of commissions and fees. During the three months ended March 31, 2024, no shares were issued under the at-the-market sales program pursuant to the Prior Sales Agreements; however, the Company incurred costs to maintain the effectiveness of the at-the-market sales program that was in effect at that time.

(B) Preferred Stock

The following is a summary of the Company's cumulative redeemable preferred stock outstanding at March 31, 2025 and December 31, 2024. In the event of a liquidation or dissolution of the Company, the Company's then outstanding preferred stock takes precedence over the Company's common stock with respect to payment of dividends and the distribution of assets.

	Shares Authorized		Shares Issued And Outstanding		Carrying Value		Contractual Rate	Earliest Redemption Date [1]	Effective Date of Floating Rate Dividend Period	Floating Annual Rate [2]
	March 31, 2025	December 31, 2024	March 31, 2025	December 31, 2024	March 31, 2025	December 31, 2024				
Fixed-to-floating rate										
Series F	**28,800,000**	28,800,000	**28,800,000**	28,800,000	**696,910**	696,910	6.95%	9/30/2022	9/30/2022	3M Term SOFR + 4.993%
Series G	**17,000,000**	17,000,000	**17,000,000**	17,000,000	**411,335**	411,335	6.50%	3/31/2023	3/31/2023	3M Term SOFR + 4.172%
Series I	**17,700,000**	17,700,000	**17,700,000**	17,700,000	**428,324**	428,324	6.75%	6/30/2024	6/30/2024	3M Term SOFR + 4.989%
Total	**63,500,000**	63,500,000	**63,500,000**	63,500,000	**$ 1,536,569**	$ 1,536,569				

[1] Subject to the Company's right under limited circumstances to redeem preferred stock earlier in order to preserve its qualification as a REIT or under limited circumstances related to a change in control of the Company.

[2] For each series of fixed-to-floating rate cumulative redeemable preferred stock, the floating rate is calculated as 3-month CME Term SOFR (plus a spread adjustment of 0.26161%) plus the spread specified in the prospectus.

Each series of preferred stock has a par value of $0.01 per share and a liquidation and redemption price of $25.00, plus accrued and unpaid dividends through their redemption date. Through March 31, 2025, the Company had declared and paid all required quarterly dividends on the Company's preferred stock.

The Series F Fixed-to-Floating Rate Cumulative Redeemable Preferred Stock, Series G Fixed-to-Floating Rate Cumulative Preferred Stock and Series I Fixed-to-Floating Rate Cumulative Preferred Stock rank senior to the common stock of the Company.

On December 31, 2024, the Board approved a repurchase plan for all of our existing outstanding Preferred Stock (as defined below) (the "Preferred Stock Repurchase Program"). Under the terms of the Preferred Stock Repurchase Program, we are authorized to repurchase up to an aggregate of 63,500,000 shares of Preferred Stock, comprised of up to (i) 28,800,000 shares

of its 6.95% Series F Fixed-to-Floating Rate Cumulative Redeemable Preferred Stock, par value $0.01 per share (the "Series F Preferred Stock"), (ii) 17,000,000 shares of its 6.50% Series G Fixed-to-Floating Rate Cumulative Redeemable Preferred Stock, par value $0.01 per share (the "Series G Preferred Stock"), and (iii) 17,700,000 shares of its 6.75% Series I Fixed-to-Floating Rate Cumulative Redeemable Preferred Stock, par value $0.01 per share (the "Series I Preferred Stock", and together with Series F Preferred Stock and Series G Preferred Stock, the "Preferred Stock"). The aggregate liquidation value of the Preferred Stock that may be repurchased by the Company pursuant to the Prior Preferred Stock Repurchase Program, as of November 3, 2022, was approximately $1.6 billion.

The Preferred Stock Repurchase Program became effective on January 1, 2025 and will expire on December 31, 2029, and replaced the Preferred Stock repurchase program, which was effective from November 2, 2022 and expired on December 31, 2024 (the "Prior Preferred Stock Repurchase Program"). No shares were repurchased with respect to the Preferred Stock Repurchase Program during the three months ended March 31, 2025 and the Prior Preferred Stock Repurchase Program during the three months ended March 31, 2024.

(C) Distributions to Stockholders

The following table provides a summary of the Company's dividend distribution activity for the periods presented:

	For the Three Months Ended	
	March 31, 2025	**March 31, 2024**
	(dollars in thousands, except per share data)	
Dividends and dividend equivalents declared on common stock and share-based awards	**$ 423,863**	$ 326,872
Distributions declared per common share	**$ 0.70**	$ 0.65
Distributions paid to common stockholders after period end	**$ 421,637**	$ 325,286
Distributions paid per common share after period end	**$ 0.70**	$ 0.65
Date of distributions paid to common stockholders after period end	**April 30, 2025**	April 30, 2024
Dividends declared to series F preferred stockholders	**$ 17,250**	$ 19,085
Dividends declared per share of series F preferred stock	**$ 0.599**	$ 0.663
Dividends declared to series G preferred stockholders	**$ 9,310**	$ 10,509
Dividends declared per share of series G preferred stock	**$ 0.548**	$ 0.618
Dividends declared to series I preferred stockholders	**$ 10,597**	$ 7,467
Dividends declared per share of series I preferred stock	**$ 0.599**	$ 0.422

14. INTEREST INCOME AND INTEREST EXPENSE

Refer to the "Significant Accounting Policies" Note for details surrounding the Company's accounting policy related to net interest income on securities and loans.

The following table summarizes the interest income recognition methodology for Residential Securities:

	Interest Income Methodology
Agency	
Fixed-rate pass-through [1]	Effective yield [3]
Adjustable-rate pass-through [1]	Effective yield [3]
Multifamily [1]	Contractual Cash Flows
CMO [1]	Effective yield [3]
Reverse mortgages [2]	Prospective
Interest-only [2]	Prospective
Residential credit	
CRT [2]	Prospective
Alt-A [2]	Prospective
Prime [2]	Prospective
Subprime [2]	Prospective
NPL/RPL [2]	Prospective
Prime jumbo [2]	Prospective

[1] Changes in fair value are recognized in Other comprehensive income (loss) in the accompanying Consolidated Statements of Comprehensive Income (Loss) for securities purchased prior to July 1, 2022. Effective July 1, 2022, changes in fair value are recognized in Net gains (losses) on investments and other in the accompanying Consolidated Statements of Comprehensive Income (Loss) for newly purchased securities.

[2] Changes in fair value are recognized in Net gains (losses) on investments and other in the accompanying Consolidated Statements of Comprehensive Income (Loss).

[3] Effective yield is recalculated for differences between estimated and actual prepayments and the amortized cost is adjusted as if the new effective yield had been applied since inception.

The following table presents the components of the Company's interest income and interest expense for the three months ended March 31, 2025 and 2024.

	For the Three Months Ended	
	March 31, 2025	March 31, 2024
Interest income	(dollars in thousands)	
Agency securities	**$ 820,182**	$ 751,516
Residential credit securities	**40,207**	55,996
Residential mortgage loans [1]	**426,055**	252,016
Commercial investment portfolio [1]	**1,055**	3,554
Reverse repurchase agreements	**29,609**	31,406
Total interest income	**$ 1,317,108**	$ 1,094,488
Interest expense		
Repurchase agreements	**$ 760,783**	$ 897,598
Debt issued by securitization vehicles	**283,592**	161,017
Participations issued	**27,044**	20,251
U.S. Treasury securities sold, not yet purchased	**25,718**	22,073
Total interest expense	**1,097,137**	1,100,939
Net interest income	**$ 219,971**	$ (6,451)

[1] Includes assets transferred or pledged to securitization vehicles.

15. NET INCOME (LOSS) PER COMMON SHARE

The following table presents a reconciliation of net income (loss) and shares used in calculating basic and diluted net income (loss) per share for the three months ended March 31, 2025 and 2024.

	For the Three Months Ended	
	March 31, 2025	March 31, 2024
	(dollars in thousands, except per share data)	
Net income (loss)	**$ 130,305**	$ 465,174
Net income (loss) attributable to noncontrolling interests	**6,081**	2,282
Net income (loss) attributable to Annaly	**124,224**	462,892
Dividends on preferred stock	**37,157**	37,061
Net income (loss) available (related) to common stockholders	**$ 87,067**	$ 425,831
Weighted average shares of common stock outstanding-basic	**587,149,704**	500,612,840
Add: Effect of stock awards, if dilutive	**1,271,294**	569,203
Weighted average shares of common stock outstanding-diluted	**588,420,998**	501,182,043
Net income (loss) per share available (related) to common share		
Basic	**$ 0.15**	$ 0.85
Diluted	**$ 0.15**	$ 0.85

There were no potentially dilutive restricted stock units or performance stock units for the three months ended March 31, 2025. The computations of diluted net income (loss) per share available (related) to common share for the three months ended March 31, 2024 exclude 1.5 million of potentially dilutive restricted stock units and performance stock units because their effect would have been anti-dilutive.

16. INCOME TAXES

For the three months ended March 31, 2025, the Company was qualified to be taxed as a REIT under Code Sections 856 through 860. As a REIT, the Company will not incur federal income tax to the extent that it distributes its taxable income to its stockholders. To maintain qualification as a REIT, the Company must distribute at least 90% of its annual REIT taxable income to its stockholders and meet certain other requirements that relate to, among other things, assets it may hold, income it may generate and its stockholder composition. It is generally the Company's policy to distribute 100% of its REIT taxable income. To the extent there is any undistributed REIT taxable income at the end of a year, the Company distributes such shortfall within the next year as permitted by the Code.

The Company and certain of its direct and indirect subsidiaries, including Annaly TRS, Inc. and certain subsidiaries of joint ventures, have made separate joint elections to treat these subsidiaries as TRSs. As such, each of these TRSs is taxable as a domestic C corporation and subject to federal, state and local income taxes based upon their taxable income.

The provisions of ASC 740, Income Taxes ("ASC 740"), clarify the accounting for uncertainty in income taxes recognized in financial statements and prescribe a recognition threshold and measurement attribute for uncertain tax positions taken or expected to be taken on a tax return. ASC 740 also requires that interest and penalties related to unrecognized tax benefits be recognized in the financial statements. The Company does not have any unrecognized tax benefits that would affect its financial position. Thus, no accruals for penalties and interest were deemed necessary at March 31, 2025 and December 31, 2024.

The state and local tax jurisdictions for which the Company is subject to tax-filing obligations recognize the Company's status as a REIT and, therefore, the Company generally does not pay income tax in such jurisdictions. The Company may, however, be subject to certain minimum state and local tax filing fees as well as certain excise, franchise or business taxes. The Company's TRSs are subject to federal, state and local taxes. The Company's federal, state and local tax returns from 2021 and forward remain open for examination.

During the three months ended March 31, 2025 and 2024, the Company recorded $8.3 million and ($0.9) million, respectively, of income tax expense (benefit) attributable to its TRSs.

	For the Three Months Ended	
	March 31, 2025	March 31, 2024
	(dollars in thousands)	
Current Tax Expense (Benefit)		
Federal	**$ —**	$ —
State and local	**13**	—
Total current income tax expense (benefit)	**$ 13**	$ —
Deferred Tax Expense (Benefit)		
Federal	**$ 7,222**	$ (824)
State and local	**1,032**	(119)
Total deferred income tax expense (benefit)	**$ 8,254**	$ (943)
Total income tax expense (benefit)	**$ 8,267**	$ (943)

The difference between the Company's reported income tax provision and the U.S. federal statutory rate of 21.0% and state income tax rates is as follows:

	For the Three Months Ended	
	March 31, 2025	March 31, 2024
Statutory federal income tax rate	**21.0 %**	21.0 %
Non-taxable REIT income	**(14.6 %)**	(24.5 %)
State and local taxes	**3.0 %**	3.0 %
VIE and Other	**(3.5 %)**	0.3 %
Change in valuation allowance	**— %**	— %
Total provision	**5.9 %**	(0.2 %)

As of March 31, 2025, the Company recorded a net deferred tax asset of $72.6 million resulting primarily from loss carryforwards, securitization gains and unrealized losses on swaps, and a net deferred tax liability of $149.9 million resulting primarily from unrealized gains on MSR, which is included in Other assets and Other liabilities, respectively, in the Consolidated Statements of Financial Condition. As of March 31, 2025, no valuation allowance was established.

As of March 31, 2025, the Company's TRSs had approximately $61.5 million of net operating loss carryforwards for federal income tax purposes which may be available to offset future taxable income, including approximately $7.9 million of net operating loss carryforwards that are subject to an annual limitation under Internal Revenue Code Section 382 and $53.6 million that can be carried forward indefinitely.

As of March 31, 2025, the Company's TRSs had approximately $31.5 million of capital loss carryforwards for federal income tax purposes which can be carried back three years and forward up to five years to offset capital gains.

17. SEGMENTS

The Company operates in three reportable segments further described in the Description of Business Note. The accounting policies applied to the segments are the same as those described in the summary of significant accounting policies, with the exception of allocations between segments related to net interest income and other comprehensive income (loss), which are reflected in Other income (loss), and allocations between segments related to investment balances, which are presented net of associated financings in Total Assets. These allocations are made to reflect the economic hedging relationship between investments within different operating segments. Activities that are not directly attributable or not allocated to any of the three current operating segments (such as investments in commercial mortgage-backed securities, preferred stock dividends and corporate existence costs) are reported under Corporate and Other as reconciling items to the Company’s consolidated financial statements. The tables below summarize the result of operations and total assets by segment that are provided to the Chief Operating Decision Maker (CODM), which is the Company’s Operating Committee. Comprehensive income is the measure of segment profit or loss that is determined in accordance with the measurement principles used in measuring the corresponding amounts in the consolidated financial statements and is a key determinant of the Company’s economic return (computed as the change in stockholders’ equity attributable to common stockholders plus common stock dividends declared divided by the prior period’s stockholders’ equity attributable to common stockholders), a measure which is used by the CODM to evaluate segment results and is one of the factors considered in determining capital allocation among the segments.

The following tables present the reportable operating segments related to the Company's results of operations for the three months ended March 31, 2025 and 2024:

Three Months Ended March 31, 2025					
	Agency	Resi-credit	MSR	Corporate & Other	Consolidated
	(dollars in thousands)				
Interest income	$ 849,200	$ 466,853	$ —	$ 1,055	$ 1,317,108
Interest expense	718,253	378,174	—	710	1,097,137
Net interest income	130,947	88,679	—	345	219,971
Servicing and related income	—	—	140,435	—	140,435
Servicing and related expense	—	—	14,113	—	14,113
Net servicing income	—	—	126,322	—	126,322
Other income (loss)	(166,925)	12,090	(2,961)	(1,861)	(159,657)
Less: Total general and administrative expenses	17,316	15,506	9,393	5,849	48,064
Income (loss) before income taxes	(53,294)	85,263	113,968	(7,365)	138,572
Income taxes	290	(524)	8,510	(9)	8,267
Net income (loss)	(53,584)	85,787	105,458	(7,356)	130,305
Less: Net income (loss) attributable to noncontrolling interest	—	6,081	—	—	6,081
Net income (loss) attributable to Annaly	(53,584)	79,706	105,458	(7,356)	124,224
Dividends on preferred stock	—	—	—	37,157	37,157
Net income (loss) available (related) to common stockholders	(53,584)	79,706	105,458	(44,513)	87,067
Unrealized gains (losses) on available-for-sale securities	164,877	—	—	—	164,877
Reclassification adjustment for net (gains) losses included in net income (loss)	65,403	—	—	—	65,403
Other comprehensive income (loss)	230,280	—	—	—	230,280
Comprehensive income (loss)	176,696	85,787	105,458	(7,356)	360,585
Comprehensive income (loss) attributable to noncontrolling interests	—	6,081	—	—	6,081
Comprehensive income (loss) attributable to Annaly	$ 176,696	$ 79,706	$ 105,458	$ (7,356)	$ 354,504
Noncash investing and financing activities:					
Receivable for unsettled trades	2,306	—	217	—	2,523
Payable for unsettled trades	2,220,276	—	84,498	—	2,304,774
Net change in unrealized gains (losses) on available-for-sale securities, net of reclassification adjustment	230,280	—	—	—	230,280
Dividends declared, not yet paid	—	—	—	421,637	421,637
Total assets					
Total assets	$ 70,429,198	$ 30,678,639	$ 3,849,181	$ 158,328	$ 105,115,346

Three Months Ended March 31, 2024					
	Agency	Resi-credit	MSR	Corporate & Other	Consolidated
	(dollars in thousands)				
Interest income	$ 781,926	$ 309,008	$ —	$ 3,554	$ 1,094,488
Interest expense	846,771	251,862	—	2,306	1,100,939
Net interest income	(64,845)	57,146	—	1,248	(6,451)
Servicing and related income	—	—	115,084	—	115,084
Servicing and related expense	—	—	12,216	—	12,216
Net servicing income	—	—	102,868	—	102,868
Other income (loss)	300,952	105,366	(870)	936	406,384
Less: Total general and administrative expenses	15,588	12,674	8,594	1,714	38,570
Income (loss) before income taxes	220,519	149,838	93,404	470	464,231
Income taxes	607	(1,679)	149	(20)	(943)
Net income (loss)	219,912	151,517	93,255	490	465,174
Less: Net income (loss) attributable to noncontrolling interest	—	2,282	—	—	2,282
Net income (loss) attributable to Annaly	219,912	149,235	93,255	490	462,892
Dividends on preferred stock	—	—	—	37,061	37,061
Net income (loss) available (related) to common stockholders	219,912	149,235	93,255	(36,571)	425,831
Unrealized gains (losses) on available-for-sale securities	(281,869)	—	—	—	(281,869)
Reclassification adjustment for net (gains) losses included in net income (loss)	335,351	—	—	—	335,351
Other comprehensive income (loss)	53,482	—	—	—	53,482
Comprehensive income (loss)	273,394	151,517	93,255	490	518,656
Comprehensive income (loss) attributable to noncontrolling interests	—	2,282	—	—	2,282
Comprehensive income (loss) attributable to Annaly	$ 273,394	$ 149,235	$ 93,255	$ 490	$ 516,374
Noncash investing and financing activities:					
Receivable for unsettled trades	907,634	5,000	28,732	—	941,366
Payable for unsettled trades	2,430,956	—	125,842	—	2,556,798
Net change in unrealized gains (losses) on available-for-sale securities, net of reclassification adjustment	53,482	—	—	—	53,482
Dividends declared, not yet paid	—	—	—	325,286	325,286
Total assets					
Total assets	$ 66,485,685	$ 21,525,612	$ 3,209,074	$ 263,175	$ 91,483,546

18. RISK MANAGEMENT

The primary risks to the Company are liquidity and funding risk, investment/market risk, credit risk and operational risk. Interest rates are highly sensitive to many factors, including governmental monetary and tax policies, domestic and international economic and political considerations and other factors beyond the Company's control. Changes in the general level of interest rates can affect net interest income, which is the difference between the interest income earned on interest earning assets and the interest expense incurred in connection with the interest bearing liabilities, by affecting the spread between the interest earning assets and interest bearing liabilities. Changes in the level of interest rates can also affect the value of the interest earning assets and the Company's ability to realize gains from the sale of these assets. A decline in the value of the interest earning assets pledged as collateral for borrowings under repurchase agreements and derivative contracts could result in the counterparties demanding additional collateral or liquidating some of the existing collateral to reduce borrowing levels.

The Company may seek to mitigate the potential financial impact of these risks by entering into interest rate agreements such as interest rate swaps, interest rate swaptions and other hedges.

Weakness in the mortgage market, the shape of the yield curve, changes in the expectations for the volatility of future interest rates and deterioration of financial conditions in general may adversely affect the performance and market value of the Company's investments. This could negatively impact the Company's book value. Furthermore, if many of the Company's lenders are unwilling or unable to provide additional financing, the Company could be forced to sell its investments at an inopportune time when prices are depressed. The Company has established policies and procedures for mitigating risks, including conducting scenario and sensitivity analyses and utilizing a range of hedging strategies.

The payment of principal and interest on the Freddie Mac and Fannie Mae Agency mortgage-backed securities, which exclude CRT securities issued by Freddie Mac and Fannie Mae, is guaranteed by those respective agencies and the payment of principal and interest on Ginnie Mae Agency mortgage-backed securities is backed by the full faith and credit of the U.S. government.

The Company faces credit risk on the portions of its portfolio which are not guaranteed by the respective Agency or by the full faith and credit of the U.S. government. The Company is exposed to credit risk on commercial mortgage-backed securities, residential mortgage loans, CRT securities and other non-Agency mortgage-backed securities. MSR values may also be adversely impacted by rising borrower delinquencies which would reduce servicing income and increase overall costs to service the underlying mortgage loans. The Company is exposed to risk of loss if an issuer, borrower or counterparty fails to perform its obligations under contractual terms. The Company has established policies and procedures for mitigating credit risk, including reviewing and establishing limits for credit exposure, limiting transactions with specific counterparties, pre-purchase due diligence, maintaining qualifying collateral, continually assessing the creditworthiness of issuers, borrowers and counterparties, credit rating monitoring and active servicer oversight.

The Company depends on third party service providers to perform various business processes related to its operations, including mortgage loan servicers and sub-servicers. The Company's vendor management policy establishes procedures for engaging, onboarding and monitoring the performance of third party vendors. For mortgage loan servicers and sub-servicers, these procedures include assessing a vendor's financial health as well as oversight of its compliance with applicable laws and regulations, cybersecurity and business continuity programs and security of personal information.

19. LEASE COMMITMENTS AND CONTINGENCIES

The Company's operating leases are primarily comprised of corporate office leases with remaining lease terms of approximately three years and seventeen years. The corporate office leases include options to extend for up to five years, however the extension terms were not included in the operating lease liability calculation. Leases with an initial term of 12 months or less are not recorded on the balance sheet. The Company recognizes lease expense for these leases on a straight-line basis over the lease term. The lease cost for the three months ended March 31, 2025 and 2024 was $1.1 million and $0.8 million, respectively.

Supplemental information related to leases as of and for the three months ended March 31, 2025 was as follows:

Operating Leases	Classification		March 31, 2025
Assets		(dollars in thousands)	
Operating lease right-of-use assets	Other assets	$	27,523
Liabilities			
Operating lease liabilities [1]	Other liabilities	$	28,106
Lease term and discount rate			
Weighted average remaining lease term			16.8 years
Weighted average discount rate [1]			7.0%
Cash paid for amounts included in the measurement of lease liabilities			
Operating cash flows from operating leases		$	1,028

[1] For the Company's leases that do not provide an implicit rate, the Company uses an incremental borrowing rate based on the information available at adoption date in determining the present value of lease payments.

The following table provides details related to maturities of lease liabilities:

	Maturity of Lease Liabilities	
Years ending December 31,	(dollars in thousands)	
2025 (remaining)	$	2,121
2026		261
2027		2,503
2028		3,854
2029		3,831
Later years		52,041
Total lease payments	$	64,611
Less imputed interest		36,505
Present value of lease liabilities	$	28,106

Contingencies

From time to time, the Company is involved in various claims and legal actions arising in the ordinary course of business. In the opinion of management, the ultimate disposition of these matters will not have a material effect on the Company's consolidated financial statements. There were no material contingencies at March 31, 2025 and December 31, 2024.

20. SUBSEQUENT EVENTS

In April 2025, the Company completed and closed two securitizations of residential mortgage loans, OBX 2025-NQM6, with a face value of $553.2 million, and OBX 2025-NQM7, with a face value of $572.4 million. These securitizations represent financing transactions which provided non-recourse financing to the Company collateralized by residential mortgage loans purchased by the Company.

In April 2025, the Company upsized capacity of an existing credit facility by $100 million for the Company's residential mortgage loans.

On May 8, 2025, the Company entered into separate Distribution Agency Agreements with certain sales agents, which agreements terminated and replaced the Prior Sales Agreements. For additional information, see "Part II—Item 5. Other Information—Current At-the-Market Sales Program."

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Special Note Regarding Forward-Looking Statements

Certain statements contained in this quarterly report, and certain statements contained in our future filings with the Securities and Exchange Commission (the "SEC" or the "Commission"), in our press releases or in our other public or stockholder communications contain or incorporate by reference certain forward-looking statements which are based on various assumptions (some of which are beyond our control) and may be identified by reference to a future period or periods or by the use of forward-looking terminology, such as "may," "will," "believe," "expect," "anticipate," "continue," or similar terms or variations on those terms or the negative of those terms. Such statements include those relating to the Company's future performance, macro outlook, the interest rate and credit environments, tax reform and future opportunities. Actual results could differ materially from those set forth in forward-looking statements due to a variety of factors, including, but not limited to, changes in interest rates; changes in the yield curve; changes in prepayment rates; the availability of mortgage-backed securities ("MBS") and other securities for purchase; the availability of financing and, if available, the terms of any financing; changes in the market value of the Company's assets; changes in business conditions and the general economy; the Company's ability to grow its residential credit business; the Company's ability to grow its mortgage servicing rights business; credit risks related to the Company's investments in credit risk transfer securities and residential mortgage-backed securities and related residential mortgage credit assets; risks related to investments in mortgage servicing rights; the Company's ability to consummate any contemplated investment opportunities; changes in government regulations or policy affecting the Company's business; the Company's ability to maintain its qualification as a REIT for U.S. federal income tax purposes; the Company's ability to maintain its exemption from registration under the Investment Company Act of 1940; and operational risks or risk management failures by us or critical third parties, including cybersecurity incidents. For a discussion of the risks and uncertainties which could cause actual results to differ from those contained in the forward-looking statements, see "Risk Factors" in our most recent Annual Report on Form 10-K and any subsequent Quarterly Reports on Form 10-Q. The Company does not undertake, and specifically disclaims any obligation, to publicly release the result of any revisions which may be made to any forward-looking statements to reflect the occurrence of anticipated or unanticipated events or circumstances after the date of such statements, except as required by law.

This Management's Discussion and Analysis of Financial Condition and Results of Operations should be read in conjunction with our most recent annual report on Form 10-K. All references to "Annaly," "we," "us," or "our" mean Annaly Capital Management, Inc. and all entities owned by us, except where it is made clear that the term means only the parent company. Refer to the section titled "Glossary of Terms" located at the end of this Item 2 for definitions of commonly used terms in this quarterly report on Form 10-Q.

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Overview

We are a leading diversified capital manager with investment strategies across mortgage finance. Our principal business objective is to generate net income for distribution to our stockholders and optimize our returns through prudent management of our diversified investment strategies. We are an internally-managed Maryland corporation founded in 1997 that has elected to be taxed as a REIT. Our common stock is listed on the New York Stock Exchange under the symbol "NLY."

We use our capital coupled with borrowed funds to invest primarily in real estate related investments, earning the spread between the yield on our assets and the cost of our borrowings and hedging activities.

For a full discussion of our business, refer to the section titled "Business Overview" in our most recent Annual Report on Form 10-K.

Business Environment

The first quarter of 2025 ("Q1 2025") saw the Trump Administration entering its second term, ready to make meaningful changes across several different policy areas including trade, immigration, fiscal policy, and regulation. While many initiatives, most notably easing of financial regulation, should be supportive of U.S. businesses and financial markets in the medium-term, rapid and concurrent reform announcements introduced uncertainty and financial market volatility in the short-term.

The market volatility was primarily driven by the rollout of several tariff measures in March and April. These announcements have led to decreased business and consumer confidence, risking lower activity data in quarters to come if businesses or consumers alter their behavior. Of note, Q1 2025 activity data remained relatively strong, with consumption and business activity expanding at roughly the same rate as in prior quarters. However, aggregate U.S. gross domestic product ("GDP") declined modestly in the quarter as higher import volumes reduced economic activity in the GDP growth calculation. Additionally, inflation slowed marginally in the quarter, with personal consumption expenditures excluding food and energy ("core PCE") running at 3.5% seasonally adjusted annualized rate ("SAAR"), slightly below the 3.7% SAAR recording in Q1 2024.

The Federal Reserve ("the Fed") kept interest rates unchanged during the quarter, as officials weighed the conflicting signals from tariffs and other policy changes on economic growth and inflation. Fed officials are waiting for further evidence about an economic slowdown or higher inflation before making further adjustments to the Federal Funds Target Rate ("Fed Funds Target Rate").

Our portfolio performed relatively well in Q1 2025, delivering a 3% economic return during the quarter. This was reflected in an increase to our common stock dividend to $0.70 per share, underscoring healthy earnings momentum, all while modestly increasing economic leverage to 5.7x at quarter end – still a leverage level at the low end of our historical range.

With respect to our portfolio activity, we grew our Agency MBS investments by $4.4 billion market value, with most of the increase coming from additional investments to deploy the approximately $495 million equity we raised during the quarter through the at-the-market stock sale program. Unlike much of 2024, when we concentrated MBS purchases on higher coupon specified pools, a majority of Q1 purchases were in to-be-announced ("TBA") securities in intermediate coupons. These securities offered the highest relative value following the selloff in interest rates in Q4 2024 and January 2025, with dollar roll financing on TBA contracts improving significantly. As a result, our TBA balances grew to $6.6 billion market value at the end of Q1 2025, the largest holdings in two years.

Similar to prior quarters, we continued to prudently manage our hedge position, maintaining a conservative stance with regard to our interest rate exposure. Of note, increased optimism about changes to the bank regulatory landscape drove a widening in swap spreads – the difference between Treasury and same tenor interest rate swap yields – for much of the quarter. We used this opportunity to better balance our hedge allocation between Treasuries and swaps, in turn lowering our aggregate swap notional and increasing the exposure to Treasury future hedges. In addition, we entered into a $1 billion notional 10-year payer swaption in anticipation of higher interest rate volatility.

Our Residential Credit portfolio ended the quarter at $6.6 billion in market value, declining modestly as we opportunistically sold third-party securities early in the quarter given tight valuations and increased the pace of our securitizations. Annaly's Onslow Bay ("OBX") shelf closed six securitization transactions totaling $3.1 billion during the quarter, including our inaugural securitization of home equity line of credit loans ("HELOCs") and a private placement to a major U.S. insurance company. In addition, we have priced two additional securitizations in April. Correspondent channel lock volumes remained strong, with aggregate quarterly fundings reaching $3.8 billion, just shy of the record pace of fundings seen in the fourth quarter of 2024.

Our mortgage servicing rights ("MSR") strategy saw its portfolio relatively unchanged during the quarter as we purchased $48 million market value in assets, or $3 billion in unpaid principal balances ("UPB") through our bulk and flow acquisition

channels. We remained selective in our purchases, maintaining our preference for low note rate MSR, though supply stayed elevated as the mortgage originator community remains under pressure to monetize servicing given historically compressed gain on sale margins. After settling $28 billion in UPB of previously announced bulk MSR purchases, the weighted average note rate of our portfolio rose marginally to 3.23%, while our exposure to current coupon MSR remained relatively small.

As the mortgage origination and servicing industry consolidates – best seen in the merger announcement of Rocket Companies and Mr. Cooper Group Inc. at the end of the quarter – we have strategically aligned ourselves with industry leading sub-servicing and recapture partners that we believe provide our platform with clear competitive advantages. We believe that greater efficiency and technological investment in the mortgage industry has provided the potential for enhanced portfolio yield through increased recapture capabilities and an enhanced borrower experience.

Economic return and economic leverage are non-GAAP financial measures. Refer to "Non-GAAP Financial Measures" for additional information, including a reconciliation to its most directly comparable GAAP results.

Economic Environment

U.S. GDP growth in the first quarter of 2025 slowed with gross domestic product declining 0.3% SAAR, largely driven by a 4.8% drag of net trade to quarterly economic activity. Despite the decline in the headline GDP number, consumption and investment activity remained relatively healthy in the quarter, with final sales to private domestic purchasers coming in at 3.0% SAAR, a gain in line with the quarterly average in 2024.

The labor market remained resilient in the first quarter. Labor supply and demand stayed balanced, as evidenced by the first quarter's stronger-than-expected employment data. According to the Bureau of Labor Statistics, seasonally adjusted total non-farm payroll employment rose at a monthly average pace of 133,000 workers added in the first quarter – a modest decline from the average of 167,667 workers added per month in all of 2024. The unemployment rate ended the quarter at 4.2%, only modestly higher than the 4.1% rate at the end of 2024. The increase was driven by more people entering the labor force, with not all of them being able to find work. At the same time, wage growth, as measured by the year-over-year change in Average Hourly Earnings, fell from 4.0% in the fourth quarter to 3.8% in the first quarter.

Inflation readings, as measured by the year-over-year changes in the Personal Consumption Expenditure Price Index ("PCE"), remain above the Fed's 2% inflation target and progress on disinflationary measures has been slow. Total PCE prices over the 12 months ending in March rose 2.3% compared to the 2.6% recorded by the same metric at the end of December, while core PCE inflation, which excludes volatile food and energy prices, fell from 2.9% in December 2024 to 2.6% in March. Progress on inflation in the first quarter remained uneven, much like it had been over the past year. Moreover, the forecast has become increasingly uncertain due to the most significant increase in the effective tariff rate in decades.

The Fed conducts monetary policy with a dual mandate: full employment and price stability. Given the slow progress on inflation, the Federal Reserve Open Market Committee ("FOMC") kept the target range for the Federal Funds rate unchanged at 4.25% - 4.50% at their March meeting, marking their second pause since cutting rates by 100 basis points at the end of last year. The Federal Reserve Chair Jerome Powell has emphasized that it is too soon to determine the appropriate monetary policy response to the tariffs, while acknowledging their inflationary impact. In addition, the FOMC has maintained its focus on the still positive growth outlook and reiterated their guidance that they are not in a hurry to act. Forecasts from the FOMC meeting in March show a median of two 25 basis point interest rate cuts for 2025. However, the recent deterioration of economic growth forecasts has raised the odds of additional rate cuts. Meanwhile, regarding the FOMC's balance sheet policy, the Fed announced that it will slow the pace of decline of its securities holdings by reducing the monthly redemption cap on Treasury securities from $25 billion to $5 billion, while maintaining the monthly redemption cap on Agency mortgage-backed securities at $35 billion. Considering these developments, we now expect the Fed to continue to attempt to reduce its balance sheet over a longer period than initially anticipated.

Given the FOMC maintaining its on-hold status and the market awaiting further information on the fiscal front, Treasury yields were relatively rangebound in the first quarter. Interest rate volatility moved lower across the curve, and swap spreads – the difference between swap rates and Treasury rates of the same maturities – widened. The 10-year U.S. Treasury yield fell from 4.57% on December 31, 2024 to 4.21% on March 31, 2025. Despite lower rates and reduced volatility, the mortgage basis, or the spread between the 30-year Agency MBS coupon and 10-year U.S. Treasury rate, widened slightly from 126 basis points at the end of 2024 to 130 basis points at the end of the first quarter.

The following table presents interest rates and spreads at each date presented:

	March 31, 2025	December 31, 2024	March 31, 2024
30-Year mortgage current coupon	**5.51%**	5.83%	5.60%
Mortgage basis	**130 bps**	126 bps	140 bps
10-Year U.S. Treasury rate	**4.21%**	4.57%	4.20%
OIS SOFR Swaps			
1-Month	**4.32%**	4.32%	5.32%
6-Month	**4.18%**	4.25%	5.24%

Results of Operations

The results of our operations are affected by various factors, many of which are beyond our control. Certain of such risks and uncertainties are described herein (see "Special Note Regarding Forward-Looking Statements" above) and in Part I, Item 1A. "Risk Factors" of our most recent Annual Report on Form 10-K and in Part II, Item 1A. "Risk Factors" in this Quarterly Report on Form 10-Q.

This Management Discussion and Analysis section contains analysis and discussion of financial results computed in accordance with U.S. generally accepted accounting principles ("GAAP") and non-GAAP measurements. To supplement our consolidated financial statements, which are prepared and presented in accordance with GAAP, we provide non-GAAP financial measures to enhance investor understanding of our period-over-period operating performance and business trends, as well as for assessing our performance versus that of industry peers.

Refer to the "Non-GAAP Financial Measures" section for additional information.

Net Income (Loss) Summary

The following table presents financial information related to our results of operations as of and for the three months ended March 31, 2025 and 2024.

	As of and for the Three Months Ended March 31,	
	2025	2024
	(dollars in thousands, except per share data)	
Interest income	$ 1,317,108	$ 1,094,488
Interest expense	1,097,137	1,100,939
Net interest income	219,971	(6,451)
Servicing and related income	140,435	115,084
Servicing and related expense	14,113	12,216
Net servicing income	126,322	102,868
Other income (loss)	(159,657)	406,384
Less: Total general and administrative expenses	48,064	38,570
Income (loss) before income taxes	138,572	464,231
Income taxes	8,267	(943)
Net income (loss)	130,305	465,174
Less: Net income (loss) attributable to noncontrolling interests	6,081	2,282
Net income (loss) attributable to Annaly	124,224	462,892
Less: Dividends on preferred stock	37,157	37,061
Net income (loss) available (related) to common stockholders	$ 87,067	$ 425,831
Net income (loss) per share available (related) to common stockholders		
Basic	$ 0.15	$ 0.85
Diluted	$ 0.15	$ 0.85
Weighted average number of common shares outstanding		
Basic	587,149,704	500,612,840
Diluted	588,420,998	501,182,043
Other information		
Investment portfolio at period-end	$ 101,959,102	$ 87,484,541
Average total assets	$ 104,335,865	$ 92,355,391
Average equity	$ 12,890,730	$ 11,420,602
GAAP leverage at period-end [1]	6.8:1	6.7:1
GAAP capital ratio at period-end [2]	12.4 %	12.6 %
Annualized return (loss) on average total assets	0.50 %	2.01 %
Annualized return (loss) on average equity [3]	4.04 %	16.29 %
Net interest margin [4]	0.87 %	(0.03 %)
Average yield on interest earning assets [5]	5.18 %	4.88 %
Average GAAP cost of interest bearing liabilities [6]	4.77 %	5.40 %
Net interest spread	0.41 %	(0.52 %)
Weighted average experienced CPR for the period	7.1 %	6.0 %
Weighted average projected long-term CPR at period-end	9.5 %	8.9 %
Common stock book value per share	$ 19.02	$ 19.73
Non-GAAP metrics *		
Interest income (excluding PAA)	$ 1,329,404	$ 1,091,475
Economic interest expense [6]	$ 892,748	$ 770,790
Economic net interest income (excluding PAA)	$ 436,656	$ 320,685
Premium amortization adjustment cost (benefit)	$ 12,296	$ (3,013)
Earnings available for distribution [7]	$ 461,857	$ 357,962
Earnings available for distribution per average common share	$ 0.72	$ 0.64
Annualized EAD return on average equity (excluding PAA)	14.43 %	12.63 %
Economic leverage at period-end [1]	5.7:1	5.6:1
Economic capital ratio at period-end [2]	14.6 %	14.6 %
Net interest margin (excluding PAA) [4]	1.69 %	1.43 %
Average yield on interest earning assets (excluding PAA) [5]	5.23 %	4.87 %
Average economic cost of interest bearing liabilities [6]	3.88 %	3.78 %
Net interest spread (excluding PAA)	1.35 %	1.09 %

* Represents a non-GAAP financial measure. Refer to the "Non-GAAP Financial Measures" section for additional information.

(1) GAAP leverage is computed as the sum of repurchase agreements, other secured financing, debt issued by securitization vehicles, participations issued and U.S. Treasury securities sold, not yet purchased divided by total equity. Economic leverage is computed as the sum of recourse debt, cost basis of to-be-announced ("TBA") and CMBX derivatives outstanding, and net forward purchases (sales) of investments divided by total equity. Recourse debt consists of repurchase agreements, other secured financing, and U.S. Treasury securities sold, not yet purchased. Debt issued by securitization vehicles and participations issued are non-recourse to us and are excluded from economic leverage.

(2) GAAP capital ratio is computed as total equity divided by total assets. Economic capital ratio is computed as total equity divided by total economic assets. Total economic assets include the implied market value of TBA derivatives and net of debt issued by securitization vehicles.

(3) Annualized GAAP return (loss) on average equity annualizes realized and unrealized gains and (losses) which may not be indicative of full year performance, unannualized GAAP return (loss) on average equity is 1.01%, and 4.07% for the three months ended March 31, 2025 and 2024, respectively.

(4) Net interest margin represents our interest income less interest expense divided by the average interest earning assets. Net interest margin does not include net interest component of interest rate swaps. Net interest margin (excluding PAA) represents the sum of our interest income (excluding PAA) plus TBA dollar roll income and CMBX coupon income less economic interest expense divided by the sum of average interest earning assets plus average outstanding TBA contract and CMBX balances.

(5) Average yield on interest earning assets represents annualized interest income divided by average interest earning assets. Average interest earning assets reflects the average amortized cost of our investments during the period. Average yield on interest earning assets (excluding PAA) is calculated using annualized interest income (excluding PAA).

(6) Average GAAP cost of interest bearing liabilities represents annualized interest expense divided by average interest bearing liabilities. Average interest bearing liabilities reflects the average balances during the period. Average economic cost of interest bearing liabilities represents annualized economic interest expense divided by average interest bearing liabilities. Economic interest expense is comprised of GAAP interest expense, the net interest component of interest rate swaps, and, beginning with the quarter ended June 30, 2024, net interest on initial margin related to interest rate swaps, which is reported in Other, net in the Company's Consolidated Statements of Comprehensive Income (Loss). Prior period results have not been adjusted in accordance with this change as the impact is not material. Net interest on variation margin related to interest rate swaps was previously and is currently included in the Net interest component of interest rate swaps in the Company's Consolidated Statements of Comprehensive Income (Loss) for all periods presented.

(7) Excludes dividends on preferred stock.

GAAP

Net income (loss) was $130.3 million, which includes $6.1 million attributable to noncontrolling interests, or $0.15 per average basic common share, for the three months ended March 31, 2025, compared to $465.2 million, which includes $2.3 million attributable to noncontrolling interests, or $0.85 per average basic common share, for the same period in 2024. We attribute the majority of the change in net income (loss) to an unfavorable change in net gains (losses) on derivatives, partially offset by favorable changes in net gains (losses) on investments and other, net interest income, and net servicing income. Net gains (losses) on derivatives was ($977.9) million for the three months ended March 31, 2025 compared to $1.4 billion for the same period in 2024. Net gains (losses) on investments and other was $810.8 million for the three months ended March 31, 2025 compared to ($994.1) million for the same period in 2024. Net interest income for the three months ended March 31, 2025 was $220.0 million compared to ($6.5) million for the same period in 2024. Net servicing income for the three months ended March 31, 2025 was $126.3 million compared to $102.9 million for the same period in 2024.

Non-GAAP

Earnings available for distribution were $461.9 million, or $0.72 per average common share, for the three months ended March 31, 2025 compared to $358.0 million, or $0.64 per average common share, for the same period in 2024. The change in earnings available for distribution during the three months ended March 31, 2025, compared to the same period in 2024, was primarily due to higher coupon income, resulting from higher residential mortgage loan balances and purchasing securities higher up in the coupon stack, lower interest expense on repurchase agreements resulting from lower average rates and higher net servicing income. This change was partially offset by an unfavorable change in the net interest component of interest rate swaps, higher interest expense resulting from higher securitized debt balances from new securitizations and lower other, net.

Non-GAAP Financial Measures

To supplement our consolidated financial statements, which are prepared and presented in accordance with GAAP, we provide the following non-GAAP financial measures:

- earnings available for distribution ("EAD");
- earnings available for distribution attributable to common stockholders;
- earnings available for distribution per average common share;
- annualized EAD return on average equity;
- economic leverage;
- economic capital ratio;
- interest income (excluding PAA);
- economic interest expense;
- economic net interest income (excluding PAA);

- average yield on interest earning assets (excluding PAA);
- average economic cost of interest bearing liabilities;
- net interest margin (excluding PAA); and
- net interest spread (excluding PAA).

These measures should not be considered a substitute for, or superior to, financial measures computed in accordance with GAAP. While intended to offer a fuller understanding of our results and operations, non-GAAP financial measures also have limitations. For example, we may calculate our non-GAAP metrics, such as earnings available for distribution, or the PAA, differently than our peers making comparative analysis difficult. Additionally, in the case of non-GAAP measures that exclude the PAA, the amount of amortization expense excluding the PAA is not necessarily representative of the amount of future periodic amortization nor is it indicative of the term over which we will amortize the remaining unamortized premium. Changes to actual and estimated prepayments will impact the timing and amount of premium amortization and, as such, both GAAP and non-GAAP results.

These non-GAAP measures provide additional detail to enhance investor understanding of our period-over-period operating performance and business trends, as well as for assessing our performance versus that of industry peers. Additional information pertaining to our use of these non-GAAP financial measures, including discussion of how each such measure may be useful to investors, and reconciliations to their most directly comparable GAAP results are provided below.

Earnings Available for Distribution, Earnings Available for Distribution Attributable to Common Stockholders, Earnings Available for Distribution Per Average Common Share and Annualized EAD Return on Average Equity

Our principal business objective is to generate net income for distribution to our stockholders and optimize our returns through prudent management of our diversified investment strategies. We generate net income by earning a net interest spread on our investment portfolio, which is a function of interest income from our investment portfolio less financing, hedging and operating costs. Earnings available for distribution, which is defined as the sum of (a) economic net interest income, (b) TBA dollar roll income and CMBX coupon income, (c) net servicing income less realized amortization of MSR, (d) other income (loss) (excluding amortization of intangibles, non-EAD income allocated to equity method investments and other non-EAD components of other income (loss)), (e) general and administrative expenses (excluding transaction expenses and non-recurring items), and (f) income taxes (excluding the income tax effect of non-EAD income (loss) items), and excludes (g) the PAA representing the cumulative impact on prior periods, but not the current period, of quarter-over-quarter changes in estimated long-term prepayment speeds related to our Agency mortgage-backed securities, is used by management and, we believe, used by analysts and investors to measure our progress in achieving our principal business objective.

We seek to fulfill our principal business objective through a variety of factors including portfolio construction, the degree of market risk exposure and related hedge profile, and the use and forms of leverage, all while operating within the parameters of our capital allocation policy and risk governance framework.

We believe these non-GAAP measures provide management and investors with additional details regarding our underlying operating results and investment portfolio trends by (i) making adjustments to account for the disparate reporting of changes in fair value where certain instruments are reflected in GAAP net income (loss) while others are reflected in other comprehensive income (loss), and (ii) by excluding certain unrealized, non-cash or episodic components of GAAP net income (loss) in order to provide additional transparency into the operating performance of our portfolio. In addition, EAD serves as a useful indicator for investors in evaluating our performance and ability to pay dividends. Annualized EAD return on average equity, which is calculated by dividing earnings available for distribution over average stockholders' equity, provides investors with additional detail on the earnings available for distribution generated by our invested equity capital.

The following table presents a reconciliation of GAAP financial results to non-GAAP earnings available for distribution for the periods presented:

	For the Three Months Ended March 31,	
	2025	2024
	(dollars in thousands, except per share data)	
GAAP net income (loss)	**$ 130,305**	$ 465,174
Adjustments to exclude reported realized and unrealized (gains) losses		
Net (gains) losses on investments and other [1]	**(810,970)**	994,120
Net (gains) losses on derivatives [2]	**1,169,412**	(1,046,995)
Other adjustments		
Amortization of intangibles	**673**	673
Non-EAD (income) loss allocated to equity method investments [3]	**147**	216
Transaction expenses and non-recurring items [4]	**6,782**	3,737
Income tax effect of non-EAD income (loss) items	**7,355**	(2,918)
TBA dollar roll income and CMBX coupon income [5]	**11,275**	1,375
MSR amortization [6]	**(62,433)**	(50,621)
EAD attributable to noncontrolling interests	**(2,985)**	(3,786)
Premium amortization adjustment cost (benefit)	**12,296**	(3,013)
Earnings available for distribution *	**461,857**	357,962
Dividends on preferred stock	**37,157**	37,061
Earnings available for distribution attributable to common stockholders *	**$ 424,700**	$ 320,901
GAAP net income (loss) per average common share	**$ 0.15**	$ 0.85
Earnings available for distribution per average common share *	**$ 0.72**	$ 0.64
Annualized GAAP return (loss) on average equity [7]	**4.04 %**	16.29 %
Annualized EAD return on average equity *	**14.43 %**	12.63 %

* Represents a non-GAAP financial measure. Refer to the disclosure within this section above for additional information on non-GAAP financial measures.
[1] Includes write-downs or recoveries which are reported in Other, net in the Company's Consolidated Statements of Comprehensive Income (Loss).
[2] The adjustment to add back Net (gains) losses on derivatives does not include the net interest component of interest rate swaps which is reflected in earnings available for distribution. The net interest component of interest rate swaps totaled $191.5 million and $330.1 million for the three months ended March 31, 2025 and 2024, respectively.
[3] Represents unrealized (gains) losses allocated to equity interests in a portfolio of MSR, which is a component of Other, net in the Consolidated Statements of Comprehensive Income (Loss).
[4] Represents costs incurred in connection with securitizations of residential whole loans.
[5] TBA dollar roll income and CMBX coupon income each represent a component of Net gains (losses) on derivatives in the Consolidated Statements of Comprehensive Income (Loss). There was no CMBX coupon income for the three months ended March 31, 2025 and 2024.
[6] MSR amortization utilizes purchase date cash flow assumptions and actual unpaid principal balances and is calculated as the difference between projected MSR yield income and net servicing income for the period.
[7] Annualized GAAP return (loss) on average equity annualizes realized and unrealized gains and (losses) which may not be indicative of full year performance, unannualized GAAP return (loss) on average equity is 1.01%, and 4.07% for the three months ended March 31, 2025 and 2024, respectively.

From time to time, we enter into TBA forward contracts as an alternate means of investing in and financing Agency MBS. A TBA contract is an agreement to purchase or sell, for future delivery, an Agency MBS with a specified issuer, term and coupon. A TBA dollar roll represents a transaction where TBA contracts with the same terms but different settlement dates are simultaneously bought and sold. The TBA contract settling in the later month typically prices at a discount to the earlier month contract with the difference in price commonly referred to as the "drop". The drop is a reflection of the expected net interest income from an investment in similar Agency MBS, net of an implied financing cost, that would be foregone as a result of settling the contract in the later month rather than in the earlier month. The drop between the current settlement month price and the forward settlement month price occurs because in the TBA dollar roll market, the party providing the financing is the party that would retain all principal and interest payments accrued during the financing period. Accordingly, TBA dollar roll income generally represents the economic equivalent of the net interest income earned on the underlying Agency MBS less an implied financing cost.

TBA dollar roll transactions are accounted for under GAAP as a series of derivatives transactions. The fair value of TBA derivatives is based on methods similar to those used to value Agency MBS. We record TBA derivatives at fair value in our Consolidated Statements of Financial Condition and recognize periodic changes in fair value in Net gains (losses) on

derivatives in our Consolidated Statements of Comprehensive Income (Loss), which includes both unrealized and realized gains and losses on derivatives.

TBA dollar roll income is calculated as the difference in price between two TBA contracts with the same terms but different settlement dates multiplied by the notional amount of the TBA contract. Although accounted for as derivatives, TBA dollar rolls capture the economic equivalent of net interest income, or carry, on the underlying Agency MBS (interest income less an implied cost of financing). TBA dollar roll income is reported as a component of Net gains (losses) on derivatives in the Consolidated Statements of Comprehensive Income (Loss).

The CMBX index is a synthetic tradable index referencing a basket of 25 commercial mortgage-backed securities of a particular rating and vintage. The CMBX index allows investors to take a long position (referred to as selling protection) or short position (referred to as purchasing protection) on the respective basket of commercial mortgage-backed securities and is structured as a "pay-as-you-go" contract whereby the protection seller receives and the protection buyer pays a standardized running coupon on the contracted notional amount. Additionally, the protection seller is obligated to pay to the protection buyer the amount of principal losses and/or coupon shortfalls on the underlying commercial mortgage-backed securities as they occur. We report income (expense) on CMBX positions in Net gains (losses) on derivatives in the Consolidated Statements of Comprehensive Income (Loss). The coupon payments received or paid on CMBX positions is equivalent to interest income (expense) and therefore included in earnings available for distribution.

Premium Amortization Expense

In accordance with GAAP, we amortize or accrete premiums or discounts into interest income for our Agency MBS, excluding interest-only securities, multifamily and reverse mortgages, taking into account estimates of future principal prepayments in the calculation of the effective yield. We recalculate the effective yield as differences between anticipated and actual prepayments occur. Using third party models and market information to project future cash flows and expected remaining lives of securities, the effective interest rate determined for each security is applied as if it had been in place from the date of the security's acquisition. The amortized cost of the security is then adjusted to the amount that would have existed had the new effective yield been applied since the acquisition date. The adjustment to amortized cost is offset with a charge or credit to interest income. Changes in interest rates and other market factors will impact prepayment speed projections and the amount of premium amortization recognized in any given period.

Our GAAP metrics include the unadjusted impact of amortization and accretion associated with this method. Certain of our non-GAAP metrics exclude the effect of the PAA, which quantifies the component of premium amortization representing the cumulative impact on prior periods, but not the current period, of quarter-over-quarter changes in estimated long-term Constant Prepayment Rate ("CPR").

The following table illustrates the impact of the PAA on premium amortization expense for our Residential Securities portfolio for the periods presented:

	For the Three Months Ended March 31,	
	2025	2024
	(dollars in thousands)	
Premium amortization expense	**$ 57,412**	$ 26,732
Less: PAA cost (benefit)	**12,296**	(3,013)
Premium amortization expense (excluding PAA)	**$ 45,116**	$ 29,745

Economic Leverage and Economic Capital Ratios

We use capital coupled with borrowed funds to invest primarily in real estate related investments, earning the spread between the yield on our assets and the cost of our borrowings and hedging activities. Our capital structure is designed to offer an efficient complement of funding sources to generate positive risk-adjusted returns for our stockholders while maintaining appropriate liquidity to support our business and meet our financial obligations under periods of market stress. To maintain our desired capital profile, we utilize a mix of debt and equity funding. Debt funding may include the use of repurchase agreements, loans, securitizations, participations issued, lines of credit, asset backed lending facilities, corporate bond issuance, convertible bonds or other liabilities. Equity capital primarily consists of common and preferred stock.

Our economic leverage ratio is computed as the sum of recourse debt, cost basis of TBA derivatives outstanding, and net forward purchases (sales) of investments divided by total equity. Recourse debt consists of repurchase agreements, other

secured financing, and U.S Treasury securities sold, not yet purchased. Debt issued by securitization vehicles and participations issued are non-recourse to us and are excluded from economic leverage.

The following table presents a reconciliation of GAAP debt to economic debt for purposes of calculating our economic leverage ratio for the periods presented:

	As of	
	March 31, 2025	March 31, 2024
Economic leverage ratio reconciliation	(dollars in thousands)	
Repurchase agreements	**$ 61,659,460**	$ 58,975,232
Other secured financing	**900,000**	600,000
Debt issued by securitization vehicles	**21,802,193**	13,690,967
Participations issued	**1,748,273**	1,161,323
U.S. Treasury securities sold, not yet purchased	**2,519,125**	2,077,404
Total GAAP debt	**$ 88,629,051**	$ 76,504,926
Less Non-recourse debt:		
Debt issued by securitization vehicles	**$ (21,802,193)**	$ (13,690,967)
Participations issued	**(1,748,273)**	(1,161,323)
Total recourse debt	**$ 65,078,585**	$ 61,652,636
Plus / (Less):		
Cost basis of TBA derivatives	**6,612,755**	1,136,788
Payable for unsettled trades	**2,304,774**	2,556,798
Receivable for unsettled trades	**(2,523)**	(941,366)
Economic debt *	**$ 73,993,591**	$ 64,404,856
Total equity	**$ 13,084,508**	$ 11,496,113
Economic leverage ratio *	**5.7:1**	5.6:1

* Represents a non-GAAP financial measure. Refer to the disclosure within this section above for additional information on non-GAAP financial measures.

The following table presents a reconciliation of GAAP total assets to economic total assets for purposes of calculating our economic capital ratio for the periods presented:

	As of	
	March 31, 2025	March 31, 2024
Economic capital ratio reconciliation	(dollars in thousands)	
Total GAAP assets	**$ 105,115,346**	$ 91,483,546
Less:		
Gross unrealized gains on TBA derivatives (1)	**(35,095)**	(7,220)
Debt issued by securitization vehicles	**(21,802,193)**	(13,690,967)
Plus:		
Implied market value of TBA derivatives	**6,635,383**	1,133,305
Total economic assets *	**$ 89,913,441**	$ 78,918,664
Total equity	**$ 13,084,508**	$ 11,496,113
Economic capital ratio (2) *	**14.6%**	14.6%

* Represents a non-GAAP financial measure. Refer to the disclosure within this section above for additional information on non-GAAP financial measures.
(1) Included in Derivative assets in the Consolidated Statements of Financial Condition.
(2) Economic capital ratio is computed as total equity divided by total economic assets.

Interest Income (excluding PAA), Economic Interest Expense and Economic Net Interest Income (excluding PAA)

Interest income (excluding PAA) represents interest income excluding the effect of the premium amortization adjustment, and serves as the basis for deriving average yield on interest earning assets (excluding PAA), net interest spread (excluding PAA) and net interest margin (excluding PAA), which are discussed below. We believe this measure provides management and investors with additional detail to enhance their understanding of our operating results and trends by excluding the component of premium amortization expense representing the cumulative effect of quarter-over-quarter changes in estimated long-term prepayment speeds related to our Agency MBS (other than interest-only securities, multifamily and reverse mortgages), which can obscure underlying trends in the performance of the portfolio.

Economic interest expense is comprised of GAAP interest expense, the net interest component of interest rate swaps (which includes net interest on variation margin related to interest rate swaps) and net interest on initial margin related to interest rate

swaps, which is reported in Other, net in the Company's Consolidated Statements of Comprehensive Income (Loss). We use interest rate swaps to manage our exposure to changing interest rates on repurchase agreements by economically hedging cash flows associated with these borrowings. Accordingly, adding the net interest component of interest rate swaps to interest expense, as computed in accordance with GAAP, reflects the total contractual interest expense and thus, provides investors with additional information about the cost of our financing strategy. We may use market agreed coupon ("MAC") interest rate swaps in which we may receive or make a payment at the time of entering into such interest rate swap to compensate for the off-market nature of such interest rate swap. In accordance with GAAP, upfront payments associated with MAC interest rate swaps are not reflected in the net interest component of interest rate swaps, which is presented in Net gains (losses) on derivatives in the Consolidated Statements of Comprehensive Income (Loss).

Similarly, economic net interest income (excluding PAA), as computed below, provides investors with additional information to enhance their understanding of the net economics of our primary business operations.

The following tables present a reconciliation of GAAP interest income and GAAP interest expense to non-GAAP interest income (excluding PAA), economic interest expense and economic net interest income (excluding PAA), respectively, for the periods presented:

Interest Income (excluding PAA)

	GAAP Interest Income	PAA Cost (Benefit)	Interest Income (excluding PAA) *
For the three months ended		**(dollars in thousands)**	
March 31, 2025	**$ 1,317,108**	**$ 12,296**	**$ 1,329,404**
March 31, 2024	$ 1,094,488	$ (3,013)	$ 1,091,475

* Represents a non-GAAP financial measure. Refer to disclosures within this section above for additional information on non-GAAP financial measures.

Economic Interest Expense and Economic Net Interest Income (excluding PAA)

	GAAP Interest Expense	Add: Net Interest Component of Interest Rate Swaps and Net Interest on Initial Margin	Economic Interest Expense * [1]	GAAP Net Interest Income	Less: Net Interest Component of Interest Rate Swaps and Net Interest on Initial Margin	Economic Net Interest Income *	Add: PAA Cost (Benefit)	Economic Net Interest Income (excluding PAA) *
For the three months ended					**(dollars in thousands)**			
March 31, 2025	**$ 1,097,137**	**$ (204,389)**	**$ 892,748**	**$ 219,971**	**$ (204,389)**	**$ 424,360**	**$ 12,296**	**$ 436,656**
March 31, 2024	$ 1,100,939	$ (330,149)	$ 770,790	$ (6,451)	$ (330,149)	$ 323,698	$ (3,013)	$ 320,685

* Represents a non-GAAP financial measure. Refer to disclosures within this section above for additional information on non-GAAP financial measures.

[1] Economic interest expense is comprised of GAAP interest expense, the net interest component of interest rate swaps, and, beginning with the quarter ended June 30, 2024, net interest on initial margin related to interest rate swaps, which is reported in Other, net in the Company's Consolidated Statements of Comprehensive Income (Loss). Prior period results have not been adjusted in accordance with this change as the impact is not material. Net interest on variation margin related to interest rate swaps was previously and is currently included in the Net interest component of interest rate swaps in the Company's Consolidated Statements of Comprehensive Income (Loss) for all periods presented.

Experienced and Projected Long-Term CPR

Prepayment speeds, as reflected by the CPR and interest rates vary according to the type of investment, conditions in financial markets, competition and other factors, none of which can be predicted with any certainty. In general, as prepayment speeds and expectations of prepayment speeds on our Agency MBS portfolio increase, related purchase premium amortization increases, thereby reducing the yield on such assets. The following table presents the weighted average experienced CPR and weighted average projected long-term CPR on our Agency MBS portfolio as of and for the periods presented.

	Experienced CPR [1]	Projected Long-term CPR [2]
For the three months ended		
March 31, 2025	**7.1 %**	**9.5 %**
March 31, 2024	6.0 %	8.9 %

[1] For the three months ended March 31, 2025 and 2024, respectively.
[2] At March 31, 2025 and 2024, respectively.

Average Yield on Interest Earning Assets (excluding PAA), Net Interest Spread (excluding PAA), Net Interest Margin (excluding PAA) and Average Economic Cost of Interest Bearing Liabilities

Net interest spread (excluding PAA), which is the difference between the average yield on interest earning assets (excluding PAA) and the average economic cost of interest bearing liabilities, which represents annualized economic interest expense divided by average interest bearing liabilities, and net interest margin (excluding PAA), which is calculated as the sum of interest income (excluding PAA) plus TBA dollar roll income and CMBX coupon income less economic interest expense divided by the sum of average interest earning assets plus average TBA contract and CMBX balances, provide management with additional measures of our profitability that management relies upon in monitoring the performance of the business.

Disclosure of these measures, which are presented below, provides investors with additional detail regarding how management evaluates our performance.

Net Interest Spread (excluding PAA)

	Average Interest Earning Assets [1]	Interest Income (excluding PAA) *	Average Yield on Interest Earning Assets (excluding PAA) *	Average Interest Bearing Liabilities [2]	Economic Interest Expense * [2]	Average Economic Cost of Interest Bearing Liabilities * [2]	Economic Net Interest Income (excluding PAA) *	Net Interest Spread (excluding PAA) *
For the three months ended				(dollars in thousands)				
March 31, 2025	**$ 101,631,610**	**$ 1,329,404**	**5.23 %**	**$ 92,001,700**	**$ 892,748**	**3.88 %**	**$ 436,656**	**1.35 %**
March 31, 2024	$ 89,738,726	$ 1,091,475	4.87 %	$ 80,682,111	$ 770,790	3.78 %	$ 320,685	1.09 %

* Represents a non-GAAP financial measure. Refer to the "Non-GAAP Financial Measures" section for additional information.

[1] Based on amortized cost.

[2] Average interest bearing liabilities reflects the average balances during the period. Average economic cost of interest bearing liabilities represents annualized economic interest expense divided by average interest bearing liabilities. Economic interest expense is comprised of GAAP interest expense, the net interest component of interest rate swaps, and, beginning with the quarter ended June 30, 2024, net interest on initial margin related to interest rate swaps, which is reported in Other, net in the Company's Consolidated Statements of Comprehensive Income (Loss). Prior period results have not been adjusted in accordance with this change as the impact is not material. Net interest on variation margin related to interest rate swaps was previously and is currently included in the Net interest component of interest rate swaps in the Company's Consolidated Statements of Comprehensive Income (Loss) for all periods presented.

Net Interest Margin (excluding PAA)

	Interest Income (excluding PAA) *	TBA Dollar Roll and CMBX Coupon Income [1]	Economic Interest Expense * [2]	Subtotal	Average Interest Earnings Assets	Average TBA Contract and CMBX Balances	Subtotal	Net Interest Margin (excluding PAA) *
For the three months ended					(dollars in thousands)			
March 31, 2025	**$ 1,329,404**	**11,275**	**(892,748)**	**$ 447,931**	**$ 101,631,610**	**4,625,212**	**$ 106,256,822**	**1.69 %**
March 31, 2024	$ 1,091,475	1,375	(770,790)	$ 322,060	$ 89,738,726	149,590	$ 89,888,316	1.43 %

* Represents a non-GAAP financial measure. Refer to the "Non-GAAP Financial Measures" section for additional information.

[1] TBA dollar roll income and CMBX coupon income each represent a component of Net gains (losses) on derivatives.

[2] Economic interest expense is comprised of GAAP interest expense, the net interest component of interest rate swaps, and, beginning with the quarter ended June 30, 2024, net interest on initial margin related to interest rate swaps, which is reported in Other, net in the Company's Consolidated Statements of Comprehensive Income (Loss). Prior period results have not been adjusted in accordance with this change as the impact is not material. Net interest on variation margin related to interest rate swaps was previously and is currently included in the Net interest component of interest rate swaps in the Company's Consolidated Statements of Comprehensive Income (Loss) for all periods presented.

Economic Interest Expense and Average Economic Cost of Interest Bearing Liabilities

Typically, our largest expense is the cost of interest bearing liabilities and the net interest component of interest rate swaps. The following table shows our average interest bearing liabilities and average economic cost of interest bearing liabilities as compared to average one-month and average six-month SOFR for the periods presented.

Average Economic Cost of Interest Bearing Liabilities

	Average Interest Bearing Liabilities	Interest Bearing Liabilities at Period End	Economic Interest Expense * (1)	Average Economic Cost of Interest Bearing Liabilities *	Average One-Month Term SOFR	Average Six-Month Term SOFR	Average One-Month Term SOFR Relative to Average Six-Month Term SOFR	Average Economic Cost of Interest Bearing Liabilities Relative to Average One-Month Term SOFR	Average Economic Cost of Interest Bearing Liabilities Relative to Average Six-Month Term SOFR
For the three months ended									
March 31, 2025	**$ 92,001,700**	**$ 87,729,051**	**$ 892,748**	**3.88 %**	**4.32 %**	**4.24 %**	**0.08 %**	**(0.44 %)**	**(0.36 %)**
March 31, 2024	$ 80,682,111	$ 75,904,926	$ 770,790	3.78 %	5.33 %	5.21 %	0.12 %	(1.55 %)	(1.43 %)

* Represents a non-GAAP financial measure. Refer to the "Non-GAAP Financial Measures" section for additional information.

(1) Economic interest expense is comprised of GAAP interest expense, the net interest component of interest rate swaps, and, beginning with the quarter ended June 30, 2024, net interest on initial margin related to interest rate swaps, which is reported in Other, net in the Company's Consolidated Statements of Comprehensive Income (Loss). Prior period results have not been adjusted in accordance with this change as the impact is not material. Net interest on variation margin related to interest rate swaps was previously and is currently included in the Net interest component of interest rate swaps in the Company's Consolidated Statements of Comprehensive Income (Loss) for all periods presented.

Economic interest expense increased by $122.0 million for the three months ended March 31, 2025, compared to the same period in 2024, primarily due to the reduction in the net interest component of interest rate swaps, which was $191.5 million for the three months ended March 31, 2025, compared to $330.1 million for the same period in 2024. Additionally, this increase resulted from higher securitized debt balances from new securitizations, offset by lower interest expense on repurchase agreements from lower average rates.

We do not manage our portfolio to have a pre-designated amount of borrowings at quarter or year end. Our borrowings at period end are a snapshot of our borrowings as of a date, and this number may differ from average borrowings over the period for a number of reasons. The mortgage-backed securities we own pay principal and interest towards the end of each month and the mortgage-backed securities we purchase are typically settled during the beginning of the month. As a result, depending on the amount of mortgage-backed securities we have committed to purchase, we may retain the principal and interest we receive in the prior month, or we may use it to pay down our borrowings. Moreover, we generally use interest rate swaps, swaptions and other derivative instruments to hedge our portfolio, and as we pledge or receive collateral under these agreements, our borrowings on any given day may be increased or decreased. Our average borrowings during a quarter may differ from period end borrowings as we implement our portfolio management strategies and risk management strategies over changing market conditions by increasing or decreasing leverage. Additionally, these numbers may differ during periods when we conduct equity capital raises, as in certain instances we may purchase additional assets and increase leverage in anticipation of an equity capital raise. Since our average borrowings and period end borrowings can be expected to differ, we believe our average borrowings during a period provide a more accurate representation of our exposure to the risks associated with leverage than our period end borrowings.

At March 31, 2025 and December 31, 2024, the majority of our debt represented repurchase agreements and other secured financing arrangements collateralized by a pledge of our Residential Securities, residential mortgage loans, and MSR. All of our Residential Securities are currently accepted as collateral for these borrowings. However, we limit our borrowings, and thus our potential asset growth, in order to maintain unused borrowing capacity and maintain the liquidity and strength of our balance sheet.

Other Income (Loss)

For the Three Months Ended March 31, 2025 and 2024

Net Gains (Losses) on Investments and Other

Net gains (losses) on disposal of investments was ($49.4) million for the three months ended March 31, 2025, compared to ($545.9) million for the same period in 2024. For the three months ended March 31, 2025, we disposed of Residential Securities with a carrying value of $5.2 billion for an aggregate net gain (loss) of ($54.6) million. For the same period in 2024, we disposed of Residential Securities, with a carrying value of $8.1 billion for an aggregate net gain (loss) of ($438.2) million.

Realized gains (losses) on U.S. Treasury securities sold, not yet purchased was $43.8 million for the three months ended March 31, 2025, compared to ($77.9) million for the same period in 2024.

Net unrealized gains (losses) on instruments measured at fair value through earnings was $860.2 million for the three months ended March 31, 2025, compared to ($448.2) million for the same period in 2024, primarily due to favorable changes in unrealized gains (losses) on Agency MBS of $1.6 billion, securitized residential whole loans of consolidated VIEs of $287.2 million, and residential whole loans of $38.4 million, partially offset by unfavorable changes in residential securitized debt of consolidated VIEs of ($256.9) million, U.S. Treasury securities sold, not yet purchased of ($245.9) million, Non-Agency MBS of ($48.5) million, MSR of ($40.2) million, and CRT securities of ($25.9) million.

Net Gains (Losses) on Derivatives

Net gains (losses) on interest rate swaps for the three months ended March 31, 2025 was ($605.8) million compared to $1.2 billion for the same period in 2024, primarily attributable to unfavorable changes in unrealized gains (losses) on interest rate swaps, net interest component of interest rate swaps and realized gains (losses) on termination or maturity of interest rate swaps. Unrealized gains (losses) on interest rate swaps was ($753.6) million for the three months ended March 31, 2025, compared to $900.9 million for the same period in 2024. Net interest component on interest rate swaps was $191.5 million for the three months ended March 31, 2025, compared to $330.1 million for the same period in 2024. Realized gains (losses) on termination or maturity of interest rate swaps was ($43.8) million for the three months ended March 31, 2025, compared to ($21.2) million for the same period in 2024, which reflected our termination or maturity of fixed-rate payer and receiver interest rate swaps with notional amounts of $11.7 billion and $3.2 billion, compared to fixed-rate payer and receiver interest rate swaps with notional amounts of $2.3 billion and $220.0 million, respectively, for the same period in 2024.

Net gains (losses) on other derivatives was ($372.0) million for the three months ended March 31, 2025, compared to $167.3 million for the same period in 2024. The change in net gains (losses) on other derivatives was primarily due to unfavorable changes in net gains (losses) on futures, which was ($403.5) million for the three months ended March 31, 2025, compared to $137.0 million for the same period in 2024, and net gains (losses) on interest rate swaptions, which was ($8.6) million for the three months ended March 31, 2025, compared to $30.6 million for the same period in 2024, partially offset by a favorable change in net gains (losses) on TBA derivatives, which was $30.2 million for the three months ended March 31, 2025, compared to $6.3 million for the same period in 2024.

Other, Net

Other, net includes brokerage and commission fees, due diligence costs, securitization expenses, and interest on custodial balances. We also report in Other, net items whose amounts, either individually or in the aggregate, would not, in the opinion of management, be meaningful to readers of the financial statements. Given the nature of certain components of this line item, balances may fluctuate from period to period. Other, net for the three months ended March 31, 2025 was $7.4 million compared to $23.4 million for the same period in 2024, primarily attributable to a decrease in sponsored securitization fees and net interest on initial margin related to interest rate swaps, an increase in securitization related costs and MSR financing expenses, partially offset by an increase in interest on custodial balances and conduit transaction fees.

General and Administrative Expenses

General and administrative ("G&A") expenses consist of compensation and other expenses. The following table shows our total G&A expenses as compared to average total assets and average equity for the periods presented.

G&A Expenses and Operating Expense Ratios

	Total G&A Expenses	Total G&A Expenses/Average Assets	Total G&A Expenses/Average Equity
For the three months ended		**(dollars in thousands)**	
March 31, 2025	**$ 48,064**	**0.18 %**	**1.49 %**
March 31, 2024	$ 38,570	0.17 %	1.35 %

G&A expenses were $48.1 million for the three months ended March 31, 2025, an increase of $9.5 million compared to the same period in 2024. The change in the period was primarily due to an increase in compensation expense and higher expenses related to rent, technology, and professional fees.

Return on Average Equity

The following table shows the components of our annualized return on average equity for the periods presented.

Components of Annualized Return on Average Equity

	Economic Net Interest Income/ Average Equity[1]	Net Servicing Income/Average Equity	Other Income (Loss)/Average Equity[2]	G&A Expenses/ Average Equity	Income Taxes/ Average Equity	Return on Average Equity
For the three months ended						
March 31, 2025	**12.77 %**	**3.92 %**	**(10.90 %)**	**(1.49 %)**	**(0.26 %)**	**4.04 %**
March 31, 2024	11.34 %	3.60 %	2.67 %	(1.35 %)	0.03 %	16.29 %

[1] Economic net interest income includes the net interest component of interest rate swaps and, beginning with the quarter ended June 30, 2024, net interest on initial margin related to interest rate swaps, which is reported in Other, net in the Company's Consolidated Statements of Comprehensive Income (Loss). Prior period results have not been adjusted in accordance with this change as the impact is not material. Net interest on variation margin related to interest rate swaps was previously and is currently included in the Net interest component of interest rate swaps in the Company's Consolidated Statements of Comprehensive Income (Loss) for all periods presented.

[2] Other income (loss) excludes the net interest component of interest rate swaps.

Unrealized Gains and Losses - Available-for-Sale Investments

The unrealized fluctuations in market values of our available-for-sale Agency MBS, for which the fair value option is not elected, do not impact our GAAP net income (loss) but rather are reflected on our balance sheet by changing the carrying value of the asset and stockholders' equity under accumulated other comprehensive income (loss). As a result of this fair value accounting treatment, our book value and book value per share are likely to fluctuate far more than if we used amortized cost accounting. As a result, comparisons with companies that use amortized cost accounting for some or all of their balance sheet may not be meaningful.

The following table shows cumulative unrealized gains and losses on our available-for-sale investments reflected in the Consolidated Statements of Financial Condition.

	March 31, 2025	December 31, 2024
	(dollars in thousands)	
Unrealized gain	**$ 4,827**	$ 4,221
Unrealized loss	**(792,229)**	(1,021,903)
Accumulated other comprehensive income (loss)	**$ (787,402)**	$ (1,017,682)

Unrealized changes in the estimated fair value of available-for-sale investments may have a direct effect on our potential earnings and dividends: positive changes will increase our equity base and allow us to increase our borrowing capacity while negative changes tend to reduce borrowing capacity. A very large negative change in the net fair value of our available-for-sale Residential Securities might impair our liquidity position, requiring us to sell assets with the potential result of realized losses upon sale.

The fair value of these securities being less than amortized cost at March 31, 2025 is solely due to market conditions and not the

quality of the assets. Substantially all of the Agency MBS have an actual or implied credit rating that is the same as that of the U.S. government. The investments do not require an allowance for credit losses because we currently have the ability and intent to hold the investments to maturity or for a period of time sufficient for a forecasted market price recovery up to or beyond the cost of the investments, and it is not more likely than not that we will be required to sell the investments before recovery of the amortized cost bases, which may be maturity. Also, we are guaranteed payment of the principal and interest amounts of the securities by the respective issuing Agency.

Financial Condition

Total assets were $105.1 billion and $103.6 billion at March 31, 2025 and December 31, 2024, respectively. The change was primarily due to increases in securitized residential whole loans of consolidated VIEs of $2.5 billion, securities of $604.9 million, mortgage servicing rights of $363.8 million, cash and cash equivalents of $345.5 million, and residential mortgage loans of $313.7 million, partially offset by decreases in receivables for unsettled trades of $2.2 billion and principal and interest receivable of $232.1 million. Our portfolio composition, net equity allocation and debt-to-net equity ratio by asset class were as follows at March 31, 2025.

	Agency MBS	Residential Credit [1]	MSR	Total
Assets		(dollars in thousands)		
Fair value	$ 68,329,720	$ 30,356,480	$ 3,272,902	$ 101,959,102
Implied market value of derivatives [2]	6,635,383	—	—	6,635,383
Debt				
Repurchase agreements	57,180,117	4,479,343	—	61,659,460
Implied cost basis of derivatives [2]	6,612,755	—	—	6,612,755
Other secured financing	—	—	900,000	900,000
Debt issued by securitization vehicles	—	21,802,193	—	21,802,193
Participations issued	—	1,748,273	—	1,748,273
U.S. Treasury securities sold, not yet purchased	2,497,649	47,984	(26,508)	2,519,125
Net forward purchases	2,217,970	—	84,281	2,302,251
Other				
Net other assets / liabilities	1,511,467	162,290	360,323	2,034,080
Net equity allocated	$ 7,968,079	$ 2,440,977	$ 2,675,452	$ 13,084,508
Net equity allocated (%)	61 %	18 %	21 %	100 %
Debt/net equity ratio [3]	7.5:1	11.5:1	0.3:1	6.8:1

[1] Fair value includes residential loans held for sale, commercial assets and liabilities and assets and liabilities associated with non-controlling interests.
[2] Derivatives include TBA contracts under Agency MBS.
[3] Represents the debt/net equity ratio as determined using amounts in the Consolidated Statements of Financial Condition.

Residential Securities

Substantially all of our Agency MBS at March 31, 2025 and December 31, 2024 were backed by single-family residential mortgage loans and were secured with a first lien position on the underlying single-family properties. Our mortgage-backed securities were largely Fannie Mae, Freddie Mac or Ginnie Mae pass through certificates or CMOs, which have an actual or implied credit rating that is the same as that of the U.S. government. We carry all of our Agency MBS at fair value in the Consolidated Statements of Financial Condition.

We accrete discount balances as an increase to interest income over the expected life of the related interest earning assets and we amortize premium balances as a decrease to interest income over the expected life of the related interest earning assets. At March 31, 2025 and December 31, 2024 we had in our Consolidated Statements of Financial Condition a total of $1.3 billion and $1.3 billion, respectively, of unamortized discount (which is the difference between the remaining principal value and current amortized cost of our Residential Securities acquired at a price below principal value) and a total of $2.5 billion and $2.5 billion, respectively, of unamortized premium (which is the difference between the remaining principal value and the current amortized cost of our Residential Securities acquired at a price above principal value).

The weighted average experienced prepayment speed on our Agency MBS portfolio for the three months ended March 31, 2025 and 2024 was 7.1% and 6.0%, respectively. The weighted average projected long-term prepayment speed on our Agency MBS portfolio as of March 31, 2025 and 2024 was 9.5% and 8.9%, respectively.

Given our current portfolio composition, if mortgage principal prepayment rates were to increase over the life of our mortgage-backed securities, all other factors being equal, our net interest income would decrease during the life of these mortgage-backed securities as we would be required to amortize our net premium balance into income over a shorter time period. Similarly, if mortgage principal prepayment rates were to decrease over the life of our mortgage-backed securities, all other factors being equal, our net interest income would increase during the life of these mortgage-backed securities as we would amortize our net premium balance over a longer time period.

The following table presents our Residential Securities that were carried at fair value at March 31, 2025 and December 31, 2024.

	March 31, 2025	December 31, 2024
	Estimated Fair Value	
Agency		
Fixed-rate pass-through	**$ 63,553,893**	$ 63,049,674
Adjustable-rate pass-through	**141,397**	162,238
CMO	**73,808**	73,684
Interest-only	**469,481**	380,732
Multifamily	**4,065,874**	3,741,765
Reverse mortgages	**25,267**	25,975
Total agency securities	**$ 68,329,720**	$ 67,434,068
Residential credit		
Credit risk transfer	**$ 521,059**	$ 754,915
Alt-A	**197,554**	164,892
Prime	**46,697**	45,790
Subprime	**216,702**	245,583
NPL/RPL	**830,275**	878,608
Prime jumbo (>= 2010 vintage)	**160,296**	158,313
Total residential credit securities	**$ 1,972,583**	$ 2,248,101
Total Residential Securities	**$ 70,302,303**	$ 69,682,169

The following table summarizes certain characteristics of our Residential Securities (excluding interest-only mortgage-backed securities) and interest-only mortgage-backed securities at March 31, 2025 and December 31, 2024.

	March 31, 2025	December 31, 2024
Residential Securities [1]	(dollars in thousands)	
Principal amount	**$ 70,239,170**	$ 70,783,559
Net premium	**28,057**	110,212
Amortized cost	**70,267,227**	70,893,771
Amortized cost / principal amount	**100.04 %**	100.16 %
Carrying value	**69,213,327**	68,717,038
Carrying value / principal amount	**98.54 %**	97.08 %
Weighted average coupon rate	**5.03 %**	5.02 %
Weighted average yield	**4.98 %**	4.96 %
Adjustable-rate Residential Securities [1]		
Principal amount	**$ 714,932**	$ 951,400
Weighted average coupon rate	**8.22 %**	8.41 %
Weighted average yield	**7.44 %**	7.59 %
Weighted average term to next adjustment [2]	**6 Months**	6 Months
Weighted average lifetime cap [3]	**9.40 %**	9.33 %
Principal amount at period end as % of total residential securities	**1.02 %**	1.34 %
Fixed-rate Residential Securities [1]		
Principal amount	**$ 69,524,238**	$ 69,832,159
Weighted average coupon rate	**5.00 %**	4.97 %
Weighted average yield	**4.95 %**	4.93 %
Principal amount at period end as % of total residential securities	**98.98 %**	98.66 %
Interest-only Residential Securities		
Notional amount	**$ 42,598,447**	$ 38,352,812
Net premium	**1,173,717**	1,091,361
Amortized cost	**1,173,717**	1,091,361

Amortized cost / notional amount	**2.76 %**	2.85 %
Carrying value	**1,088,976**	965,131
Carrying value / notional amount	**2.56 %**	2.52 %
Weighted average coupon rate	**0.45 %**	0.46 %
Weighted average yield	**2.74 %**	2.40 %

(1) Excludes interest-only MBS.
(2) Excludes non-Agency MBS and CRT securities.
(3) Excludes non-Agency MBS and CRT securities as this attribute is not applicable to these asset classes.

The following tables summarize certain characteristics of our Residential Credit portfolio at March 31, 2025.

		Payment Structure		Investment Characteristics (1)			
Product	**Estimated Fair Value**	**Senior**	**Subordinate**	**Coupon**	**Credit Enhancement**	**60+ Delinquencies**	**3M VPR (2)**
		(dollars in thousands)					
Credit risk transfer	**$ 521,059**	**$ —**	**$ 521,059**	**9.01 %**	**1.60 %**	**1.11 %**	**4.47 %**
Alt-A	**197,554**	**—**	**197,554**	**7.13 %**	**9.05 %**	**4.50 %**	**14.10 %**
Prime	**46,697**	**34,448**	**12,249**	**4.17 %**	**0.77 %**	**1.83 %**	**3.81 %**
Subprime	**216,702**	**33,212**	**183,490**	**7.07 %**	**21.40 %**	**14.46 %**	**12.16 %**
Re-performing loan securitizations	**547,185**	**348,598**	**198,587**	**6.72 %**	**27.59 %**	**17.04 %**	**20.45 %**
Non-performing loan securitizations	**283,090**	**235,890**	**47,200**	**6.69 %**	**32.51 %**	**74.23 %**	**6.79 %**
Prime jumbo (>=2010 vintage)	**160,296**	**91,685**	**68,611**	**5.04 %**	**1.06 %**	**1.00 %**	**5.33 %**
Total/weighted average	**$ 1,972,583**	**$ 743,833**	**$ 1,228,750**	**7.28 %**	**17.11 %**	**18.85 %**	**11.32 %**

(1) Investment characteristics exclude the impact of interest-only securities.
(2) Represents the 3 month voluntary prepayment rate ("VPR").

	Bond Coupon				
Product	**ARM**	**Fixed**	**Floater**	**Interest-Only**	**Estimated Fair Value**
	(dollars in thousands)				
Credit risk transfer	**$ —**	**$ —**	**$ 521,059**	**$ —**	**$ 521,059**
Alt-A	**1,293**	**196,261**	**—**	**—**	**197,554**
Prime	**—**	**18,407**	**—**	**28,290**	**46,697**
Subprime	**—**	**197,834**	**18,803**	**65**	**216,702**
Re-performing loan securitizations	**—**	**547,185**	**—**	**—**	**547,185**
Non-performing loan securitizations	**—**	**283,090**	**—**	**—**	**283,090**
Prime jumbo (>=2010 vintage)	**—**	**49,346**	**19,265**	**91,685**	**160,296**
Total	**$ 1,293**	**$ 1,292,123**	**$ 559,127**	**$ 120,040**	**$ 1,972,583**

Contractual Obligations

The following table summarizes the effect on our liquidity and cash flows from contractual obligations at March 31, 2025. The table does not include the effect of net interest rate payments on our interest rate swap agreements. The net swap payments will fluctuate based on monthly changes in the receive rate. At March 31, 2025, the interest rate swaps had a net fair value of ($10.4) million.

	Within One Year	One to Three Years	Three to Five Years	More than Five Years	Total
	(dollars in thousands)				
Repurchase agreements	$ 61,329,278	$ 330,182	$ —	$ —	$ 61,659,460
Interest expense on repurchase agreements [1]	400,048	19,220	—	—	419,268
Other secured financing	375,000	525,000	—	—	900,000
Interest expense on other secured financing [1]	55,934	27,210	—	—	83,144
Debt issued by securitization vehicles (principal)	—	—	—	22,535,741	22,535,741
Interest expense on debt issued by securitization vehicles	1,222,197	2,444,394	2,444,394	37,865,519	43,976,504
Participations issued (principal)	—	—	—	1,697,443	1,697,443
Interest expense on participations issued	121,943	243,886	243,886	3,022,116	3,631,831
Long-term operating lease obligations	2,186	3,680	7,662	51,083	64,611
Total	$ 63,506,586	$ 3,593,572	$ 2,695,942	$ 65,171,902	$ 134,968,002

[1] Interest expense on repurchase agreements and other secured financing calculated based on rates at March 31, 2025.

In the coming periods, we expect to continue to finance our Residential Securities in a manner that is largely consistent with our current operations via repurchase agreements. We may use securitization structures, credit facilities, or other term financing structures to finance certain of our assets. During the three months ended March 31, 2025, we received $1.7 billion from principal repayments and $7.3 billion in cash from disposal of Securities.

Commitments and Contractual Obligations with Unconsolidated Entities

We do not have any commitments or contractual obligations arising from arrangements with unconsolidated entities that have or are reasonably likely to have a material effect on our financial condition, revenues or expenses, results of operations, liquidity, cash requirements or capital resources.

Capital Management

Maintaining a strong balance sheet that can support the business even in times of economic stress and market volatility is of critical importance to our business strategy. A strong and robust capital position is essential to executing our investment strategy. Our capital strategy is predicated on a strong capital position, which enables us to execute our investment strategy regardless of the market environment. Our capital policy defines the parameters and principles supporting a comprehensive capital management practice.

The major risks impacting capital are liquidity and funding risk, investment/market risk, credit risk, counterparty risk, operational risk and compliance, regulatory and legal risk. For further discussion of the risks we are subject to, please see Part I, Item 1A. "Risk Factors" in our most recent Annual Report on Form 10-K and in Part II, Item 1A. "Risk Factors" in this Quarterly Report on Form 10-Q.

Capital requirements are based on maintaining levels above approved thresholds, ensuring the quality of our capital appropriately reflects our asset mix, market and funding structure. In the event we fall short of our internal thresholds, we will consider appropriate actions which may include asset sales, changes in asset mix, reductions in asset purchases or originations, issuance of capital or other capital enhancing or risk reduction strategies.

Stockholders' Equity

The following table provides a summary of total stockholders' equity at March 31, 2025 and December 31, 2024:

	March 31, 2025	December 31, 2024
Stockholders' equity	(dollars in thousands)	
6.95% Series F fixed-to-floating rate cumulative redeemable preferred stock	**696,910**	696,910
6.50% Series G fixed-to-floating rate cumulative redeemable preferred stock	**411,335**	411,335
6.75% Series I fixed-to-floating rate cumulative redeemable preferred stock	**428,324**	428,324
Common stock	**6,023**	5,784
Additional paid-in capital	**25,749,468**	25,257,716
Accumulated other comprehensive income (loss)	**(787,402)**	(1,017,682)
Accumulated deficit	**(13,509,942)**	(13,173,146)
Total stockholders' equity	**$ 12,994,716**	$ 12,609,241

Capital Stock

Common Stock

In January 2022, we announced that our Board authorized the repurchase of up to $1.5 billion of our outstanding shares of common stock through December 31, 2024 (the "Prior Common Stock Repurchase Program"). In January 2025, we announced that our Board authorized the repurchase of up to $1.5 billion of our outstanding shares of common stock through December 31, 2029 (the "Current Common Stock Repurchase Program"). The Current Common Stock Repurchase Program replaced the Prior Common Stock Repurchase Program. During the three months ended March 31, 2025 and 2024, no shares were repurchased under the Current Common Stock Repurchase Program or the Prior Common Stock Repurchase Program, respectively.

Purchases made pursuant to the Current Common Stock Repurchase Program will be made in either the open market or in privately negotiated transactions from time to time as permitted by securities laws and other legal requirements. The timing, manner, price and amount of any repurchases will be determined by us in our discretion and will be subject to economic and market conditions, stock price, applicable legal requirements and other factors. The authorization does not obligate us to acquire any particular amount of common stock and the program may be suspended or discontinued at our discretion without prior notice.

On September 20, 2024, we entered into separate Distribution Agency Agreements (collectively, the "Prior Sales Agreements") with each of Barclays Capital Inc., BNP Paribas Securities Corp., BofA Securities, Inc., Citizens JMP Securities, LLC, Goldman Sachs & Co. LLC, J.P. Morgan Securities LLC, Keefe, Bruyette & Woods, Inc., Morgan Stanley & Co., LLC, RBC Capital Markets, LLC, UBS Securities LLC and Wells Fargo Securities, LLC (collectively, the "Prior Sales Agents"). Under the terms of the Prior Sales Agreements, we offered and sold shares of our common stock, having an aggregate offering price of up to $1.5 billion, from time to time through any of the Prior Sales Agents (the "at-the-market sales program").

On May 8, 2025, we entered into separate Distribution Agency Agreements with certain sales agents, which agreements terminated and replaced the Prior Sales Agreements. For additional information, see "Part II—Item 5. Other Information—Current At-the-Market Sales Program."

During the three months ended March 31, 2025, under the at-the-market sales program, we issued 23.3 million shares for proceeds of $495.7 million, net of commissions and fees. During the three months ended March 31, 2024, no shares were issued under the at-the-market sales program pursuant to the Prior Sales Agreement; however, we incurred costs to maintain the effectiveness of the at-the-market sales program that was in effect at that time.

Preferred Stock

On December 31, 2024, the Board approved a repurchase plan for all of our existing outstanding Preferred Stock (as defined below) (the "Preferred Stock Repurchase Program"). Under the terms of the Preferred Stock Repurchase Program, we are authorized to repurchase up to an aggregate of 63,500,000 shares of Preferred Stock, comprised of up to (i) 28,800,000 shares of our 6.95% Series F Fixed-to-Floating Rate Cumulative Redeemable Preferred Stock, par value $0.01 per share (the "Series F Preferred Stock"), (ii) 17,000,000 shares of our 6.50% Series G Fixed-to-Floating Rate Cumulative Redeemable Preferred Stock, par value $0.01 per share (the "Series G Preferred Stock"), and (iii) 17,700,000 shares of our 6.75% Series I Fixed-to-Floating Rate Cumulative Redeemable Preferred Stock, par value $0.01 per share (the "Series I Preferred Stock", and together with Series F Preferred Stock and Series G Preferred Stock, the "Preferred Stock"). The aggregate liquidation value of the Preferred Stock that may be repurchased by us pursuant to the Preferred Stock Repurchase Program, as of March 31, 2025, was approximately $1.6 billion.

The Preferred Stock Repurchase Program became effective on January 1, 2025 and will expire on December 31, 2029, and replaced the Preferred Stock repurchase program, which was effective from November 2, 2022 and expired on December 31, 2024 (the "Prior Preferred Stock Repurchase Program"). No shares were repurchased with respect to the Preferred Stock Repurchase Program during the three months ended March 31, 2025 and the Prior Preferred Stock Repurchase Program during the three months ended March 31, 2024.

Purchases made pursuant to the Current Preferred Stock Repurchase Program will be made in either the open market or in privately negotiated transactions from time to time as permitted by securities laws and other legal requirements. The timing, manner, price and amount of any repurchases will be determined by us in our discretion and will be subject to economic and market conditions, stock price, applicable legal requirements and other factors. The authorization does not obligate us to acquire any particular amount of Preferred Stock and the program may be suspended or discontinued at our discretion without prior notice.

Leverage and Capital

We believe that it is prudent to maintain conservative GAAP leverage ratios and economic leverage ratios as there may be continued volatility in the mortgage and credit markets. Our capital policy governs our capital and leverage position including setting limits. Based on the guidelines, we generally expect to maintain an economic leverage ratio of less than 10:1. Our actual economic leverage ratio varies from time to time based upon various factors, including our management's opinion of the level of risk of our assets and liabilities, our liquidity position, our level of unused borrowing capacity, the availability of credit, over-collateralization levels required by lenders when we pledge assets to secure borrowings and our assessment of domestic and international market conditions.

Our GAAP leverage ratio at March 31, 2025 and December 31, 2024 was 6.8:1 and 7.1:1, respectively. Our economic leverage ratio, which is computed as the sum of Recourse Debt, cost basis of TBA derivatives outstanding, and net forward purchases (sales) of investments divided by total equity was 5.7:1 and 5.5:1, at March 31, 2025 and December 31, 2024, respectively. Our GAAP capital ratio at March 31, 2025 and December 31, 2024 was 12.4% and 12.3%, respectively. Our economic capital ratio, which represents our ratio of stockholders' equity to total economic assets (inclusive of the implied market value of TBA derivatives and net of debt issued by securitization vehicles), was 14.6% and 14.6% at March 31, 2025 and December 31, 2024, respectively. Economic leverage ratio and economic capital ratio are non-GAAP financial measures. Refer to the "Non-GAAP Financial Measures" section for additional information, including reconciliations to their most directly comparable GAAP results.

Risk Management

We are subject to a variety of risks in the ordinary conduct of our business. The effective management of these risks is of critical importance to the overall success of Annaly. The objective of our risk management framework is to identify, measure and monitor these risks.

Our risk management framework is intended to facilitate a holistic, enterprise-wide view of risk. We believe we have built a strong and collaborative risk management culture throughout Annaly focused on awareness which supports appropriate understanding and management of our key risks. Each employee is accountable for identifying, monitoring and managing risk within their area of responsibility.

Risk Appetite

We maintain a firm-wide risk appetite statement which defines the types and levels of risk we are willing to take in order to achieve our business objectives, and reflects our risk management philosophy. We engage in risk activities based on our core expertise that aim to enhance value for our stockholders. Our activities focus on income generation and capital preservation through proactive portfolio management, supported by a conservative liquidity and leverage posture.

The risk appetite statement asserts the following key risk parameters to guide our investment management activities:

Risk Parameter	Description
Portfolio Composition	We will maintain a portfolio comprised of target assets approved by our Board and in accordance with our capital allocation policy.
Leverage	We generally expect to maintain an economic leverage ratio no greater than 10:1 considerate of our overall capital allocation framework.
Liquidity Risk	We will seek to maintain an unencumbered asset portfolio sufficient to meet our liquidity needs under adverse market conditions.
Interest Rate Risk	We will seek to manage interest rate risk to protect the portfolio from adverse rate movements utilizing derivative instruments targeting both income and capital preservation.
Credit Risk	We will seek to manage credit risk by making investments which conform to our specific investment policy parameters and optimize risk-adjusted returns.
Capital Preservation	We will seek to protect our capital base through disciplined risk management practices.
Operational Risk	We will seek to limit impacts to our business through disciplined operational risk management practices addressing areas including but not limited to, management of key third party relationships (i.e. originators, sub-servicers), human capital management, cybersecurity and technology related matters, business continuity and financial reporting risk.
Compliance, Regulatory and Legal	We will seek to comply with regulatory requirements needed to maintain our REIT status and our exemption from registration under the Investment Company Act and the licenses and approvals of our regulated and licensed subsidiaries.

Governance

Risk management begins with our Board, through the review and oversight of the risk management framework, and executive management, through the ongoing formulation of risk management practices and related execution in managing risk. The Board exercises its oversight of risk management primarily through the Risk Committee and Audit Committee with support from the other Board Committees. The Risk Committee is responsible for oversight of our risk governance structure, risk management (operational and market risk) and risk assessment guidelines and policies and our risk appetite. The Audit Committee is responsible for oversight of the quality and integrity of our accounting, internal controls and financial reporting practices, including independent auditor selection, evaluation and review, and oversight of the internal audit function. The Risk Committee and the Audit Committee jointly oversee practices and policies related to cybersecurity and receive regular reports from management throughout the year on cybersecurity and related risks. The Management Development and Compensation Committee is responsible for oversight of risk related to our compensation policies and practices and other human capital matters such as succession and culture. The Nominating/Corporate Governance Committee assists the Board in its oversight of our corporate governance framework and the annual self-evaluation of the Board, and the Corporate Responsibility Committee assists the Board in its oversight of any matters that may present reputational or environmental, social, and governance risk to us. The full Board has overall responsibility for this oversight, and the Corporate Responsibility Committee meets jointly with other Committees from time to time in order to review areas of shared responsibility.

Risk assessment and risk management are the responsibility of our management. A series of management committees has oversight or decision-making responsibilities for risk management activities. Membership of these committees is reviewed regularly to ensure the appropriate personnel are engaged in the risk management process. Three primary management committees have been established to provide a comprehensive framework for risk management. The management committees responsible for our risk management include the Enterprise Risk Committee ("ERC"), Asset / Liability Committee ("ALCO") and the Financial Reporting and Disclosure Committee ("FRDC"). Each of these committees reports to our management Operating Committee, which is responsible for oversight and management of our operations, including oversight and approval authority over all aspects of our enterprise risk management.

Audit Services is an independent function with reporting lines to the Audit Committee. Audit Services is responsible for performing our internal audit activities, which includes independently assessing and validating key controls within the risk management framework.

Our compliance group is responsible for oversight of our regulatory compliance. Our Chief Compliance Officer has reporting lines to the Audit Committee.

Description of Risks

We are subject to a variety of risks due to the business we operate. Risk categories are an important component of a robust enterprise-wide risk management framework.

We have identified the following primary categories that we utilize to identify, assess, measure and monitor risk.

Risk	Description
Liquidity and Funding Risk	Risk to earnings, capital or business resulting from our inability to meet our obligations when they come due without incurring unacceptable losses because of inability to liquidate assets or obtain adequate funding.
Investment/Market Risk	Risk to earnings, capital or business resulting in the decline in value of our assets or an increase in the costs of financing caused by changes in market variables, such as interest rates, which affect the values of investment securities and other investment instruments.
Credit Risk	Risk to earnings, capital or business resulting from an obligor's failure to meet the terms of any contract or otherwise failure to perform as agreed. This risk is present in lending and investing activities.
Counterparty Risk	Risk to earnings, capital or business resulting from a counterparty's failure to meet the terms of any contract or otherwise failure to perform as agreed. This risk is present in funding, hedging and investing activities.
Operational Risk	Risk to earnings, capital, reputation or business arising from inadequate or failed internal processes or systems (including business continuity planning), human factors or external events. This risk also applies to our use of proprietary and third party models, software vendors and data providers, and oversight of third party service providers such as sub-servicers, due diligence firms etc.
Compliance, Regulatory and Legal Risk	Risk to earnings, capital, reputation or conduct of business arising from violations of, or nonconformance with internal and external applicable rules and regulations, losses resulting from lawsuits or adverse judgments, or from changes in the regulatory environment that may impact our business model.

Liquidity and Funding Risk Management

Our liquidity and funding risk management strategy is designed to ensure the availability of sufficient resources to support our business and meet our financial obligations under both normal and adverse market and business environments. Our liquidity and funding risk management practices consist of the following primary elements:

Element	Description
Funding	Availability of diverse and stable sources of funds.
Excess Liquidity	Excess liquidity primarily in the form of unencumbered assets and cash.
Maturity Profile	Diversity and tenor of liabilities and modest use of leverage.
Stress Testing	Scenario modeling to measure the resiliency of our liquidity position.
Liquidity Management Policies	Comprehensive policies including monitoring, risk limits and an escalation protocol.

Funding

Our primary financing sources are repurchase agreements provided through counterparty arrangements and through our wholly-owned subsidiary, Arcola Securities, Inc. ("Arcola"), other secured financing, debt issued by securitization vehicles, mortgages, credit facilities, note sales and various forms of equity. We maintain excess liquidity by holding unencumbered liquid assets that could be either used to collateralize additional borrowings or sold.

We seek to conservatively manage our repurchase agreement funding position through a variety of methods including diversity, breadth and depth of counterparties and maintaining a staggered maturity profile.

Arcola provides direct access to third party funding as a FINRA member broker-dealer. Arcola borrows funds through the General Collateral Finance Repo service offered by the FICC, with FICC acting as the central counterparty. In addition, Arcola may borrow funds through direct repurchase agreements.

To reduce our liquidity risk we maintain a laddered approach to our repurchase agreements. At March 31, 2025 and December 31, 2024, the weighted average days to maturity was 50 days and 32 days, respectively.

Our repurchase agreements generally provide that in the event of a margin call we must provide additional securities or cash on the same business day that a margin call is made. Should prepayment speeds on the mortgages underlying our Agency and Residential mortgage-backed securities and/or market interest rates or other factors move suddenly and cause declines in the market value of assets posted as collateral, resulting margin calls may cause an adverse change in our liquidity position. We have continued to diversify our financing profile adding new non-mark-to-market facilities and financing options under existing facilities for our Residential Credit operating segment.

At March 31, 2025, we had total financial assets and cash pledged against existing liabilities of $66.8 billion. The weighted average haircut was approximately 3% on repurchase agreements. The quality and character of the Residential Securities that we pledge as collateral under the repurchase agreements and interest rate swaps did not materially change at March 31, 2025, compared to the same period in 2024, and our counterparties did not materially alter any requirements, including required haircuts, related to the collateral we pledge under repurchase agreements and interest rate swaps during the three months ended March 31, 2025.

The following table presents our quarterly average and quarter-end repurchase agreement and reverse repurchase agreement balances outstanding for the periods presented:

	Repurchase Agreements		Reverse Repurchase Agreements	
	Average Daily Amount Outstanding	Ending Amount Outstanding	Average Daily Amount Outstanding	Ending Amount Outstanding
For the three months ended	(dollars in thousands)			
March 31, 2025	**$ 66,724,268**	**$ 61,659,460**	**$ 2,721,386**	**$ —**
December 31, 2024	68,092,016	65,688,923	2,778,970	—
September 30, 2024	67,092,629	64,310,276	3,041,120	—
June 30, 2024	63,043,218	60,787,994	2,322,479	—
March 31, 2024	64,027,388	58,975,232	2,323,485	—
December 31, 2023	61,924,576	62,201,543	1,340,204	—
September 30, 2023	66,020,036	64,693,821	257,097	—
June 30, 2023	64,591,463	61,637,600	600,968	—
March 31, 2023	60,477,833	60,993,018	371,429	—

Our committed facility warehouse lines provide financing for our MSR portfolio for liquidity purposes. We maintain a conservative approach to these facilities, generally over-collateralizing the lines against margin calls.

The following table provides information on our repurchase agreements and other secured financing by maturity date at March 31, 2025. The weighted average remaining maturity on our repurchase agreements and other secured financing was 56 days at March 31, 2025:

	March 31, 2025		
	Principal Balance	Weighted Average Rate	% of Total
	(dollars in thousands)		
1 day	$ 20,058,840	4.48 %	32.1 %
2 to 29 days	3,228,145	4.80 %	5.2 %
30 to 59 days	15,441,824	4.51 %	24.7 %
60 to 89 days	21,007,475	4.49 %	33.5 %
90 to 119 days	115,425	5.34 %	0.2 %
Over 119 days [1]	2,707,751	6.51 %	4.3 %
Total	$ 62,559,460	4.60 %	100.0 %

[1] Approximately 1% of the total repurchase agreements and other secured financing had a remaining maturity over 1 year.

We also finance our investments in residential mortgage loans through the issuance of securitization transactions sponsored by our wholly-owned subsidiary Onslow Bay Financial LLC ("Onslow Bay") under the Onslow Bay private-label securitization program. In order to increase financing optionality for our Onslow Bay platform, during the quarter we closed a new warehouse facility and renewed or extended existing facilities.

The following table presents our outstanding debt balances and associated weighted average rates and days to maturity at March 31, 2025:

		Weighted Average Rate		
	Principal Balance	As of Period End	For the Quarter	Weighted Average Days to Maturity [1]
	(dollars in thousands)			
Repurchase agreements	$ 61,659,460	4.56 %	4.56 %	50
Other secured financing	900,000	7.03 %	7.02 %	474
Debt issued by securitization vehicles [2]	22,535,741	5.42 %	5.36 %	12,953
Participations issued [2]	1,697,443	7.02 %	6.76 %	10,871
Total indebtedness	$ 86,792,644			

[1] Determined based on estimated weighted-average lives of the underlying debt instruments.
[2] Non-recourse to Annaly.

Excess Liquidity

Our primary source of liquidity is the availability of unencumbered assets which may be provided as collateral to support additional funding needs. We target minimum thresholds of available, unencumbered assets to maintain excess liquidity. The following table illustrates our asset portfolio available to support potential collateral obligations and funding needs.

Assets are considered encumbered if pledged as collateral against an existing liability, and therefore are no longer available to support additional funding. An asset is considered unencumbered if it has not been pledged or securitized. The following table also provides the carrying amount of our encumbered and unencumbered financial assets at March 31, 2025:

	Encumbered Assets	Unencumbered Assets	Total
Financial assets		(dollars in thousands)	
Cash and cash equivalents	$ 1,536,590	$ 296,938	$ 1,833,528
Investments, at carrying value [1]			
Agency mortgage-backed securities	61,771,278	4,387,652	66,158,930
Credit risk transfer securities	444,706	76,353	521,059
Non-agency mortgage-backed securities	995,953	455,571	1,451,524
Commercial mortgage-backed securities	59,061	—	59,061
Residential mortgage loans [2]	27,797,913	526,923	28,324,836
MSR	2,793,456	479,446	3,272,902
Other assets [3]	—	52,251	52,251
Total financial assets	$ 95,398,957	$ 6,275,134	$ 101,674,091

[1] The amounts reflected in the table above are on a settlement date basis and may differ from the total positions reported in the Consolidated Statements of Financial Condition.
[2] Includes assets transferred or pledged to securitization vehicles.
[3] Includes commercial real estate investments and interests in certain joint ventures.

We maintain liquid assets in order to satisfy our current and future obligations in normal and stressed operating environments. These are held as the primary means of liquidity risk mitigation. The composition of our liquid assets is also considered and is subject to certain parameters. The composition is monitored for concentration risk, including in respect of our deposits of our cash and cash equivalents, and asset type. We believe the assets we consider liquid can be readily converted into cash, through liquidation or by being used as collateral in financing arrangements (including as additional collateral to support existing financial arrangements). Our balance sheet also generates liquidity on an on-going basis through mortgage principal and interest repayments and net earnings held prior to payment of dividends. The following table presents our liquid assets as a percentage of total assets at March 31, 2025:

	Carrying Value [1]
Liquid assets	(dollars in thousands)
Cash and cash equivalents	$ 1,833,528
Residential Securities [2]	68,131,448
Commercial mortgage-backed securities	59,061
Residential mortgage loans [3]	3,860,555
Total liquid assets	$ 73,884,592
Percentage of liquid assets to carrying amount of encumbered and unencumbered financial assets [4]	95.71 %

[1] Carrying value approximates the market value of assets. The assets listed in this table include $66.8 billion of assets that have been pledged as collateral against existing liabilities at March 31, 2025. Please refer to the Encumbered and Unencumbered Assets table for related information.
[2] The amounts reflected in the table above are on a settlement date basis and may differ from the total positions reported in the Consolidated Statements of Financial Condition.
[3] Excludes securitized residential mortgage loans transferred or pledged to consolidated VIEs carried at fair value of $24.5 billion.
[4] Denominator is computed based on the carrying amount of encumbered and unencumbered financial assets, excluding assets transferred or pledged to securitization vehicles, of $24.5 billion.

Maturity Profile

We consider the profile of our assets, liabilities and derivatives when managing both liquidity risk as well as investment/market risk employing a measurement of both the maturity gap and interest rate sensitivity gap. We determine the amount of liquid assets that are required to be held by monitoring several liquidity metrics. We utilize several modeling techniques to analyze our current and potential obligations including the expected cash flows from our assets, liabilities and derivatives. The following table illustrates the expected final maturities and cash flows of our assets, liabilities and derivatives. The table is based on a static portfolio and assumes no reinvestment of asset cash flows and no future liabilities are entered into. In assessing the maturity of our assets, liabilities and off-balance sheet obligations, we use the stated maturities, or our prepayment expectations for assets and liabilities that exhibit prepayment characteristics. Cash and cash equivalents are included in the 'Less than 3 Months' maturity bucket, as they are typically held for a short period of time.

With respect to each maturity bucket, our maturity gap is considered negative when the amount of maturing liabilities exceeds the amount of maturing assets. A negative gap increases our liquidity risk as we must enter into future liabilities.

Our interest rate sensitivity gap is the difference between interest earning assets and interest bearing liabilities maturing or re-pricing within a given time period. Unlike the calculation of maturity gap, interest rate sensitivity gap includes the effect of our interest rate swaps. A gap is considered positive when the amount of interest-rate sensitive assets exceeds the amount of

interest-rate sensitive liabilities. A gap is considered negative when the amount of interest-rate sensitive liabilities exceeds interest-rate sensitive assets. During a period of rising interest rates, a negative gap would tend to adversely affect net interest income, while a positive gap would tend to result in an increase in net interest income. During a period of falling interest rates, a negative gap would tend to result in an increase in net interest income, while a positive gap would tend to affect net interest income adversely. Because different types of assets and liabilities with the same or similar maturities may react differently to changes in overall market rates or conditions, changes in interest rates may affect net interest income positively or negatively even if assets and liabilities were perfectly matched in each maturity category. The amount of assets and liabilities utilized to compute our interest rate sensitivity gap was determined in accordance with the contractual terms of the assets and liabilities, except that adjustable-rate loans and securities are included in the period in which their interest rates are first scheduled to adjust and not in the period in which they mature. The effects of interest rate swaps, whereby we generally pay a fixed rate and receive a floating rate and effectively lock in our financing costs for a longer term, are also reflected in our interest rate sensitivity gap.

The interest rate sensitivity of our assets and liabilities in the following table at March 31, 2025 could vary substantially based on actual prepayment experience.

	Less than 3 Months	3-12 Months	More than 1 Year to 3 Years	3 Years and Over	Total
Financial assets			(dollars in thousands)		
Cash and cash equivalents	$ 1,833,528	$ —	$ —	$ —	$ 1,833,528
Agency mortgage-backed securities (principal)	2	195	45,190	68,300,118	68,345,505
Residential credit risk transfer securities (principal)	—	4,888	11,576	475,832	492,296
Non-agency mortgage-backed securities (principal)	189,778	173,709	367,831	670,051	1,401,369
Commercial mortgage-backed securities (principal)	29,015	30,000	—	—	59,015
Total securities	218,795	208,792	424,597	69,446,001	70,298,185
Residential mortgage loans (principal)	—	—	—	3,750,068	3,750,068
Total loans	—	—	—	3,750,068	3,750,068
Assets transferred or pledged to securitization vehicles (principal)	—	—	—	25,048,229	25,048,229
Total financial assets - maturity	2,052,323	208,792	424,597	98,244,298	100,930,010
Effect of utilizing reset dates [1]	25,667,506	553,921	459,025	(26,680,452)	—
Total financial assets - interest rate sensitive	$ 27,719,829	$ 762,713	$ 883,622	$ 71,563,846	$ 100,930,010
Financial liabilities					
Repurchase agreements	$ 59,736,284	$ 1,592,994	$ 330,182	$ —	$ 61,659,460
Debt issued by securitization vehicles (principal)	—	—	—	22,535,741	22,535,741
Participations issued (principal)	—	—	—	1,697,443	1,697,443
U.S. Treasury securities sold, not yet purchased	2,519,125	—	—	—	2,519,125
Total financial liabilities - maturity	62,255,409	1,592,994	330,182	24,233,184	88,411,769
Effect of utilizing reset dates [1][2]	(50,729,794)	1,505,000	21,270,066	27,954,728	—
Total financial liabilities - interest rate sensitive	$ 11,525,615	$ 3,097,994	$ 21,600,248	$ 52,187,912	$ 88,411,769
Maturity gap	$ (60,203,086)	$ (1,384,202)	$ 94,415	$ 74,011,114	$ 12,518,241
Cumulative maturity gap	$ (60,203,086)	$ (61,587,288)	$ (61,492,873)	$ 12,518,241	
Interest rate sensitivity gap	$ 16,194,214	$ (2,335,281)	$ (20,716,626)	$ 19,375,934	$ 12,518,241
Cumulative rate sensitivity gap	$ 16,194,214	$ 13,858,933	$ (6,857,693)	$ 12,518,241	

[1] Maturity gap utilizes stated maturities, or prepayment expectations for assets that exhibit prepayment characteristics, while interest rate sensitivity gap utilizes reset dates, if applicable.
[2] Includes effect of interest rate swaps.

The methodologies we employ for evaluating interest rate risk include an analysis of our interest rate "gap," measurement of the duration and convexity of our portfolio and sensitivities to interest rates and spreads.

Stress Testing

We utilize liquidity stress testing to ensure we have sufficient liquidity under a variety of scenarios and stresses. These stress tests assist with the management of our pool of liquid assets and influence our current and future funding plans. The stresses applied include market-wide and firm-specific stresses.

Liquidity Management Policies

We utilize a comprehensive liquidity policy structure to inform our liquidity risk management practices including monitoring and measurement, along with well-defined key risk indicators. Both quantitative and qualitative targets are utilized to measure the ongoing stability and condition of the liquidity position, and include the level and composition of unencumbered assets, as well as the sustainability of the funding composition under stress conditions.

We also monitor early warning metrics designed to measure the quality and depth of liquidity sources based upon both company-specific and market conditions. The metrics assist in assessing our liquidity conditions and are integrated into our escalation protocol.

Investment/Market Risk Management

One of the primary risks we are subject to is investment/market risk. Changes in the level of interest rates can affect our net interest income, which is the difference between the income we earn on our interest earning assets and the interest expense incurred from interest bearing liabilities and derivatives. Changes in the level of interest rates and spreads can also affect the value of our assets and potential realization of gains or losses from the sale of these assets. We may utilize a variety of financial instruments, including interest rate swaps, swaptions, options, futures and other hedges, in order to limit the adverse effects of interest rates on our results. In the case of interest rate swaps, we utilize contracts linked to SOFR but may also enter into interest rate swaps where the floating leg is linked to the overnight index swap rate or another index. In addition, we may use MAC interest rate swaps in which we may receive or make a payment at the time of entering such interest rate swap to compensate for the off-market nature of such interest rate swap. MAC interest rate swaps offer price transparency, flexibility and more efficient portfolio administration through compression which is the process of reducing the number of unique interest rate swap contracts and replacing them with fewer contracts containing market defined terms. Our portfolio and the value of our portfolio, including derivatives, may be adversely affected as a result of changing interest rates and spreads.

We simulate a wide variety of interest rate scenarios in evaluating our risk. Scenarios are run to capture our sensitivity to changes in interest rates, spreads and the shape of the yield curve. We also consider the assumptions affecting our analysis such as those related to prepayments. In addition to predefined interest rate scenarios, we utilize Value-at-Risk measures to estimate potential losses in the portfolio over various time horizons utilizing various confidence levels. The following tables estimate the potential changes in economic net interest income over a twelve month period and the immediate effect on our portfolio market value (inclusive of derivative instruments), should interest rates instantaneously increase or decrease by 25, 50 or 75 basis points, and the effect of portfolio market value if mortgage option-adjusted spreads instantaneously increase or decrease by 5, 15 or 25 basis points (assuming shocks are parallel and instantaneous). All changes to income and portfolio market value are measured as percentage changes from the projected net interest income and portfolio value at the base interest rate scenario. The net interest income simulations incorporate the interest expense effect of rate resets on liabilities and derivatives as well as the amortization expense and reinvestment of principal based on the prepayments on our securities, which varies based on the level of rates. The results assume no management actions in response to the rate or spread changes. The following table presents estimates at March 31, 2025. Actual results could differ materially from these estimates.

Change in Interest Rate [1]	Estimated Percentage Change in Portfolio Value [2]	Estimated Change as a % on NAV [2][3]	Projected Percentage Change in Economic Net Interest Income [4]
-75 Basis points	**(0.1%)**	**(0.8%)**	**1.6%**
-50 Basis points	**—%**	**0.1%**	**1.4%**
-25 Basis points	**0.1%**	**0.4%**	**0.8%**
+25 Basis points	**(0.1%)**	**(1.0%)**	**(1.3%)**
+50 Basis points	**(0.3%)**	**(2.4%)**	**(2.9%)**
+75 Basis points	**(0.6%)**	**(4.1%)**	**(4.8%)**

MBS Spread Shock [1]	Estimated Change in Portfolio Market Value [2]	Estimated Change as a % on NAV [2][3]
-25 Basis points	**1.4%**	**9.8%**
-15 Basis points	**0.8%**	**5.9%**
-5 Basis points	**0.3%**	**1.9%**
+5 Basis points	**(0.3%)**	**(1.9%)**
+15 Basis points	**(0.8%)**	**(5.8%)**
+25 Basis points	**(1.3%)**	**(9.6%)**

[1] Interest rate and MBS spread sensitivity are based on results from third party models in conjunction with inputs from our internal investment professionals. Actual results could differ materially from these estimates.
[2] Scenarios include securities, residential mortgage loans, MSR and derivative instruments.
[3] NAV represents book value of equity.
[4] Scenarios include securities, residential mortgage loans, repurchase agreements, other secured financing and interest rate swaps. Economic net interest income includes the net interest component of interest rate swaps and net interest on initial margin related to interest rate swaps, which is reported in Other, net in the Company's Consolidated Statements of Comprehensive Income (Loss).

Credit Risk Management

Key risk parameters have been established to specify our credit risk appetite. We seek to manage credit risk by making investments which conform to the firm's specific investment policy parameters and optimize risk-return attributes.

While we do not expect to encounter credit risk in our Agency mortgage-backed securities, we face credit risk on the non-Agency mortgage-backed securities and CRT securities in our portfolio. In addition, we are also exposed to credit risk on residential mortgage loans and commercial real estate investments. MSR values may also be impacted through reduced servicing fees and higher costs to service the underlying mortgage loans due to borrower performance. Generally, we are subject to risk of loss if an issuer or borrower fails to perform its contractual obligations. We have established policies and procedures for mitigating credit risk, including establishing and reviewing limits for credit exposure. In the case of residential mortgage loans and MSR, we may engage a third party to perform due diligence on a sample of loans that we believe sufficiently represents the entire pool. Once an investment is made, our ongoing surveillance process includes regular reviews, analysis and oversight of investments by our investment personnel and appropriate committee. We review credit and other risks of loss associated with each investment. Our management monitors the overall portfolio risk and determines estimates of provision for loss. Additionally, ALCO has oversight of our credit risk exposure.

Our portfolio composition, based on balance sheet values, at March 31, 2025 and December 31, 2024 was as follows:

	March 31, 2025	December 31, 2024
Category		
Agency mortgage-backed securities	**67.0 %**	68.6 %
Credit risk transfer securities	**0.5 %**	0.8 %
Non-agency mortgage-backed securities	**1.4 %**	1.5 %
Residential mortgage loans [(1)]	**27.8 %**	26.0 %
Commercial mortgage-backed securities	**0.1 %**	0.1 %
Mortgage servicing rights	**3.2 %**	3.0 %

[(1)] Includes assets transferred or pledged to securitization vehicles.

Counterparty Risk Management

Our use of repurchase and derivative agreements and trading activities create exposure to counterparty risk relating to potential losses that could be recognized if the counterparties to these agreements fail to perform their obligations under the contracts. In the event of default by a counterparty, we could have difficulty obtaining our assets pledged as collateral. A significant portion of our investments are financed with repurchase agreements by pledging our Residential Securities as collateral to the applicable lender. The collateral we pledge generally exceeds the amount of the borrowings under each agreement. If the counterparty to the repurchase agreement defaults on its obligations and we are not able to recover our pledged asset, we are at risk of losing the over-collateralization or haircut. The amount of this exposure is the difference between the amount loaned to us plus interest due to the counterparty and the fair value of the collateral pledged by us to the lender including accrued interest receivable on such collateral.

We also use interest rate swaps and other derivatives that are not centrally cleared to manage interest rate risk. Under these agreements, we pledge securities and cash as collateral or settle variation margin payments as part of a margin arrangement.

If a counterparty were to default on its obligations, we would be exposed to a loss to a derivative counterparty to the extent that the amount of our securities or cash pledged exceeded the unrealized loss on the associated derivative and we were not able to recover the excess collateral. Additionally, we would be exposed to a loss to a derivative counterparty to the extent that our unrealized gains on derivative instruments exceeded the amount of the counterparty's securities or cash pledged to us.

We monitor our exposure to counterparties across several dimensions including by type of arrangement, collateral type, counterparty type, ratings and geography. Additionally, ALCO has oversight of our counterparty exposure. The following table summarizes our exposure to counterparties by geography at March 31, 2025:

	Number of Counterparties	Secured Financing [1]	Interest Rate Swaps at Fair Value	Exposure [2]
Geography		(dollars in thousands)		
North America	**21**	**$ 47,000,106**	**$ (6,719)**	**$ 3,912,884**
Europe	**10**	**11,344,781**	**(3,724)**	**855,791**
Asia (non-Japan)	**1**	**497,273**	**—**	**18,330**
Japan	**4**	**3,717,300**	**—**	**392,568**
Total	**36**	**$ 62,559,460**	**$ (10,443)**	**$ 5,179,573**

[1] Includes repurchase agreements and other secured financing.

[2] Represents the amount of cash and/or securities pledged as collateral to each counterparty less the aggregate of repurchase agreement and other secured financing and derivatives for each counterparty.

Operational Risk Management

We are subject to operational risk in each of our business and support functions. Operational risk may arise from internal or external sources including human error, fraud, systems issues, process change, vendors, business interruptions and other external events. We manage operational risk through a variety of tools including processes, policies and procedures that cover topics such as business continuity, personal conduct, cybersecurity and vendor management. Other tools include Risk and Control Self Assessment ("RCSA") testing, including disaster recovery/testing; systems controls, including access controls; training, including phishing exercises and cybersecurity awareness training; and monitoring, which includes the use of key risk indicators. Our Operational Risk Management team conducts a disaster recovery exercise on an annual basis and periodically conducts other operational risk tabletop exercises. Employee-level lines of defense against operational risk include proper segregation of incompatible duties, activity-level internal controls over financial reporting, the empowerment of business units to identify and mitigate operational risk sources, testing by our internal audit staff, and our overall governance framework.

Operational Risk Management responsibilities are overseen by the ERC. The ERC is responsible for supporting the Operating Committee in the implementation, ongoing monitoring, and evaluation of the effectiveness of the enterprise-wide risk management framework. This oversight authority includes review of the strategies, processes, policies, and practices established by management to identify, assess, measure, and manage enterprise-wide risk.

Cybersecurity is part of our enterprise-wide risk management framework. Processes for assessing, identifying and managing cybersecurity risks include cybersecurity risk assessments, use of key risk indicators, vendor cybersecurity risk management, employee training, including phishing exercises and cybersecurity awareness training, penetration testing, evaluation of cybersecurity insurance and periodic engagements by our internal audit department, which determines whether our cybersecurity program and information security practices align with relevant parts of the National Institute of Standards and Technology ("NIST") framework. We periodically engage penetration testing companies and law firms to assist in these processes. When we do so, we hire reputable companies, limit their access to only information necessary for the specific purpose and maintain security controls around confidential information, including personal information. We also maintain a Cybersecurity Incident Response Plan ("Response Plan") with processes to identify, contain, mitigate and escalate cybersecurity incidents, utilizing cross-functional expertise and external resources as needed. We conduct periodic tabletop exercises to test our Response Plan and our reaction to various business disruption events, and the results of these tabletop exercises are reported to the Cybersecurity Committee and the ERC.

We also have processes in place to oversee and identify material risks from cybersecurity threats associated with our use of third party service providers upon which we depend on to perform various business processes related to our operations, including mortgage loan servicers and sub-servicers. Our vendor management and IT policies establish procedures for engaging, onboarding and monitoring the performance of third party vendors. For mortgage loan servicers and sub-servicers, these procedures include assessing a vendor's financial health as well as oversight of its compliance with applicable laws and regulations, cybersecurity and business continuity programs and security of personal information. We also have processes to evaluate and classify cybersecurity risk related to sensitive data held by key third party service providers on their systems.

The Cybersecurity Committee has primary responsibility for these processes to manage cybersecurity risks, under the oversight of the ERC. Daily monitoring of cybersecurity defenses is performed by the IT Infrastructure Team and any issues are escalated to the Cybersecurity Committee as needed. The Cybersecurity Committee regularly meets to discuss both routine oversight of cybersecurity processes, policies and procedures and management of any cyber-specific events, including escalation to the ERC, the executive leadership team and/or the Board, as appropriate.

The Cybersecurity Committee includes representatives from Operational Risk Management, Information Technology, Legal, Mortgage Operations and Internal Controls. Certain members of the Cybersecurity Committee have relevant qualifications such as extensive work experience implementing data security measures, developing cybersecurity policies and procedures and

assessing, managing and reporting cybersecurity risk. Members also participate in cybersecurity-related professional organizations that discuss industry threats, challenges and solutions to cybersecurity issues. Our Head of IT Infrastructure has completed the "Cybersecurity: Managing Risk in the Information Age" certificate program from Harvard University.

The Cybersecurity Committee regularly discusses cybersecurity risk management and best practices with the ERC and with the Audit and Risk Committees of our Board. The Audit and Risk Committees jointly oversee processes, practices and policies related to cybersecurity and receive joint and individual presentations from management and external experts on cyber technology-related risks. Two members of our Board have completed the Carnegie Mellon/NACD Cyber-Risk Oversight Program and earned the CERT Certificate in Cybersecurity Oversight and one member of our Board has completed the NACD Master Class: Cyber-Risk Oversight Program.

To date, we have not detected any risks from cybersecurity threats that have materially affected us. However, even though we take steps to employ reasonable cybersecurity defenses, not every cybersecurity incident can be prevented or detected. We also may be held responsible for cybersecurity threats affecting our third party service providers, including servicers and sub-servicers, some of whom have reported breaches in the past. Therefore, while we are not aware of any cybersecurity threats or incidents that are reasonably likely to have a material effect on our business strategy, results of operations, the likelihood and severity of such risks are difficult to predict. For further discussion, please see the risk factors titled "We are highly dependent on information systems and networks, many of which are operated by third parties" and "Cyberattacks or other information security breaches of our Company's, service providers' or counterparties' systems or network affect our business, reputation and financial condition" in Part I, Item 1A. "Risk Factors" of our most recent Annual Report on Form 10-K and in Part II, Item 1A. "Risk Factors" in this Quarterly Report on Form 10-Q.

Compliance, Regulatory and Legal Risk Management

Our business is organized as a REIT, and we seek to continue to meet the requirements for taxation as a REIT. The determination that we are a REIT requires an analysis of various factual matters and circumstances. Accordingly, we closely monitor our REIT status within our risk management program. We also regularly assess our risk management in respect of our regulated and licensed subsidiaries, which include our registered broker-dealer subsidiary Arcola, our subsidiary that is registered with the SEC as an investment adviser under the Investment Advisers Act and our subsidiary that operates as a licensed mortgage aggregator and master servicer.

The financial services industry is highly regulated and receives significant attention from regulators, which may impact both our company and our business strategy. Our investments in residential whole loans and MSR require us to comply with applicable state and federal laws and regulations and maintain appropriate governmental licenses, approvals and exemptions. We proactively monitor the potential impact regulation may have both directly and indirectly on us. We maintain a process to actively monitor both actual and potential legal action that may affect us. Our risk management framework is designed to identify, measure and monitor these risks under oversight of the ERC.

We currently rely on the exemption from registration provided by Section 3(c)(5)(C) of the Investment Company Act, and we seek to continue to meet the requirements for this exemption from registration. The determination that we qualify for this exemption from registration depends on various factual matters and circumstances. Accordingly, in conjunction with our legal department, we closely monitor our compliance with Section 3(c)(5)(C) of the Investment Company Act within our risk management program. Compliance with Section 3(c)(5)(C) of the Investment Company Act is monitored by the FRDC.

Critical Accounting Estimates

The preparation of our consolidated financial statement in accordance with generally accepted accounting principles in the United States requires us to make estimates, judgments and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses. Actual results may differ materially from these estimates and changes in assumptions could have a significant effect on the consolidated financial statements. Our critical accounting policies that require us to make significant judgments or estimates are described below. For more information on these critical accounting policies and other significant accounting policies, refer to the Note titled "Significant Accounting Policies" in the Notes to the Consolidated Financial Statements included in Item 1. "Financial Statements."

Valuation of Financial Instruments

Residential Securities

Description: We carry Residential Securities at estimated fair value. There is an active market for our Agency mortgage-backed securities, CRT securities and non-Agency mortgage-backed securities.

Judgments and Uncertainties: Since we primarily invest in securities that can be valued using quoted prices for actively traded assets, there is a high degree of observable inputs and less subjectivity in measuring fair value. Internal fair values are determined using quoted prices from the TBA securities market, the Treasury curve and the underlying characteristics of the individual securities, which may include coupon, periodic and life caps, reset dates and the expected life of the security. While prepayment rates may be difficult to predict and require estimation and judgment in the valuation of Agency mortgage-backed securities, we use several third party models to validate prepayment speeds used in fair value measurements of Residential Securities. All internal fair values are compared to external pricing sources and/or dealer quotes to determine reasonableness. Additionally, securities used as collateral for repurchase agreements are priced daily by counterparties to ensure sufficient collateralization, providing additional verification of our internal pricing.

Sensitivity of Estimates to Change: Changes in underlying assumptions used in estimating fair value impact the carrying value of the Residential Securities as well as their yield. For example, an increase in CPR would decrease the carrying value and yield of our Agency mortgage-backed securities. Our valuations are most sensitive to changes in interest rate, which also impacts prepayment speeds. Refer to the Experienced and Projected Long-Term CPR, Financial Condition – Residential Securities and the interest rate sensitivity and interest rate and MBS spread shock analysis and discussions within this Item 2 for further information.

Residential Mortgage Loans

Description: We elected to account for Residential Mortgage Loans at fair value. There is an active market for the residential whole loans in which we invest.

Judgments and Uncertainties: Since we primarily invest in residential loans that can be valued using actively quoted prices for similar assets, there are observable inputs in measuring fair value. Internal fair values are determined using quoted prices for similar market transactions, the swap curve and the underlying characteristics of the individual loans, which may include loan term, coupon, and reset dates. While prepayment rates may be difficult to predict and are a significant estimate requiring judgment in the valuation of residential whole loans, we validate prepayment speeds against those provided by independent pricing analytic providers specializing in residential mortgage loans. Internal fair values are generally compared to external pricing sources to determine reasonableness.

Sensitivity of Estimates to Change: Changes to model assumptions, including prepayment speeds may significantly impact the fair value estimate of residential mortgage loans as well as unrealized gains and losses and yield on these assets. Our valuations are most sensitive to changes in interest rate, which also impacts prepayment speeds. Refer to the interest rate sensitivity and interest rate shock analysis and discussions within this Item 2 for further information.

MSR

Description: We elected to account for MSR at fair value. The market for MSR is considered less active and transparent compared to securities. As such fair value estimates for our investment in MSR are obtained from models, which use significant unobservable inputs in their valuations.

Judgments and Uncertainties: These valuations primarily utilize discounted cash flow models that incorporate unobservable market data inputs including prepayment rates, delinquency levels, costs to service and discount rates. Model valuations are then compared to valuations obtained from third party pricing providers. Management reviews the valuations received from third party pricing providers and uses them as a point of comparison to modeled values. The valuation of MSR requires significant judgment by management and the third party pricing providers.

Sensitivity of Estimates to Change: Changes in the underlying assumptions used to estimate the fair value of MSR impact the carrying value as well as the related unrealized gains and losses recognized. For further discussion of the sensitivity of the

model inputs refer to the Note titled "Fair Value Measurements" in the Notes to the Consolidated Financial Statements included in Item 1. "Financial Statements."

Interest Rate Swaps

Description: We are required to account for derivative assets and liabilities at fair value, which may or may not be cleared through a derivative clearing organization. We value our cleared interest rate swaps using the prices provided by the derivatives clearing organization. We value uncleared derivatives using internal models with prices compared to counterparty marks.

Judgments and Uncertainties: We use the overnight indexed swap ("OIS") curve, the SOFR curve, or SOFR forward rates as an input to value substantially all of our uncleared interest rate swaps. Consistent with market practice, we exchange collateral (also called margin) based on the fair values of our interest rate swaps. Through this margining process, we may be able to compare our recorded fair value with the fair value calculated by the counterparty or derivatives clearing organization, providing additional verification of our recorded fair value of the uncleared interest rate swaps.

Sensitivity of Estimates to Change: Changes in the OIS curve will impact the carrying value of our interest rate swap assets and liabilities. Our valuations are most sensitive to changes in interest rate, which also impacts prepayment speeds. Refer to the interest rate sensitivity and interest rate shock analysis and discussions within this Item 2 for further information.

Revenue Recognition

Description: Interest income from coupon payments is accrued based on the outstanding principal amounts of the Residential Securities and their contractual terms. Premiums and discounts associated with the purchase of the Residential Securities are amortized or accreted into interest income over the projected lives of the securities using the interest method. Gains or losses on sales of Residential Securities are recorded on trade date based on the specific identification method.

Judgments and Uncertainties: To aid in determining projected lives of the securities, we use third party model and market information to project prepayment speeds. Our prepayment speed projections incorporate underlying loan characteristics (i.e., coupon, term, original loan size, original loan-to-value ratio, etc.) and market data, including interest rate and home price index forecasts and expert judgment. Prepayment speeds vary according to the type of investment, conditions in the financial markets and other factors and cannot be predicted with any certainty.

Sensitivity of Estimates to Change: Changes to model assumptions, including interest rates and other market data, as well as periodic revisions to the model will cause changes in the results. Adjustments are made for actual prepayment activity as it relates to calculating the effective yield. The sensitivity of changes in interest rates to our economic net interest income is included in the interest rate shock analysis and discussions within this Item 2 for further information.

Consolidation of Variable Interest Entities

Description: We are required to determine if it is required to consolidate entities in which it holds a variable interest.

Judgments and Uncertainties: Determining whether an entity has a controlling financial interest in a VIE requires significant judgment related to assessing the purpose and design of the VIE and determination of the activities that most significantly impact its economic performance. We must also identify explicit and implicit variable interests in the entity and consider our involvement in both the design of the VIE and its ongoing activities. To determine whether consolidation of the VIE is required, we must apply judgment to assess whether we have the power to direct the most significant activities of the VIE and whether we have either the rights to receive benefits or the obligation to absorb losses that could be potentially significant to the VIE.

Use of Estimates

The use of GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ materially from those estimates.

Glossary of Terms

A

Adjustable-Rate Loan / Security
A loan / security on which interest rates are adjusted at regular intervals according to predetermined criteria. The adjustable interest rate is tied to an objective, published interest rate index.

Agency
Refers to a federally chartered corporation, such as the Federal National Mortgage Association, or the Federal Home Loan Mortgage Corporation, or an agency of the U.S. Government, such as the Government National Mortgage Association.

Agency Mortgage-Backed Securities
Refers to residential mortgage-backed securities that are issued or guaranteed by an Agency.

Amortization
Liquidation of a debt through installment payments. Amortization also refers to the process of systematically reducing a recognized asset or liability (e.g., a purchase premium or discount for a debt security) with an offset to earnings.

Average GAAP Cost of Interest Bearing Liabilities and Average Economic Cost of Interest Bearing Liabilities
Average GAAP cost of interest bearing liabilities represents annualized interest expense divided by average interest bearing liabilities. Average interest bearing liabilities is a non-GAAP financial measure that reflects the average balances during the period. Average economic cost of interest bearing liabilities represents annualized economic interest expense divided by average interest bearing liabilities.

Average Life
On a mortgage-backed security, the average time to receipt of each dollar of principal, weighted by the amount of each principal prepayment, based on prepayment assumptions.

Average Yield on Interest Earnings Assets and Average Yield on Interest Earnings Assets (excluding PAA)
Average yield on interest earning assets represents annualized interest income divided by average interest earning assets. Average interest earning assets reflects the average amortized cost of our investments during the period. Average yield on interest earning assets (excluding PAA) is a non-GAAP financial measure that is calculated using annualized interest income (excluding PAA).

B

Basis Point ("bp" or "bps")
One hundredth of one percent, used in expressing differences in interest rates. One basis point is 0.01% of yield. For example, a bond's yield that changed from 3.00% to 3.50% would be said to have moved 50 basis points.

Benchmark
A bond or an index referencing a basket of bonds whose terms are used for comparison with other bonds of similar maturity. The global financial market typically looks to U.S. Treasury securities as benchmarks.

Beneficial Owner
One who benefits from owning a security, even if the security's title of ownership is in the name of a broker or bank.

Board
Refers to the board of directors of Annaly.

Bond
The written evidence of debt, bearing a stated rate or stated rates of interest, or stating a formula for determining that rate, and maturing on a date certain, on which date and upon presentation a fixed sum of money plus interest (usually represented by interest coupons attached to the bond) is payable to the holder or owner. Bonds are long-term securities with an original maturity of greater than one year.

Book Value Per Share
Calculated by summing common stock, additional paid-in capital, accumulated other comprehensive income (loss) and accumulated deficit and dividing that number by the total common shares outstanding.

Broker
Generic name for a securities firm engaged in both buying and selling securities on behalf of customers or its own account.

C

Capital Buffer
Includes unencumbered financial assets which can be either sold or utilized as collateral to meet liquidity needs.

Capital Ratio (GAAP Capital Ratio)
Calculated as total stockholders' equity divided by total assets.

Carry
The amount an asset earns over its hedging and financing costs. A positive carry happens when the rate on the securities being financed is greater than the rate on the funds borrowed. A negative carry is when the rate on the funds borrowed is greater than the rate on the securities that are being financed.

CMBX
The CMBX index is a synthetic tradable index referencing a basket of 25 CMBS of a particular rating and vintage. The CMBX index allows investors to take a long position (referred to as selling protection) or short position (referred to as purchasing protection) on the respective basket of CMBS securities and is structured as a "pay-as-you-go" contract whereby the protection seller receives and the protection buyer pays a standardized running coupon on the contracted notional amount. Additionally, the protection seller is obligated to pay to the protection buyer the amount of principal losses and/or coupon shortfalls on the underlying CMBS securities as they occur.

Collateral
Securities, cash or property pledged by a borrower or party to a derivative contract to secure payment of a loan or derivative. If the borrower fails to repay the loan or defaults under the derivative contract, the secured party may take ownership of the collateral.

Collateralized Loan Obligation ("CLO")
A securitization collateralized by loans and other debt instruments.

Collateralized Mortgage Obligation ("CMO")
A multiclass bond backed by a pool of mortgage pass-through securities or mortgage loans.

Commodity Futures Trading Commission ("CFTC")
An independent U.S. federal agency established by the Commodity Futures Trading Commission Act of 1974. The CFTC regulates the swaps, commodity futures and options markets. Its goals include the promotion of competitive and efficient futures markets and the protection of investors against manipulation, abusive trade practices and fraud.

Commercial Mortgage-Backed Security ("CMBS" or "Commercial Securities")
Securities collateralized by a pool of mortgages on commercial real estate in which all principal and interest from the mortgages flow to certificate holders in a defined sequence or manner.

Constant Prepayment Rate ("CPR")
The percentage of outstanding mortgage loan principal that prepays in one year, based on the annualization of the Single Monthly Mortality, which reflects the outstanding mortgage loan principal that prepays in one month.

Convexity
A measure of the change in a security's duration with respect to changes in interest rates. The more convex a security is, the more its duration will change with interest rate changes.

Counterparty
One of two entities in a transaction. For example, in the bond market a counterparty can be a state or local government, a broker-dealer or a corporation.

Coupon
The interest rate on a bond that is used to compute the amount of interest due on a periodic basis.

Credit and Counterparty Risk
Risk to earnings, capital or business, resulting from an obligor's or counterparty's failure to meet the terms of any contract or otherwise failure to perform as agreed. Credit and counterparty risk is present in lending, investing, funding and hedging activities.

Credit Derivatives
Derivative instruments that have one or more underlyings related to the credit risk of a specified entity (or group of entities) or an index that exposes the seller to potential loss from specified credit-risk related events. An example is credit derivatives referencing the commercial mortgage-backed securities index.

Credit Risk Transfer ("CRT") Securities
Credit Risk Transfer securities are risk sharing transactions issued by Fannie Mae and Freddie Mac and similarly structured transactions arranged by third party market participants. The securities issued in the CRT sector are designed to synthetically transfer mortgage credit risk from Fannie Mae, Freddie Mac and/or third parties to private investors.

Current Face
The current remaining monthly principal on a mortgage security. Current face is computed by multiplying the original face value of the security by the current principal balance factor.

D

Dealer
Person or organization that underwrites, trades and sells securities, e.g., a principal market-maker in securities.

Default Risk
Possibility that a bond issuer will fail to pay principal or interest when due.

Derivative
A financial product that derives its value from the price, price fluctuations and price expectations of an underlying instrument, index or reference pool (e.g. futures contracts, options, interest rate swaps, interest rate swaptions and certain to-be-announced securities).

Discount Price
When the dollar price is below face value, it is said to be selling at a discount.

Duration
The weighted maturity of a fixed-income investment's cash flows, used in the estimation of the price sensitivity of fixed-income securities for a given change in interest rates.

E

Earnings available for distribution ("EAD") and Earnings available for distribution Per Average Common Share
Non-GAAP financial measure defined as the sum of (a) economic net interest income, (b) TBA dollar roll income and CMBX coupon income, (c) net servicing income less realized amortization of MSR, (d) other income (loss) (excluding amortization of intangibles, non-EAD income allocated to equity method investments and other non-EAD components of other income (loss)), (e) general and administrative expenses (excluding transaction expenses and non-recurring items), and (f) income taxes (excluding the income tax effect of non-EAD income (loss) items) and excludes (g) the premium amortization adjustment representing the cumulative impact on prior periods, but not the current period, of quarter-over-quarter changes in estimated long-term prepayment speeds related to our Agency mortgage-backed securities. Earnings available for distribution per average common share is a non-GAAP financial measure calculated by dividing earnings available for distribution by average basic common shares for the period.

This metric was previously labeled Core Earnings (excluding PAA) and Core Earnings (excluding PAA) Per Average Common Share). The definition of EAD is identical to the definition of Core Earnings (excluding PAA) from prior reporting periods.

Economic Capital
A measure of the risk a firm is subject to. It is the amount of capital a firm needs as a buffer to protect against risk. It is a probabilistic measure of potential future losses at a given confidence level over a given time horizon.

Economic Capital Ratio
Non-GAAP financial measure that is calculated as total stockholders' equity divided by total economic assets. Total economic assets includes the implied market value of TBA derivatives and are net of debt issued by securitization vehicles.

Economic Interest Expense
Non-GAAP financial measure that is comprised of GAAP interest expense, the net interest component of interest rate swaps and net interest on initial margin related to interest rate swaps, which is reported in Other, net in the Company's Consolidated Statements of Comprehensive Income (Loss).

Economic Leverage Ratio (Economic Debt-to-Equity Ratio)
Non-GAAP financial measure that is calculated as the sum of recourse debt, cost basis of TBA and CMBX derivatives outstanding and net forward purchases (sales) of investments divided by total equity. Recourse debt consists of repurchase agreements, other secured financing and U.S. Treasury securities sold, not yet purchased. Debt issued by securitization vehicles and participations issued are non-recourse to us and are excluded from this measure.

Economic Net Interest Income
Non-GAAP financial measure that is composed of GAAP interest income less Economic Interest Expense.

Economic Return
Refers to the Company's change in book value plus dividends declared divided by the prior period's book value.

Encumbered Assets
Assets on the company's balance sheet which have been pledged as collateral against a liability.

F

Face Amount
The par value (i.e., principal or maturity value) of a security appearing on the face of the instrument.

Factor
A decimal value reflecting the proportion of the outstanding principal balance of a mortgage security, which changes over time, in relation to its original principal value.

Fannie Mae
Federal National Mortgage Association.

Federal Deposit Insurance Corporation ("FDIC")
An independent agency created by the U.S. Congress to maintain stability and public confidence in the nation's financial system by insuring deposits, examining and supervising financial institutions for safety and soundness and consumer protection, and managing receiverships.

Federal Funds Rate
The interest rate charged by banks on overnight loans of their excess reserve funds to other banks.

Federal Housing Financing Agency ("FHFA")
The FHFA is an independent regulatory agency that oversees vital components of the secondary mortgage market including Fannie Mae, Freddie Mac and the Federal Home Loan Banks.

Financial Industry Regulatory Authority, Inc. ("FINRA")
FINRA is a non-governmental organization tasked with regulating all business dealings conducted between dealers, brokers and all public investors.

Fixed-Rate Mortgage
A mortgage featuring level monthly payments, determined at the outset, which remain constant over the life of the mortgage.

Fixed Income Clearing Corporation ("FICC")
The FICC is an agency that deals with the confirmation, settlement and delivery of fixed-income assets in the U.S. The agency ensures the systematic and efficient settlement of U.S. Government securities and mortgage-backed security transactions in the market.

Floating Rate Bond
A bond for which the interest rate is adjusted periodically according to a predetermined formula, usually linked to an index.

Floating Rate CMO
A CMO tranche which pays an adjustable rate of interest tied to a representative interest rate index such as the SOFR, the Constant Maturity Treasury or the Cost of Funds Index.

Freddie Mac
Federal Home Loan Mortgage Corporation.

Futures Contract
A legally binding agreement to buy or sell a commodity or financial instrument in a designated future month at a price agreed upon at the initiation of the contract by the buyer and seller. Futures contracts are standardized according to the quality, quantity, and delivery time and location for each commodity. A futures contract differs from an option in that an option gives one of the counterparties a right and the other an obligation to buy or sell, while a futures contract represents an obligation of both counterparties, one to deliver and the other to accept delivery. A futures contract is part of a class of financial instruments called derivatives.

G

GAAP
U.S. generally accepted accounting principles.

Ginnie Mae
Government National Mortgage Association.

H

Hedge
An investment made with the intention of minimizing the impact of adverse movements in interest rates or securities prices.

I

Initial Margin
Cash or securities provided by a party to collateralize its obligations under a transaction that is not based on changes in the value of such transaction since the trade was executed.

In-the-Money
Description for an option that has intrinsic value and can be sold or exercised for a profit; a call option is in-the-money when the strike price (execution price) is below the market price of the underlying security.

Interest Bearing Liabilities
Refers to repurchase agreements, debt issued by securitization vehicles, U.S. Treasury securities sold, not yet purchased and credit facilities. Average interest bearing liabilities is based on daily balances.

Interest Earning Assets
Refers to Residential Securities, U.S. Treasury securities, reverse repurchase agreements, commercial real estate debt and residential mortgage loans. Average interest earning assets is based on daily balances.

Interest-Only (IO) Bond
The interest portion of mortgage, Treasury or bond payments, which is separated and sold individually from the principal portion of those same payments.

Interest Rate Risk
The risk that an investment's value will change due to a change in the absolute level of interest rates, in the spread between two rates, in the shape of the yield curve or in any other interest rate relationship. As market interest rates rise, the value of current fixed income investment holdings declines. Diversifying, deleveraging and hedging techniques are utilized to mitigate this risk. Interest rate risk is a form of market risk.

Interest Rate Swap
A binding agreement between counterparties to exchange periodic interest payments on some predetermined dollar principal, which is called the notional principal amount. For example, one party will pay fixed and receive a variable rate.

Interest Rate Swaption
Options on interest rate swaps. The buyer of a swaption has the right to enter into an interest rate swap agreement at some specified date in the future. The swaption agreement will specify whether the buyer of the swaption will be a fixed-rate receiver or a fixed-rate payer.

International Swaps and Derivatives Association ("ISDA") Master Agreement
Standardized contract developed by ISDA used as an umbrella under which bilateral derivatives contracts are entered into.

Inverse IO Bond
An interest-only bond whose coupon is determined by a formula expressing an inverse relationship to a benchmark rate, such as SOFR. As the benchmark rate changes, the IO coupon adjusts in the opposite direction. When the benchmark rate is relatively low, the IO pays a relatively high coupon payment, and vice versa.

Investment/Market Risk
Risk to earnings, capital or business resulting in the decline in value of our assets caused from changes in market variables, such as interest rates, which affect the values of Residential Securities and other investment instruments.

Investment Advisers Act
Refers to the Investment Advisers Act of 1940, as amended.

Investment Company Act
Refers to the Investment Company Act of 1940, as amended.

L

Leverage
The use of borrowed money to increase investing power and economic returns.

Leverage Ratio (GAAP Leverage Ratio or Debt-to-Equity Ratio)
Calculated as total debt to total stockholders' equity. For purposes of calculating this ratio total debt includes repurchase agreements, other secured financing, debt issued by securitization vehicles, participations issued, and U.S. Treasury securities sold, not yet purchased. Debt issued by securitization vehicles and participations issued are non-recourse to us.

LIBOR (London Interbank Offered Rate)
A rate previously used as a benchmark for financial transactions. All tenors of LIBOR relevant to us are either no longer published or are no longer representative.

Liquidity Risk
Risk to earnings, capital or business arising from our inability to meet our obligations when they come due without incurring unacceptable losses because of inability to liquidate assets or obtain adequate funding.

Long-Term CPR
Our projected prepayment speeds for certain Agency mortgage-backed securities using third party model and market information. Our prepayment speed projections incorporate underlying loan characteristics (e.g., coupon, term, original loan size, original loan-to-value ratio, etc.) and market data, including interest rate and home price index forecasts. Changes to model assumptions, including interest rates and other market data, as well as periodic revisions to the model will cause changes in the results.

Long-Term Debt
Debt which matures in more than one year.

M

Market Agreed Coupon ("MAC") Interest Rate Swap
An interest rate swap contract structure with pre-defined, market agreed terms, developed by SIFMA and ISDA with the purpose of promoting liquidity and simplified administration.

Monetary Policy
Action taken by the Federal Open Market Committee of the Federal Reserve System to influence the money supply or interest rates.

Mortgage-Backed Security ("MBS")
A security representing a direct interest in a pool of mortgage loans. The pass-through issuer or servicer collects the payments on the loans in the pool and "passes through" the principal and interest to the security holders on a pro rata basis.

Mortgage Loan
A mortgage loan granted by a bank, thrift or other financial institution that is based solely on real estate as security and is not insured or guaranteed by a government agency.

Mortgage Servicing Rights ("MSR")
Contractual agreements constituting the right to service an existing mortgage where the holder receives the benefits and bears the costs and risks of servicing the mortgage.

N

NAV
Net asset value.

Net Interest Income
Represents interest income earned on our portfolio investments, less interest expense paid for borrowings.

Net Interest Margin and Net Interest Margin (excluding PAA)
Net interest margin represents our interest income less interest expense divided by average interest earning assets. Net interest margin (excluding PAA) is a non-GAAP financial measure that represents the sum of our interest income (excluding PAA) plus TBA dollar roll income and CMBX coupon income less economic interest expense divided by the sum of average interest earning assets plus average outstanding TBA contract and CMBX balances.

Net Interest Spread and Net Interest Spread (excluding PAA)
Net interest spread represents the average yield on interest earning assets less the average GAAP cost of interest bearing liabilities. Net interest spread (excluding PAA) is a non-GAAP financial measure that represents the average yield on interest earning assets (excluding PAA) less the average economic cost of interest bearing liabilities.

Non-Performing Loan ("NPL")
A loan that is close to defaulting or is in default.

Notional Amount
A stated principal amount in a derivative contract on which the contract is based.

O

Operational Risk
Risk to earnings, capital, reputation or business arising from inadequate or failed internal processes or systems, human factors or external events.

Option Contract
A contract in which the buyer has the right, but not the obligation, to buy or sell an asset at a set price on or before a given date. Buyers of call options bet that a security will be worth more than the price set by the option (the strike price), plus the price they pay for the option itself. Buyers of put options bet that the security's price will drop below the price set by the option. An option is part of a class of financial instruments called derivatives, which means these financial instruments derive their value from the worth of an underlying investment.

Original Face
The face value or original principal amount of a security on its issue date.

Out-of-the-Money
Description for an option that has no intrinsic value and would be worthless if it expired today; for a call option, this situation occurs when the strike price is higher than the market price of the underlying security; for a put option, this situation occurs when the strike price is less than the market price of the underlying security.

Overnight Index Swaps ("OIS")
An interest rate swap in which a fixed rate is exchanged for an overnight floating rate.

Over-The-Counter ("OTC") Market
A securities market that is conducted by dealers throughout the country through negotiation of price rather than through the use of an auction system as represented by a stock exchange.

P

Par
Price equal to the face amount of a security; 100%.

Par Amount
The principal amount of a bond or note due at maturity. Also known as par value.

Pass-Through Security
A securitization structure where a GSE or other entity "passes" the amount collected from the borrowers every month to the investor, after deducting fees and expenses.

Pool
A collection of mortgage loans assembled by an originator or master servicer as the basis for a security. In the case of Ginnie Mae, Fannie Mae, or Freddie Mac mortgage pass-through securities, pools are identified by a number assigned by the issuing agency.

Premium
The amount by which the price of a security exceeds its principal amount. When the dollar price of a bond is above its face value, it is said to be selling at a premium.

Premium Amortization Adjustment ("PAA")
The cumulative impact on prior periods, but not the current period, of quarter-over-quarter changes in estimated long-term prepayment speeds related to our Agency mortgage-backed securities.

Prepayment
The unscheduled partial or complete payment of the principal amount outstanding on a mortgage loan or other debt before it is due.

Prepayment Risk
The risk that falling interest rates will lead to increased prepayments of mortgage or other loans, forcing the investor to reinvest at lower prevailing rates.

Prepayment Speed
The estimated rate at which mortgage borrowers will pay off the mortgages that underlie an MBS.

Primary Market
Market for offers or sales of new bonds by the issuer.

Prime Rate
The indicative interest rate on loans that banks quote to their best commercial customers.

Principal and Interest
The term used to refer to regularly scheduled payments or prepayments of principal and payments of interest on a mortgage or other security.

R

Rate Reset
The adjustment of the interest rate on a floating-rate security according to a prescribed formula.

Real Estate Investment Trust ("REIT")
A special purpose investment vehicle that provides investors with the ability to participate directly in the ownership or financing of real-estate related assets by pooling their capital to purchase and manage mortgage loans and/or income property.

Recourse Debt
Debt on which the economic borrower is obligated to repay the entire balance regardless of the value of the pledged collateral. By contrast, the economic borrower's obligation to repay non-recourse debt is limited to the value of the pledged collateral. Recourse debt consists of repurchase agreements, other secured financing and U.S. Treasury securities sold, not yet purchased. Debt issued by securitization vehicles and participations issued are non-recourse to us and are excluded from this measure.

Reinvestment Risk
The risk that interest income or principal repayments will have to be reinvested at lower rates in a declining rate environment.

Re-Performing Loan ("RPL")
A type of loan in which payments were previously delinquent by at least 90 days but have resumed.

Repurchase Agreement
The sale of securities to investors with the agreement to buy them back at a higher price after a specified time period; a form of short-term borrowing. For the party on the other end of the transaction (buying the security and agreeing to sell in the future) it is a reverse repurchase agreement.

Residential Credit Securities
Refers to CRT securities and non-Agency mortgage-backed securities.

Residential Securities
Refers to Agency mortgage-backed securities, CRT securities and non-Agency mortgage-backed securities.

Residual
In securitizations, the residual is the tranche that collects any cash flow from the collateral that remains after obligations to the other tranches have been met.

Return on Average Equity
Calculated by taking earnings divided by average stockholders' equity.

Reverse Repurchase Agreement
Refer to Repurchase Agreement. The buyer of securities effectively provides a collateralized loan to the seller.

Risk Appetite Statement
Defines the types and levels of risk we are willing to take in order to achieve our business objectives, and reflects our risk management philosophy.

S

Secondary Market
Ongoing market for bonds previously offered or sold in the primary market.

Secured Overnight Financing Rate ("SOFR")
Broad measure of the cost of borrowing cash overnight collateralized by Treasury securities and was chosen by the Alternative Reference Rate Committee as the preferred benchmark rate to replace dollar LIBOR.

Settlement Date
The date securities must be delivered and paid for to complete a transaction.

Short-Term Debt
Generally, debt which matures in one year or less. However, certain securities that mature in up to three years may be considered short-term debt.

Spread
When buying or selling a bond through a brokerage firm, investors will be charged a commission or spread, which is the difference between the market price and cost of purchase, and sometimes a service fee. Spreads differ based on several factors including liquidity.

T

Target Assets
Includes Agency mortgage-backed securities, to-be-announced forward contracts, CRT securities, MSR, non-Agency mortgage-backed securities, residential mortgage loans, and commercial real estate investments.

Tangible Economic Return
Refers to the Company's change in tangible book value (calculated by summing common stock, additional paid-in capital, accumulated other comprehensive income (loss) and accumulated deficit less intangible assets) plus dividends declared divided by the prior period's tangible book value.

Taxable REIT Subsidiary ("TRS")
An entity that is owned directly or indirectly by a REIT and has jointly elected with the REIT to be treated as a TRS for tax purposes. Annaly and certain of its direct and indirect subsidiaries have made separate joint elections to treat these subsidiaries as TRSs.

Term SOFR
The term secured overnight financing rate published by the Chicago Mercantile Exchange, which is used as a benchmark for financial transactions.

To-Be-Announced ("TBA") Securities
A contract for the purchase or sale of a mortgage-backed security to be delivered at a predetermined price, face amount, issuer, coupon and stated maturity on an agreed-upon future date but does not include a specified pool number and number of pools.

TBA Dollar Roll Income
TBA dollar roll income is defined as the difference in price between two TBA contracts with the same terms but different settlement dates. The TBA contract settling in the later month typically prices at a discount to the earlier month contract with the difference in price commonly referred to as the "drop". TBA dollar roll income represents the equivalent of interest income on the underlying security less an implied cost of financing.

Total Return
Investment performance measure over a stated time period which includes coupon interest, interest on interest, and any realized and unrealized gains or losses.

Total Return Swap
A derivative instrument where one party makes payments at a predetermined rate (either fixed or variable) while receiving a return on a specific asset (generally an equity index, loan or bond) held by the counterparty.

U

Unencumbered Assets
Assets on our balance sheet which have not been pledged as collateral against an existing liability.

U.S. Government-Sponsored Enterprise ("GSE") Obligations
Obligations of Agencies originally established or chartered by the U.S. government to serve public purposes as specified by the U.S. Congress, such as Fannie Mae and Freddie Mac; these obligations are not explicitly guaranteed as to the timely payment of principal and interest by the full faith and credit of the U.S. government.

V

Value-at-Risk ("VaR")
A statistical technique which measures the potential loss in value of an asset or portfolio over a defined period for a given confidence interval.

Variable Interest Entity ("VIE")
An entity in which equity investors (i) do not have the characteristics of a controlling financial interest, and/or (ii) do not have sufficient equity at risk for the entity to finance its activities without additional subordinated financial support from other parties.

Variation Margin
Cash or securities provided by a party to collateralize its obligations under a transaction as a result of a change in value of such transaction since the trade was executed or the last time collateral was provided.

Volatility
A statistical measure of the variance of price or yield over time. Volatility is low if the price does not change very much over a short period of time, and high if there is a greater change.

Voting Interest Entity ("VOE")
An entity that has sufficient equity to finance its activities without additional subordinated financial support from other parties and in which equity investors have a controlling financial interest.

W

Warehouse Lending
A line of credit extended to a loan originator to fund mortgages extended by the loan originators to property purchasers. The loan typically lasts from the time the mortgage is originated to when the mortgage is sold into the secondary market, whether directly or through a securitization. Warehouse lending can provide liquidity to the loan origination market.

Weighted Average Coupon
The weighted average interest rate of the underlying mortgage loans or pools that serve as collateral for a security, weighted by the size of the principal loan balances.

Weighted Average Life ("WAL")
The assumed weighted average amount of time that will elapse from the date of a security's issuance until each dollar of principal is repaid to the investor. The WAL will change as the security ages and depending on the actual realized rate at which principal, scheduled and unscheduled, is paid on the loans underlying the MBS.

Y

Yield-to-Maturity
The expected rate of return of a bond if it is held to its maturity date; calculated by taking into account the current market price, stated redemption value, coupon payments and time to maturity and assuming all coupons are reinvested at the same rate; equivalent to the internal rate of return.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Quantitative and qualitative disclosures about market risk are contained within the section titled “Risk Management” of Item 2. “Management’s Discussion and Analysis of Financial Condition and Results of Operations.”

ITEM 4. CONTROLS AND PROCEDURES

Our management, including our Chief Executive Officer (the CEO) and Chief Financial Officer (the CFO), reviewed and evaluated the effectiveness of the design and operation of our disclosure controls and procedures (as defined in Rule 13a-15(e) and 15d-15(e) of the Securities Exchange Act) as of the end of the period covered by this report. Based on that review and evaluation, the CEO and CFO have concluded that our current disclosure controls and procedures, as designed, (1) were effective in ensuring that information required to be disclosed by the Company in reports it files or submits under the Securities Exchange Act is accumulated and communicated to our management, including our CEO and CFO, as appropriate to allow timely decisions regarding required disclosure and (2) were effective in ensuring that information required to be disclosed by the Company in reports it files or submits under the Securities Exchange Act is recorded, processed, summarized and reported within the time periods specified by the SEC’s rules and forms.

There have been no changes in our internal controls over financial reporting that occurred during the three months ended March 31, 2025 that have materially affected, or are reasonably likely to materially affect our internal control over financial reporting.

PART II - OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

From time to time, we are involved in various claims and legal actions arising in the ordinary course of business. As of March 31, 2025, we were not party to any pending material legal proceedings.

ITEM 1A. RISK FACTORS

There have been no material changes to the risk factors disclosed in Item 1A. "Risk Factors" of our most recent annual report on Form 10-K. The materialization of any risks and uncertainties identified in our Special Note Regarding Forward-Looking Statements contained in this report together with those previously disclosed in our most recent annual report on Form 10-K or those that are presently unforeseen could result in significant adverse effects on our financial condition, results of operations and cash flows. See Item 2. "Management's Discussion and Analysis of Financial Condition and Results of Operations – Special Note Regarding Forward-Looking Statements" in this quarterly report or our most recent annual report on Form 10-K.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

In January 2025, we announced that our Board authorized the repurchase of up to $1.5 billion of our outstanding common shares through December 31, 2029 (the "Current Common Stock Repurchase Program"). No shares were repurchased with respect to this share repurchase program during the quarter ended March 31, 2025. As of March 31, 2025, the maximum dollar value of shares that may yet be repurchased under this program was $1.5 billion.

ITEM 5. OTHER INFORMATION

During the quarter ended March 31, 2025, no director or officer of the Company adopted, modified or terminated any Rule 10b5-1 trading arrangement or non-Rule 10b5-1 trading arrangement, each as defined in Item 408 of Regulation S-K, except as set forth below:

Name and Title	Date of Adoption of Rule 10b5-1 Trading Plan	Duration of 10b5-1 Trading Arrangements	Aggregate Number of Securities to be Purchased or Sold
Steven F. Campbell, President and Chief Operating Officer	February 5, 2025	May 13, 2025 - June 17, 2025 August 4, 2025 - September 17, 2025	44,374
Serena Wolfe, Chief Financial Officer	February 6, 2025	May 13, 2025 - June 17, 2025 August 4, 2025 - September 17, 2025	25,386

Current At-The-Market Sales Program

On May 8, 2025, we entered into separate Distribution Agency Agreements (collectively, the "Sales Agreements") with each of Barclays Capital Inc., BNP Paribas Securities Corp., BofA Securities, Inc., BTIG, LLC, Citizens JMP Securities, LLC, Goldman Sachs & Co. LLC, J.P. Morgan Securities LLC, Keefe, Bruyette & Woods, Inc., Morgan Stanley & Co., LLC, Piper Sandler & Co., RBC Capital Markets, LLC, UBS Securities LLC and Wells Fargo Securities, LLC (the "Sales Agents"), which terminated and replaced the Prior Sales Agreements. Under the terms of the Sales Agreements, we may offer and sell shares of our common stock, having an aggregate offering price of up to $2.0 billion (the "Shares"), from time to time through any of the Sales Agents.

Pursuant to the Sales Agreements, the Shares may be offered and sold through the Sales Agents in transactions deemed to be "at-the-market" offerings as defined in Rule 415(a)(4) under the Securities Act of 1933, as amended. Under the Sales Agreements, each Sales Agent (at the Company's election) will use commercially reasonable efforts consistent with its normal sales and trading practices to sell the Shares as directed by the Company. Under the Sales Agreements, the Company will pay each of the Sales Agents a commission that will not exceed, but may be lower than, 1.25% of the gross sales price per share of Shares sold through it. The Sales Agreements contain customary representations, warranties and agreements of the Company, and customary conditions to completing future sale transactions, indemnification rights and obligations of the parties and termination provisions.

Shares sold under the Sales Agreements, if any, will be issued pursuant to the Company's automatic shelf registration statement on Form S-3 (No. 333-282261), including the prospectus, dated September 20, 2024, and the prospectus supplement, dated May 8, 2025, as the same may be amended or supplemented.

The foregoing description of the Sales Agreements is not complete and is qualified in its entirety by reference to the entire Sales Agreements, copies of which are attached hereto as Exhibits 1.1 through 1.13, inclusive, and which are incorporated herein by reference. A copy of the opinion of Venable LLP relating to the legality of the issuance and sale of the Shares is attached hereto as Exhibit 5.1.

ITEM 6. EXHIBITS

Exhibits:

The exhibits required by this item are set forth on the Exhibit Index attached hereto.

Exhibit Number	Exhibit Description
1.1	Distribution Agency Agreement, dated May 8, 2025, by and among Annaly Capital Management, Inc. and Barclays Capital Inc. †
1.2	Distribution Agency Agreement, dated May 8, 2025, by and among Annaly Capital Management, Inc. and BNP Paribas Securities Corp. †
1.3	Distribution Agency Agreement, dated May 8, 2025, by and among Annaly Capital Management, Inc. and BofA Securities, Inc. †
1.4	Distribution Agency Agreement, dated May 8, 2025, by and among Annaly Capital Management, Inc. and BTIG, LLC. †
1.5	Distribution Agency Agreement, dated May 8, 2025, by and among Annaly Capital Management, Inc. and Citizens JMP Securities, LLC. †
1.6	Distribution Agency Agreement, dated May 8, 2025, by and among Annaly Capital Management, Inc. and Goldman Sachs & Co. LLC. †
1.7	Distribution Agency Agreement, dated May 8, 2025, by and among Annaly Capital Management, Inc. and J.P. Morgan Securities LLC. †
1.8	Distribution Agency Agreement, dated May 8, 2025, by and among Annaly Capital Management, Inc. and Keefe, Bruyette & Woods, Inc. †
1.9	Distribution Agency Agreement, dated May 8, 2025, by and among Annaly Capital Management, Inc. and Morgan Stanley & Co. LLC. †
1.10	Distribution Agency Agreement, dated May 8, 2025, by and among Annaly Capital Management, Inc. and Piper Sandler & Co. †
1.11	Distribution Agency Agreement, dated May 8, 2025, by and among Annaly Capital Management, Inc. and RBC Capital Markets, LLC. †
1.12	Distribution Agency Agreement, dated May 8, 2025, by and among Annaly Capital Management, Inc. and UBS Securities LLC. †

1.13	Distribution Agency Agreement, dated May 8, 2025, by and among Annaly Capital Management, Inc. and Wells Fargo Securities, LLC. †
5.1	Opinion of Venable LLP. †
23.1	Consent of Venable LLP (included in Exhibit 5.1) †
31.1	Certification of David L. Finkelstein, Chief Executive Officer and Co-Chief Investment Officer (Principal Executive Officer) of the Registrant, pursuant to 18 U.S.C. Section 1350 as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002. †
31.2	Certification of Serena Wolfe, Chief Financial Officer (Principal Financial Officer) of the Registrant, pursuant to 18 U.S.C. Section 1350 as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002. †
32.1	Certification of David L. Finkelstein, Chief Executive Officer and Co-Chief Investment Officer (Principal Executive Officer) of the Registrant, pursuant to 18 U.S.C. Section 1350 as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002. †
32.2	Certification of Serena Wolfe, Chief Financial Officer (Principal Financial Officer) of the Registrant, pursuant to 18 U.S.C. Section 1350 as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002. †
101.INS XBRL	The instance document does not appear in the interactive data file because its Extensible Business Reporting Language (XBRL) tags are embedded within the Inline XBRL document. The following documents are formatted in Inline XBRL: (i) Consolidated Statements of Financial Condition at March 31, 2025 (Unaudited) and December 31, 2024 (Derived from the audited Consolidated Statement of Financial Condition at December 31, 2024); (ii) Consolidated Statements of Comprehensive Income (Loss) (Unaudited) for the three months ended March 31, 2025 and 2024; (iii) Consolidated Statements of Stockholders' Equity (Unaudited) for the three months ended March 31, 2025 and 2024; (iv) Consolidated Statements of Cash Flows (Unaudited) for the three months ended March 31, 2025 and 2024; and (v) Notes to Consolidated Financial Statements (Unaudited).
101.SCH XBRL	Taxonomy Extension Schema Document †
101.CAL XBRL	Taxonomy Extension Calculation Linkbase Document †
101.DEF XBRL	Additional Taxonomy Extension Definition Linkbase Document Created †
101.LAB XBRL	Taxonomy Extension Label Linkbase Document †
101.PRE XBRL	Taxonomy Extension Presentation Linkbase Document †
104	The cover page for the Registrant's Quarterly Report on Form 10-Q for the quarter ended March 31, 2025 (formatted in Inline XBRL and contained in Exhibit 101).

† Submitted electronically herewith.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

ANNALY CAPITAL MANAGEMENT, INC.

Dated: May 8, 2025

By: /s/ David L. Finkelstein
David L. Finkelstein
Chief Executive Officer, Co-Chief Investment Officer and Director (Principal Executive Officer)

Dated: May 8, 2025

By: /s/ Serena Wolfe
Serena Wolfe
Chief Financial Officer (Principal Financial Officer and Principal Accounting Officer)

ANNALY CAPITAL MANAGEMENT, INC.

Shares of Common Stock
(par value $0.01 per share)

DISTRIBUTION AGENCY AGREEMENT

May 8, 2025

Barclays Capital Inc.
745 Seventh Avenue
New York, New York 10019

Ladies and Gentlemen:

Annaly Capital Management, Inc., a Maryland corporation (the "Company"), agrees with Barclays Capital Inc. (the "Sales Agent"), to issue and sell from time to time through the Sales Agent, as sales agent and/or principal, shares of its common stock, par value $0.01 per share (the "Common Stock"), on the terms set forth in this agreement (this "Agreement").

The Company is concurrently entering into separate distribution agency agreements (the "Alternative Agreements"), each dated of even date herewith, with BNP Paribas Securities Corp., BofA Securities, Inc., BTIG, LLC, Citizens JMP Securities, LLC, Goldman Sachs & Co. LLC, J.P. Morgan Securities LLC, Keefe, Bruyette & Woods, Inc., Morgan Stanley & Co, LLC, Piper Sandler & Co., RBC Capital Markets, LLC, UBS Securities LLC and Wells Fargo Securities, LLC (each, an "Alternative Agent," and together with the Sales Agent, the "Agents"), to issue and sell from time to time through each Alternative Agent, as sales agent and/or principal, shares of the Company's Common Stock (the "Shares") on the terms set forth in the Alternative Agreements. This Agreement and the Alternative Agreements are collectively referred to herein as the "Distribution Agreements."

SECTION 1. Description of Securities. The Company proposes to issue and sell through or to the Sales Agent, as sales agent and/or principal, the Shares on the terms set forth in Section 4 of this Agreement. The Company agrees that whenever it determines to sell the Shares directly to the Sales Agent as principal, it will enter into a separate agreement (each, a "Terms Agreement"), in form and substance satisfactory to the Sales Agent, relating to such sale in accordance with Section 4 of this Agreement.

SECTION 2. Representations and Warranties of the Company. The Company represents and warrants to and agrees with the Sales Agent that:

(a) An "automatic shelf registration statement" (the "registration statement") as defined in Rule 405 under the Securities Act of 1933, as amended, and the rules and regulations thereunder (collectively called the "Act"), on Form S-3 (File No. 333-282261) in respect of the Shares, including a form of prospectus, has been prepared and filed by the Company not earlier than three years prior to the date hereof, in conformity with the requirements of the Act, and the

rules and regulations of the Securities and Exchange Commission (the "Commission") thereunder (the "Rules and Regulations"). The registration statement contains certain information concerning the offering and sale of the Common Stock, including the Shares, and contains additional information concerning the Company and its business; the Commission has not issued an order preventing or suspending the use of the Basic Prospectus (as defined below), the Prospectus Supplement (as defined below), the Prospectus (as defined below) or any Permitted Free Writing Prospectus (as defined below), or the effectiveness of the Registration Statement (as defined below), and no proceeding for that purpose or pursuant to Section 8A of the Act has been instituted or, to the Company's knowledge, threatened by the Commission. Except where the context otherwise requires, "Registration Statement," as used herein, means the registration statement, as amended at the time of such registration statement's effectiveness for purposes of Section 11 of the Act, as such section applies to the Sales Agent, as well as any new registration statement, post-effective amendment or new automatic shelf registration statement as may have been filed pursuant to Section 5(f) or (g) of this Agreement, including (1) all documents filed as a part thereof or incorporated or deemed to be incorporated by reference therein, (2) any information contained or incorporated by reference in a prospectus filed with the Commission pursuant to Rule 424(b) under the Act, to the extent such information is deemed, pursuant to Rule 430B or Rule 430C under the Act, to be part of the registration statement at the time of such registration statement's effectiveness for purposes of Section 11 of the Act, as such section applies to the Sales Agent, and (3) any registration statement filed to register the offer and sale of Shares pursuant to Rule 462(b) under the Act. Except where the context otherwise requires, "Basic Prospectus," as used herein, means the prospectus filed as part of each Registration Statement, together with any amendments or supplements thereto as of the date of this Agreement. Except where the context otherwise requires, "Prospectus Supplement," as used herein, means the final prospectus supplement, relating to the Shares, filed by the Company with the Commission pursuant to Rule 424(b) under the Act on or before the second business day after the date hereof (or such earlier time as may be required under the Act), or if after such date, the most recently filed final prospectus supplement relating to the Shares, in the form furnished by the Company to the Sales Agent in connection with the offering of the Shares. Except where the context otherwise requires, "Prospectus," as used herein, means the Prospectus Supplement together with the Basic Prospectus attached to or used with the Prospectus Supplement. "Permitted Free Writing Prospectuses," as used herein, means the documents listed on Schedule A attached hereto. Any reference herein to the registration statement, the Registration Statement, the Basic Prospectus, the Prospectus Supplement, the Prospectus or any Permitted Free Writing Prospectus shall be deemed to refer to and include the documents, if any, incorporated by reference, or deemed to be incorporated by reference, therein (the "Incorporated Documents"), including, unless the context otherwise requires, the documents, if any, filed as exhibits to such Incorporated Documents. Any reference herein to the terms "amend," "amendment" or "supplement" with respect to the Registration Statement, the Basic Prospectus, the Prospectus Supplement, the Prospectus or any Permitted Free Writing Prospectus shall be deemed to refer to and include the filing of any document under the Securities Exchange Act of 1934, as amended, and the rules and regulations thereunder (collectively, the "Exchange Act") on or after the initial effective date of the Registration Statement, or the date of the Basic Prospectus, the Prospectus Supplement, the Prospectus or such Permitted Free Writing Prospectus, as the case may be, and deemed to be incorporated therein by reference.

(b) The Registration Statement complied when it became effective, complies as of the date hereof and, as amended or supplemented, at each deemed effective date with respect to the Sales Agent pursuant to Rule 430(B)(f)(2) of the Act, at each Settlement Date (as defined in Section 4(a)(vi) hereof), and at all times during which a prospectus is required by the Act to be delivered (whether physically, deemed to be delivered pursuant to Rule 153 or through compliance with Rule 172 under the Act or any similar rule) in connection with any sale of Shares, will comply, in all material respects, with the requirements of the Act, and the

Registration Statement did not and will not, at or during such times, contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading; the conditions to the use of Form S-3 in connection with the offering and sale of the Shares as contemplated hereby have been satisfied; the Registration Statement meets, and the offering and sale of the Shares as contemplated hereby complies with, the requirements of Rule 415 under the Act (including, without limitation, Rule 415(a)(5)); the Basic Prospectus complied or will comply, at the time it was or will be filed with the Commission, complies as of the date hereof (if filed with the Commission on or prior to the date hereof) and, as of the time of each sale of Shares pursuant to this Agreement (each, a "Time of Sale"), at each Settlement Date and at all times during which a prospectus is required by the Act to be delivered (whether physically, deemed to be delivered pursuant to Rule 153 or through compliance with Rule 172 under the Act or any similar rule) in connection with any sale of Shares, will comply, in all material respects, with the requirements of the Act; at no time during the period that begins on the earlier of the date of the Basic Prospectus and the date the Basic Prospectus was filed with the Commission and ends on each Settlement Date did or will the Basic Prospectus, as then amended or supplemented, include an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; the Prospectus will comply, as of the date that it is filed with the Commission, the date of the Prospectus Supplement, each Time of Sale, each Settlement Date, and at all times during which a prospectus is required by the Act to be delivered (whether physically, deemed to be delivered pursuant to Rule 153 or through compliance with Rule 172 under the Act or any similar rule) in connection with any sale of Shares, in all material respects, with the requirements of the Act (including, without limitation, Section 10(a) of the Act); at no time during the period that begins on the date of the Prospectus Supplement and ends at the later of each Settlement Date and the end of the period during which a prospectus is required by the Act to be delivered (whether physically, deemed to be delivered pursuant to Rule 153 or through compliance with Rule 172 under the Act or any similar rule) in connection with any sale of Shares did or will the Prospectus, as then amended or supplemented, either alone or together with any combination of one or more of the then issued Permitted Free Writing Prospectuses, if any, include an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; at no time during the period that begins on the date of such Permitted Free Writing Prospectus and ends at each Settlement Date did or will any Permitted Free Writing Prospectus include an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided, however, that the Company makes no representation or warranty with respect to any statement contained in the Registration Statement, the Basic Prospectus, the Prospectus or any Permitted Free Writing Prospectus in reliance upon and in conformity with information concerning the Sales Agent and furnished in writing by or on behalf of the Sales Agent expressly for use in the Registration Statement, the Basic Prospectus, the Prospectus or such Permitted Free Writing Prospectus; each Incorporated Document, at the time such document was filed with the Commission or at the time such document became effective, as applicable, complied, in all material respects, with the requirements of the Exchange Act and did not include an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(c) (i) At the time of filing of the Registration Statement, (ii) at the time of the most recent amendment thereto for the purposes of complying with Section 10(a)(3) of the Act or otherwise (whether such amendment was by post-effective amendment, incorporated report filed pursuant to Section 13 or 15(d) of the Exchange Act or form of prospectus), (iii) at the time the Company or any person acting on its behalf (within the meaning, for this clause only, of Rule 163(c) of the Act) made any offer relating to the Shares in reliance on the exemption of

Rule 163 of the Act and (iv) at the date hereof, the Company is a "well-known seasoned issuer" as defined in Rule 405 of the Act ("Rule 405"), including not having been and not being an "ineligible issuer" as defined by Rule 405. The Registration Statement is an "automatic shelf registration statement," as defined in Rule 405, and the Shares, since their registration on the Registration Statement, have been and remain eligible for registration by the Company on a Rule 405 "automatic shelf registration statement." The Company has not received from the Commission any notice pursuant to Rule 401(g)(2) of the Act objecting to the use of the automatic shelf registration statement form.

(d) Prior to the execution of this Agreement, the Company has not, directly or indirectly, offered or sold any Shares by means of any "prospectus" (within the meaning of the Act) or used any "prospectus" (within the meaning of the Act) in connection with the offer or sale of the Shares; the Company has not, directly or indirectly, prepared, used or referred to any Permitted Free Writing Prospectus except in compliance with Rule 163 or with Rules 164 and 433 under the Act; assuming that any such Permitted Free Writing Prospectus is so sent or given after the Registration Statement was filed with the Commission (and after such Permitted Free Writing Prospectus was, if required pursuant to Rule 433(d) under the Act, filed with the Commission), the sending or giving, by the Sales Agent, of any Permitted Free Writing Prospectus will satisfy the provisions of Rule 164 or Rule 433 (without reliance on subsections (b), (c) and (d) of Rule 164); the conditions set forth in one or more of subclauses (i) through (iv), inclusive, of Rule 433(b)(1) under the Act are satisfied, and the registration statement relating to the offering of the Shares contemplated hereby, as initially filed with the Commission, includes a prospectus that, other than by reason of Rule 433 or Rule 431 under the Act, satisfies the requirements of Section 10 of the Act; neither the Company nor the Sales Agent is disqualified, by reason of subsection (f) or (g) of Rule 164 under the Act, from using, in connection with the offer and sale of the Shares, "free writing prospectuses" (as defined in Rule 405 under the Act) pursuant to Rules 164 and 433 under the Act; the Company is not an "ineligible issuer" (as defined in Rule 405 under the Act) as of the eligibility determination date for purposes of Rules 164 and 433 under the Act with respect to the offering of the Shares contemplated by the Registration Statement; the parties hereto agree and understand that the content of any and all "road shows" (as defined in Rule 433 under the Act) related to the offering of the Shares contemplated hereby is solely the property of the Company.

(e) The Company has an authorized and outstanding capitalization as set forth in the consolidated balance sheet included or incorporated by reference in the Registration Statement, the Prospectus or any Permitted Free Writing Prospectus or as of the Company's then most recently completed quarter or fiscal year, contained in the Company's quarterly report on Form 10-Q or the Company's annual report on Form 10-K, as applicable, at the indicated date, and there has been no material change in such information since the Company's then most recently completed quarter or fiscal year (subject to the issuance of shares of Common Stock upon exercise of stock options and warrants disclosed as outstanding in the Registration Statement (excluding the exhibits thereto) and the Prospectus and the grant of options under existing stock option plans described in the Registration Statement (excluding the exhibits thereto), the Basic Prospectus and the Prospectus).

(f) The consolidated financial statements of the Company, together with the related schedules and notes thereto, set forth or included or incorporated by reference in the Registration Statement, the Prospectus or any Permitted Free Writing Prospectus are accurate in all material respects and fairly present the financial condition of the Company on a consolidated basis as of the dates indicated and the results of operations, changes in financial position, stockholders' equity and cash flows for the periods therein specified are in conformity with generally accepted accounting principles consistently applied throughout the periods involved (except as otherwise stated therein). The selected financial and statistical data included or incorporated by reference

in the Registration Statement and the Prospectus present fairly the information shown therein and, to the extent based upon or derived from the financial statements, have been compiled on a basis consistent with the financial statements presented therein. No other financial statements are required to be set forth or to be incorporated by reference in the Registration Statement or the Prospectus under the Act. The interactive data in eXtensible Business Reporting Language included or incorporated by reference in the Registration Statement, the Prospectus or any Permitted Free Writing Prospectus fairly present the information called for in all material respects and have been prepared in accordance with the Commission's rules and guidelines applicable thereto.

(g) The Prospectus and any Permitted Free Writing Prospectus delivered to the Sales Agent for use in connection with this offering will be, identical to the versions of the Prospectus and any Permitted Free Writing Prospectus, respectively, created to be transmitted to the Commission for filing via EDGAR, except to the extent permitted by Regulation S-T.

(h) The Company and each of its subsidiaries has been duly formed or, if a corporation, incorporated and is validly existing as a limited liability company, limited partnership or corporation in good standing under the laws of the state of its formation or incorporation, as applicable, is duly qualified to do business and is in good standing as a foreign limited liability company, limited partnership or corporation, as applicable, in each jurisdiction in which its ownership or lease of property or assets or the conduct of its business requires such qualification, except where the failure to so qualify would not have a material adverse effect on the business, assets, properties, prospects, financial condition or results of operation of the Company and its subsidiaries taken as a whole (a "Company Material Adverse Effect"), and has full limited liability company, limited partnership or corporate, as applicable, power and authority necessary to own, hold, lease and/or operate its assets and properties, to conduct the business in which it is engaged and as described in the Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any, and to enter into and perform its obligations under this Agreement and to consummate the transactions contemplated hereby, and the Company and its subsidiary Arcola Securities, Inc. ("Arcola") are each in compliance in all material respects with the laws, orders, rules, regulations and directives issued or administered by such jurisdictions.

(i) The Company has no "significant subsidiaries" (as such term is defined in Rule 1-02 of Regulation S-X promulgated under the Securities Act), and has no other subsidiaries except as (i) set forth in Exhibit 21.1 to the Company's most recently filed annual report on Form 10-K, (ii) otherwise disclosed by the Company in the Registration Statement, the Prospectus or the Permitted Free Writing Prospectus, if any, or (iii) would not, individually or in the aggregate, be material to the Company. Complete and correct copies of the charter and of the bylaws of the Company and all amendments thereto have been delivered to the Sales Agent (or otherwise made available on EDGAR) and, except as set forth in the exhibits to, or incorporated by reference into, the Registration Statement, no changes therein will be made subsequent to the date hereof and prior to each Time of Sale and each Settlement Date.

(j) The Company is not in breach of, or in default under (nor has any event occurred which with notice, lapse of time or both would result in any breach of or constitute a default under), (i) its charter or bylaws or (ii) any obligation, agreement, covenant or condition contained in any contract, license, repurchase agreement, indenture, mortgage, deed of trust, bank loan or credit agreement, note, lease or other evidence of indebtedness, or any lease, contract or other agreement or instrument to which the Company is a party or by which it or any of its assets or properties may be bound or affected, the effect of which breach or default under this clause (ii) could have a Company Material Adverse Effect. The execution, delivery and performance of this Agreement, the issuance and sale of the Shares and the consummation of the transactions

contemplated hereby will not conflict with, or result in any breach of, constitute a default under or a Repayment Event (as defined below) under (nor constitute any event which with notice, lapse of time or both would result in any breach of, constitute a default under or a Repayment Event under), (i) any provision of the charter or bylaws of the Company, (ii) any provision of any contract, license, repurchase agreement, indenture, mortgage, deed of trust, bank loan or credit agreement, note, lease or other evidence of indebtedness, or any lease, contract or other agreement or instrument to which the Company is a party or by which the Company or any of its assets or properties may be bound or affected, the effect of which could have a Company Material Adverse Effect or (iii) under any federal, state, local or foreign law, regulation or rule or any decree, judgment or order applicable to the Company. As used herein, a "Repayment Event" means any event or condition which gives the holder of any note, debenture or other evidence of indebtedness (or any person acting on such holder's behalf) the right to require the repurchase, redemption or repayment of all or a portion of such indebtedness by the Company or any subsidiary.

(k) All of the issued and outstanding shares of capital stock, including the Common Stock, of the Company have been duly and validly authorized and issued and are fully paid and non-assessable, have been issued in compliance with all federal and state securities laws and were not issued in violation of any preemptive right, resale right, right of first refusal or similar right.

(l) This Agreement has been duly authorized, executed and delivered by the Company.

(m) Reserved.

(n) The capital stock of the Company, including the Shares, conforms and will conform in all material respects to the description thereof contained in the Registration Statement, the Prospectus or any Permitted Free Writing Prospectus and such description conforms to the rights set forth in the instruments defining the same. If certificated, the global certificates representing the Shares are in due and proper form and the holders of the Shares will not be subject to personal liability by reason of being such holders.

(o) The Shares have been duly and validly authorized by the Company for issuance and sale pursuant to this Agreement and, when issued and delivered against payment therefor as provided herein, will be duly and validly issued and fully paid and non-assessable, free and clear of any pledge, lien, encumbrance, security interest or other claim, and will be registered pursuant to Section 12 of the Exchange Act.

(p) No approval, authorization, consent or order of or filing with any national, state or local governmental or regulatory commission, board, body, authority or agency is required in connection with the issuance and sale of the Shares or the consummation by the Company of the transaction contemplated hereby other than (i) registration of the Shares under the Act, (ii) any necessary qualification under the securities or blue sky laws of the various jurisdictions in which the Shares are being offered by the Sales Agent and (iii) such approvals in connection with the approval of the listing of the Shares on the New York Stock Exchange LLC (the "NYSE").

(q) No person, as such term is defined in Rule 1-02 of Regulation S-X promulgated under the Act (each, a "Person"), has the right, contractual or otherwise, to cause the Company to issue to it any shares of capital stock or other securities of the Company upon the issue and sale of the Shares to the Sales Agent hereunder, nor does any Person have preemptive rights, co-sale rights, rights of first refusal or other rights to purchase or subscribe for any of the Shares or any securities or obligations convertible into or exchangeable for, or any contracts or commitments to

issue or sell any of, the Shares or any options, rights or convertible securities or obligations, other than those that have been expressly waived prior to the date hereof.

(r) Ernst & Young LLP (the "Accountants"), whose report on the consolidated financial statements of the Company is filed with the Commission as part of the Registration Statement and the Prospectus, are and, during the periods covered by their reports, were independent public accountants as required by the Act.

(s) Each of the Company and its subsidiaries has all necessary licenses, authorizations, consents and approvals and has made all necessary filings required under any federal, state, local or foreign law, regulation or rule, and has obtained all necessary permits, authorizations, consents and approvals from other Persons, in order to conduct its business as described in the Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any, except as such as could not have a Company Material Adverse Effect. Neither the Company nor any of its subsidiaries is required by any applicable law to obtain accreditation or certification from any governmental agency or authority in order to provide the products and services which it currently provides or which it proposes to provide as set forth in the Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any, except as such could not have a Company Material Adverse Effect. Neither the Company nor any of its subsidiaries is in violation of, or in default under, any such license, permit, authorization, consent or approval or any federal, state, local or foreign law, regulation or rule or any decree, order or judgment applicable to the Company or any of its subsidiaries, the effect of which could have a Company Material Adverse Effect.

(t) The descriptions in the Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any, of the legal or governmental proceedings, contracts, leases and other legal documents therein described present fairly in all material respects the information required to be shown, and there are no legal or governmental proceedings, contracts, leases or other documents of a character required to be described in the Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any, or to be filed as exhibits to the Registration Statement which are not described or filed as required. All agreements between the Company and third parties expressly referenced in the Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any, are legal, valid and binding obligations of the Company, enforceable in accordance with their respective terms, except to the extent enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws affecting creditors' rights generally and by general equitable principles and except to the extent that any indemnification provision thereof may be limited by public policy considerations in respect thereof.

(u) Except as set forth in the Registration Statement, the Prospectus or a Permitted Free Writing Prospectus, there are no actions, suits, claims, investigations, inquiries or proceedings pending or, to the best of the Company's knowledge, threatened to which the Company or any of the subsidiaries or any of their respective officers or directors is a party or of which any of its properties or other assets is subject at law or in equity, or before or by any federal, state, local or foreign governmental or regulatory commission, board, body, authority or agency which could result in a judgment, decree or order having a Company Material Adverse Effect.

(v) Except as otherwise may be disclosed therein, subsequent to the respective dates as of which information is given in the Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any, there has not been (i) any Company Material Adverse Effect, or any development which would reasonably be expected to cause a Company Material Adverse Effect, in the business, properties or assets described or referred to in the Registration Statement,

the Prospectus and the Permitted Free Writing Prospectuses, if any, or the results of operations, condition (financial or otherwise), net worth, business, prospects or operations of the Company and its subsidiaries, taken as a whole, (ii) any transaction which is material to the Company and its subsidiaries, taken as a whole, except transactions in the ordinary course of business, (iii) any obligation, direct or contingent, which is material to the Company and its subsidiaries, taken as a whole, incurred by the Company or any subsidiary, except obligations incurred in the ordinary course of business, (iv) any change in the capital stock or, except in the ordinary course of business, outstanding indebtedness of the Company or any subsidiary or (v) except for regular quarterly dividends on the outstanding shares of preferred stock (collectively, the "Preferred Stock") and the Common Stock, in amounts per share that are consistent with past practice and the descriptions thereof in the Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any, any dividend or distribution of any kind declared, paid or made by the Company on any class of its capital stock. There are no contingent obligations that are material to the Company and its subsidiaries, taken as a whole, which are not disclosed in the Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any.

(w) Except as set forth in the Registration Statement, the Prospectus or a Permitted Free Writing Prospectus, there are no Persons with registration or other similar rights to have any equity or debt securities, including securities which are convertible into or exchangeable for equity securities, registered pursuant to the Registration Statement or otherwise registered by the Company under the Act.

(x) The Company (i) does not have any issued and outstanding preferred stock, other than the shares of Preferred Stock, in such number and series, as are described in the Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any, (ii) has not failed to pay any dividend or sinking fund installment on preferred stock and (iii) has not defaulted on any installment on indebtedness for borrowed money or on any rental on one or more long term leases, which defaults would have a Company Material Adverse Effect on the financial position of the Company and its subsidiaries, taken as a whole. The Company has not filed a report pursuant to Section 13(a) or 15(d) of the Exchange Act since the filing of its last annual report on Form 10-K, indicating that it (i) has failed to pay any dividend or sinking fund installment on the Preferred Stock or (ii) has defaulted on any installment on indebtedness for borrowed money or on any rental on one or more long term leases, which defaults would have a Company Material Adverse Effect.

(y) Neither the Company nor any of its officers, directors and controlling Persons have, directly or indirectly, (i) taken any action designed to cause or to result in, or that has constituted or which might reasonably be expected to constitute, the stabilization or manipulation of the price of the Common Stock to facilitate the sale of the Shares, or (ii) (except pursuant to this Agreement, shares of the Company's Common Stock issued pursuant to the Company's dividend reinvestment and share purchase plan (the "DRSPP"), as may have been incurred in connection with the Company's publicly disclosed repurchase of Common Stock and the retirement of the Company's long-term indebtedness) (A) sold, bid for, purchased, or paid anyone any compensation for soliciting purchases of, the Shares or, (B) other than as disclosed in the Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any, during the one hundred eighty (180) day period preceding the date of this Agreement, paid or agreed to pay to any Person any compensation for soliciting another to purchase any other securities of the Company.

(z) The Company has applied to have the Shares listed on the NYSE, and the Shares will have been approved for listing on the NYSE as of the time of purchase, subject only to official notice of issuance.

(aa) Neither the Company nor any of its affiliates, except for Arcola, (i) is required to register as a "broker" or "dealer" in accordance with the provisions of the Exchange Act or (ii) directly or indirectly through one or more intermediaries, controls or has any other association with (within the meaning of Article I of the Bylaws of the Financial Industry Regulatory Authority, Inc. ("FINRA")) any member firm of FINRA.

(ab) Any certificate signed by any officer of the Company delivered to the Sales Agent or to counsel for the Sales Agent pursuant to or in connection with this Agreement shall be deemed a representation and warranty by the Company to the Sales Agent as to the matters covered thereby.

(ac) As of the date of this Agreement, the Company has no plan or intention to materially alter its capital investment policy or investment allocation strategy, both as described in the Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any, and is in compliance with its stated capital investment policy and investment allocation strategy. Each of the Company and its subsidiaries has good and marketable title to all of the properties and assets owned by them, in each case free and clear of any security interests, liens, encumbrances, equities, claims and other defects (except for any security interest, lien, encumbrance or claim that may otherwise exist under any applicable repurchase agreement or loan agreement), except such as do not have a Company Material Adverse Effect and do not interfere with the use made or proposed to be made of such property or asset by the Company or any subsidiary, and except as described in or contemplated by the Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any. The Company owns no real property that is material, on an individual basis, to the Company. Any real property and buildings held under lease by the Company or any subsidiary are held under valid, existing and enforceable leases, with such exceptions as are disclosed in the Prospectus or are not material and do not interfere with the use made or proposed to be made of such property and buildings by the Company.

(ad) The Company has filed all federal and material state and foreign income and franchise tax returns required to be filed on or prior to the date hereof and has paid taxes shown as due thereon (or that are otherwise due and payable), other than taxes which are being contested in good faith and for which adequate reserves have been established in accordance with generally accepted accounting principles. The Company has no knowledge, after due inquiry, of any tax deficiency which has been asserted or threatened against the Company. To the knowledge of the Company, there are no tax returns of the Company that are currently being audited by federal, state or local taxing authorities or agencies which would have a Company Material Adverse Effect.

(ae) The Company owns or possesses adequate license or other rights to use all patents, trademarks, service marks, trade names, copyrights, software and design licenses, trade secrets, manufacturing processes, other intangible property rights and know-how (collectively, "Intangibles") necessary to entitle the Company to conduct its business as described in the Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any, and the Company has not received notice of infringement of or conflict with (and the Company knows of no such infringement of or conflict with) asserted rights of others with respect to any Intangibles which could have a Company Material Adverse Effect.

(af) The Company maintains a system of internal accounting controls sufficient to provide reasonable assurance that (i) transactions are executed in accordance with management's general or specific authorizations, (ii) transactions are recorded as necessary to permit preparation of financial statements in conformity with generally accepted accounting principles as applied in the United States and to maintain asset accountability, (iii) access to assets is

permitted only in accordance with management's general or specific authorization, (iv) the recorded accountability for assets is compared with the existing assets at reasonable intervals and appropriate action is taken with respect to any differences and (v) the interactive data in eXtensible Business Reporting Language incorporated by reference in the Registration Statement, the Prospectus and any Permitted Free Writing Prospectus fairly present the information called for in all material respects and is prepared in accordance with the Commission's rules and guidelines applicable thereto.

(ag) The Company has established and maintains disclosure controls and procedures (as such term is defined in Rule 13a-14 and 15d-14 under the Exchange Act); such disclosure controls and procedures are designed to ensure that material information relating to the Company is made known to the Company's Chief Executive Officer and its Chief Financial Officer, and such disclosure controls and procedures are effective to perform the functions for which they were established; any significant material weaknesses in internal controls have been identified for the Company's Chief Executive Officer and its Chief Financial Officer; and since the date of the most recent evaluation of such disclosure controls and procedures, there have been no significant changes in internal controls or in other factors that could significantly affect internal controls.

(ah) The Company is insured by insurers of recognized financial responsibility against such losses and risks and in such amounts as are prudent and customary in the business in which it is engaged. The Company has no reason to believe that it will not be able to renew its existing insurance coverage as and when such coverage expires or to obtain similar coverage from similar insurers as may be necessary to continue its business at a cost that would not have a Company Material Adverse Effect.

(ai) Except as set forth in the Registration Statement, the Prospectus or a Permitted Free Writing Prospectus, the Company is not in violation, and has not received notice of any violation with respect to, any applicable environmental, safety or similar law applicable to the business of the Company. The Company has received all permits, licenses or other approvals required of them under applicable federal and state occupational safety and health and environmental laws and regulations to conduct its business, and the Company is in compliance with all terms and conditions of any such permit, license or approval, except any such violation of law or regulation, failure to receive required permits, licenses or other approvals or failure to comply with the terms and conditions of such permits, licenses or approvals which could not, singly or in the aggregate, have a Company Material Adverse Effect.

(aj) Neither the Company nor any of its subsidiaries has incurred any liability for any finder's fees or similar payments in connection with the transactions herein contemplated, except as may otherwise exist with respect to the Sales Agent pursuant to this Agreement.

(ak) Except as set forth in the Registration Statement, the Prospectus or a Permitted Free Writing Prospectus, there are no existing or threatened labor disputes with the employees of the Company which are likely to have individually or in the aggregate a Company Material Adverse Effect.

(al) No relationship, direct or indirect, exists between or among the Company or any of its subsidiaries, on the one hand, and the directors, officers and stockholders of the Company, on the other hand, which is required by the Act to be described in the Registration Statement and the Prospectus that is not so described.

(am) The Company, since its date of inception, has been, and upon the sale of the Shares will continue to be, organized and operated in conformity with the requirements for

qualification and taxation as a "real estate investment trust" (a "REIT") under Sections 856 through 860 of the Internal Revenue Code of 1986, as amended and the regulations and published interpretations thereunder (collectively, the "Code"), for all taxable years commencing with its taxable year ended December 31, 1997. The proposed method of operation of the Company as described in Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any, will enable the Company to continue to meet the requirements for qualification and taxation as a REIT under the Code, and no actions have been taken (or not taken which are required to be taken) which would cause such qualification to be lost. The Company intends to continue to operate in a manner which would permit it to qualify as a REIT under the Code. The Company has no intention of changing its operations or engaging in activities which would cause it to fail to qualify, or make economically undesirable its continued qualification, as a REIT.

(an) Neither the Company nor any subsidiary is and, after giving effect to the offering and sale of the Shares, will be required to register as an "investment company" or an entity "controlled" by an "investment company," as such terms are defined in the Investment Company Act of 1940, as amended (the "Investment Company Act").

(ao) To the Company's knowledge, no relationship, direct or indirect, exists between or among the Company or any subsidiary, on the one hand, and the officers, 10% stockholders or directors of the Company or any subsidiary, on the other hand, which is required by the rules of FINRA to be described in the Registration Statement and the Prospectus which is not so described.

(ap) The Company has not, directly or indirectly, including through any subsidiary, extended credit, arranged to extend credit, or renewed any extension of credit, in the form of a personal loan, to or for any director or executive officer of the Company, or to or for any family member or affiliate of any director or executive officer of the Company.

(aq) Neither the Company nor any of the subsidiaries nor, to the Company's knowledge, any employee or agent of the Company or the subsidiaries has made any payment of funds of the Company or the subsidiaries or received or retained any funds in violation of any law, rule or regulation, which payment, receipt or retention of funds is of a character required to be disclosed in the Registration Statement or the Prospectus.

(ar) The Company is in compliance with all applicable provisions of the Sarbanes-Oxley Act of 2002 and the rules and regulations promulgated thereunder.

(as) The Common Stock is an "actively traded security" excepted from the requirements of Rule 101 of Regulation M under the Exchange Act by subsection (c)(1) of such rule.

(at) Other than any Terms Agreement or the Alternative Agreements, the Company has not entered into any other sales agency or distribution agreements or similar arrangements with any agent or other representative in respect of the Shares and the equity shelf program established by the Distribution Agreements, the terms of which have not been properly and duly waived.

(au) The operations of the Company and its subsidiaries are and have been conducted at all times in material compliance with all applicable financial recordkeeping and reporting requirements, including those of the Bank Secrecy Act, as amended by Title III of the Uniting and Strengthening America by Providing Appropriate Tools Required to intercept and Obstruct Terrorism Act of 2001 (USA PATRIOT Act), as amended, and the applicable anti-money

laundering statutes of jurisdictions where the Company and its subsidiaries conduct business, the rules and regulations thereunder and any related or similar rules, regulations or guidelines, issued, administered or enforced by any governmental agency (collectively, the "Anti-Money Laundering Laws"), and no action, suit or proceeding by or before any court or governmental agency, authority or body or any arbitrator involving the Company or any of its subsidiaries with respect to Anti-Money Laundering Laws is pending or, to the best knowledge of the Company, threatened.

(av) (A) Neither the Company nor any of its subsidiaries, nor any director, officer or employee thereof, nor, to the Company's knowledge, any agent, affiliate or representative of the Company or any of them, is an individual or entity ("Covered Person") that is, or is owned or controlled by a Covered Person that is:

(i) the subject of any sanctions administered or enforced by the U.S. Department of Treasury's Office of Foreign Assets Control ("OFAC"), the United Nations Security Council, the European Union, His Majesty's Treasury or other relevant sanctions authority (collectively, "Sanctions"); nor

(ii) located, organized or resident in a country or territory that is the subject of Sanctions (including, without limitation, the so-called Donetsk People's Republic, the so-called Luhansk People's Republic, the Kherson, the non-government controlled areas of the Kherson and Zaporizhzhia regions of Ukraine, and any other Covered Region of Ukraine identified pursuant to Executive Order 14065, the Crimea region of Ukraine, Cuba, Iran, North Korea, Syria and Venezuelan State-owned entities).

(A) The Company will not use the proceeds of the offering, or lend, contribute or otherwise make available such proceeds to any subsidiary, joint venture partner or other Covered Person:

(i) to fund or facilitate any activities or business of or with any Covered Person or in any country or territory that, at the time of such funding or facilitation, is the subject of Sanctions; or

(ii) in any other manner that will result in a violation of Sanctions by any Covered Person (including any Covered Person participating in the offering, whether as underwriter, advisor, investor or otherwise).

(B) The Company and its subsidiaries have not knowingly engaged in, are not now knowingly engaged in, and will not engage in, any dealings or transactions with any Covered Person, or in any country or territory, that at the time of the dealing or transaction is or was the subject of Sanctions.

(C) Neither the Company nor any of its subsidiaries, nor any director, officer or, to the Company's knowledge, employee thereof, nor, to the Company's knowledge, any agent, affiliate or representative of the Company or any of them: (i) has used any corporate funds for any unlawful contribution, gift, entertainment or other unlawful expense relating to political activity; (ii) has made any direct or indirect unlawful contribution or payment to any official of, or candidate for, or any employee of, any federal, state or foreign office from corporate funds; (iii) has made any bribe, unlawful rebate, payoff, influence payment, kickback or other unlawful payment; or (iv) is aware of or has taken any action, directly or indirectly, that would result in a violation by such persons of the OECD Convention on Bribery of Foreign Public Officials in International

Business Transactions, the Foreign Corrupt Practices Act of 1977, as amended, and the rules and regulations thereunder (collectively, the "FCPA") or any similar law or regulation to which the Company, any of its subsidiaries, any director, officer, agent, employee, affiliate or other person associated with or acting on behalf of the Company or any of its subsidiaries is subject. The Company, its subsidiaries and their affiliates have each conducted its businesses in compliance with the FCPA and any applicable similar law or regulation and have instituted and maintain policies and procedures designed to ensure, and which are reasonably expected to continue to ensure, continued compliance therewith.

SECTION 3. Reserved.

SECTION 4. Sale and Delivery of Securities. (a) On the basis of the representations, warranties and agreements herein contained, but subject to the terms and conditions herein set forth, the Company agrees to issue and sell through the Sales Agent, as sales agent, and the Sales Agent agrees to use its commercially reasonable efforts to sell, as sales agent for the Company, the Shares on the following terms.

(i) The Shares are to be sold on a daily basis or otherwise as shall be agreed to by the Company and the Sales Agent on any day that (A) is a trading day for the NYSE (other than a day on which the NYSE is scheduled to close prior to its regular weekday closing time), (B) the Company has instructed the Sales Agent by telephone (confirmed promptly by electronic mail) (or as otherwise agreed to by the Company and the Sales Agent) from any of the individuals listed as authorized representatives of the Company on Schedule B hereto (the "Authorized Company Representatives") to make such sales and (C) the Company has satisfied its obligations under Section 8 of this Agreement. The Company will designate the maximum amount of the Shares to be sold by the Sales Agent daily as agreed to by the Sales Agent and in any event not in excess of the amount available for issuance under the currently effective Registration Statement relating to the sale of up to $2,000,000,000 of Shares as described in the prospectus supplement dated May 8, 2025, or any Registration Statement filed pursuant to Section 5(g), or in a number in excess of the number of Shares authorized from time to time to be issued and sold under this Agreement by the Company's board of directors, or a duly authorized committee thereof, and notified to the Sales Agent in writing (a "Placement Notice").

Subject to the terms and conditions hereof, the Sales Agent shall use its commercially reasonable efforts to offer and sell all of the Shares designated; provided, however, that the Sales Agent shall have no obligation to offer or sell any Shares, and the Company acknowledges and agrees that the Sales Agent shall have no such obligation, in the event an offer or sale of the Shares on behalf of the Company may in the judgment of the Sales Agent constitute the sale of a "block" under Rule 10b-18(a)(5) under the Exchange Act or a "distribution" within the meaning of Rule 100 of Regulation M under the Exchange Act or the Sales Agent reasonably believes it may be deemed an "underwriter" under the Act in a transaction that is other than by means of ordinary brokers' transactions between members of the NYSE that qualify for delivery of a Prospectus to the NYSE in accordance with Rule 153 under the Act (such transactions are hereinafter referred to as "At-the-Market Offerings").

(ii) Notwithstanding the foregoing, the Company, through any of the Authorized Company Representatives, may instruct the Sales Agent by telephone

(confirmed promptly by electronic mail) (or as otherwise agreed to by the Company and the Sales Agent) not to sell the Shares if such sales cannot be effected at or above the price designated by the Company in any such instruction. In addition, the Company or the Sales Agent may, upon notice to the other party hereto by telephone (confirmed promptly by electronic mail) (or as otherwise agreed to by the Company and the Sales Agent), suspend the offering of the Shares; provided, however, that such suspension shall not affect or impair the parties' respective obligations with respect to the Shares sold hereunder prior to the giving of such notice.

(iii) The Sales Agent hereby covenants and agrees not to make any sales of the Shares on behalf of the Company, pursuant to this Section 4(a), other than (A) by means of At-the-Market Offerings and (B) such other sales of the Shares on behalf of the Company in its capacity as agent of the Company as shall be agreed by the Company and the Sales Agent.

(iv) The compensation to the Sales Agent, as an agent of the Company, for sales of the Shares shall be up to 1.25% of the gross sales price of the Shares sold pursuant to this Section 4(a) or such lower amount as otherwise mutually agreed upon by the Company and the Sales Agent from time to time. The remaining proceeds, after further deduction for any transaction fees imposed by any governmental or self-regulatory organization in respect of such sales, shall constitute the net proceeds to the Company for such Shares (the "Net Proceeds").

(v) The Sales Agent shall provide written confirmation to the Company following the close of trading on the NYSE each day in which the Shares are sold under this Section 4(a) setting forth the amount of the Shares sold on such day, the Net Proceeds to the Company and the compensation payable by the Company to the Sales Agent with respect to such sales.

(vi) Settlement for sales of the Shares pursuant to this Section 4(a) will occur on the first business day following the date on which such sales are made or such other date as may be agreed by the Company and the Sales Agent (each such date, a "Settlement Date"). On each Settlement Date, the Shares sold through the Sales Agent for settlement on such date shall be issued and delivered by the Company to the Sales Agent against payment of the Net Proceeds for the sale of such Shares. Settlement for all such Shares shall be effected by free delivery of the Shares by the Company or its transfer agent to the Sales Agent's account, or to the account of the Sales Agent's designee, at The Depository Trust Company through its Deposit and Withdrawal at Custodian System ("DWAC") or by such other means of delivery as may be mutually agreed upon by the parties hereto, which in all cases shall be freely tradable, transferable, registered shares in good deliverable form, in return for payments in same day funds delivered to the account designated by the Company. If the Company, or its transfer agent (if applicable), shall default on its obligation to deliver the Shares on any Settlement Date, the Company shall (A) indemnify and hold the Sales Agent harmless against any loss, claim or damage arising from or as a result of such default by the Company and (B) pay the Sales Agent any commission to which it would otherwise be entitled absent such default. The Authorized Company Representatives shall be the contact persons for the Company for all matters related to the settlement of the transfer of the Shares through DWAC for purposes of this Section 4(a)(vi).

(vii) At each Time of Sale, Settlement Date and Representation Date (as defined in Section 5(q)), the Company shall be deemed to have affirmed each of their respective representations and warranties contained in this Agreement. Any obligation of

the Sales Agent to use its commercially reasonable efforts to sell the Shares on behalf of the Company shall be subject to the continuing accuracy of the representations and warranties of the Company herein, to the performance by the Company of its obligations hereunder and to the continuing satisfaction of the additional conditions specified in Section 8 of this Agreement.

(a) (i) If the Company wishes to issue and sell the Shares other than as set forth in Section 4(a) of this Agreement (each, a "Placement"), it will notify the Sales Agent of the proposed terms of such Placement. If the Sales Agent, acting as principal, wishes to accept such proposed terms (which it may decline to do for any reason in its sole discretion) or, following discussions with the Company, wishes to accept amended terms, the Sales Agent and the Company will enter into a Terms Agreement setting forth the terms of such Placement. In the event of a conflict between the terms of this Agreement and the terms of any Terms Agreement, the terms of such Terms Agreement will control.

(b) (i) Under no circumstances shall the aggregate number of Shares sold pursuant to this Agreement exceed the number of Shares authorized from time to time to be issued and sold under this Agreement by the Company's board of directors, or a duly authorized committee thereof, and notified to the Sales Agent in writing.

(i) If either party has reason to believe that the exemptive provisions set forth in Rule 101(c)(1) of Regulation M under the Exchange Act are not satisfied with respect to the Shares, it shall promptly notify the other party and sales of the Shares under this Agreement shall be suspended until that or other exemptive provisions have been satisfied in the judgment of each party.

(c) Each sale of the Shares to or through the Sales Agent shall be made in accordance with the terms of this Agreement or, if applicable, a Terms Agreement.

(d) Any offer, solicitation or sale of the Shares shall be effected by or through only one of the Agents on any single trading day.

(e) Subject to the limitations set forth herein and as may be mutually agreed upon by the Company and the Sales Agent, sales pursuant to this Agreement may not be requested by the Company and need not be made by the Sales Agent during any period in which the Company is or could be deemed to be, in possession of material non-public information.

(f) Notwithstanding any other provision of this Agreement, the Company shall not offer, sell or deliver, or request the offer or sale, of any Shares pursuant to this Agreement at any time during the period from and including the time the Company issues a press release containing, or shall otherwise publicly announce, its earnings, revenues or other operating results for a fiscal period or periods (each, an "Earnings Announcement") through and including the Representation Date that occurs in connection with the Company filing a Quarterly Report on Form 10-Q or an Annual Report on Form 10-K (a "Filing Time") that includes consolidated financial statements as of and for the same fiscal period or periods, as the case may be, covered by such Earnings Announcement, unless the Company shall first (i) prepare and deliver to the Sales Agent (with a copy to counsel for the Sales Agent) a Current Report on Form 8-K that includes substantially the same financial and related information that was included in such Earnings Announcement (other than any earnings projections and similar forward-looking data and officers' quotations) (each, an "Earnings 8-K"), in form and substance reasonably satisfactory to the Sales Agent, and, prior to its filing, obtain the written consent of the Sales Agent to such filing (which consent shall not be unreasonably withheld), (ii) provide the Sales Agent with the officers' certificates, opinions and letters of counsels and accountants' letter

specified in Sections 5(q) through 5(u), inclusive, hereof, (iii) afford the Sales Agent the opportunity to conduct a due diligence review in accordance with Section 5(v) hereof prior to filing such Earnings 8-K and (iv) file (rather than furnish) such Earnings 8-K with the Commission. For purposes of clarity, the parties hereto agree that (A) the delivery of any officers' certificates, opinions or letters of counsel or accountants' letter pursuant to this Section 4(g) shall not relieve the Company from any of its obligations under this Agreement with respect to any Quarterly Report on Form 10-Q or Annual Report on Form 10-K, as the case may be, including, without limitation, the obligation to deliver officers' certificates, opinions and letters of counsel and accountants' letters as provided in Sections 5(q) through 5(u), inclusive, hereof, and (B) this Section 4(g) shall in no way affect or limit the operation of Section 4(d) hereof, which shall have independent application.

(g) The Company acknowledges and agrees that (A) there can be no assurance that the Sales Agent will be successful in selling the Shares, (B) the Sales Agent will incur no liability or obligation to the Company or any other person or entity if it does not sell Shares for any reason other than a failure by the Sales Agent to use its commercially reasonable efforts consistent with its normal trading and sales practices and applicable law and regulations to sell such Shares in accordance with the terms of this Agreement, and (C) the Sales Agent shall be under no obligation to purchase Shares on a principal basis pursuant to this Agreement, except as otherwise specifically agreed by the Sales Agent and the Company.

SECTION 5. Covenants of the Company. The Company agrees with the Sales Agent:

(a) During the period in which a prospectus relating to the Shares is required to be delivered under the Act (whether physically, deemed to be delivered pursuant to Rule 153 or through compliance with Rule 172 under the Act or any similar rule), to notify the Sales Agent promptly of the time when any subsequent amendment to the Registration Statement has become effective or any subsequent supplement to the Basic Prospectus, the Prospectus or any Permitted Free Writing Prospectus has been filed; to prepare and file with the Commission, promptly upon the Sales Agent's request, any amendments or supplements to the Registration Statement, the Basic Prospectus, the Prospectus or any Permitted Free Writing Prospectus that, in the Sales Agent's reasonable opinion, may be necessary or advisable in connection with the offering of the Shares by the Sales Agent; and to cause each amendment or supplement to the Basic Prospectus or the Prospectus to be filed with the Commission as required pursuant to the applicable paragraph of Rule 424(b) of the Act or, in the case of any Incorporated Document, to be filed with the Commission as required pursuant to the Exchange Act, within the time period prescribed.

(b) To promptly advise the Sales Agent, confirming such advice in writing, of any suspension of the Sales Agent's obligations under Rule 15c2-8 under the Exchange Act or any request by the Commission for amendments or supplements to the Registration Statement, the Basic Prospectus, the Prospectus or any Permitted Free Writing Prospectus or for additional information with respect thereto, or of notice of examination, institution of proceedings for, or the entry of a stop order suspending the effectiveness of the Registration Statement and, if the Commission should enter a stop order suspending the effectiveness of the Registration Statement, to use its best efforts to obtain the lifting or removal of such order as soon as possible; to promptly advise the Sales Agent of any proposal to amend or supplement the Registration Statement, the Basic Prospectus or the Prospectus, and to provide the Sales Agent and its counsel copies of any such documents for review and comment a reasonable amount of time prior to any proposed filing and to file no such amendment or supplement (other than any prospectus supplement relating to the offering of other securities (including, without limitation, the Common Stock)) to which the Sales Agent shall have objected in writing.

(c) To make available to the Sales Agent, as soon as practicable after this Agreement becomes effective, and thereafter from time to time to furnish to the Sales Agent, as many copies of the Prospectus (or of the Prospectus as amended or supplemented if the Company shall have made any amendments or supplements thereto after the effective date of the Registration Statement) as the Sales Agent may request for the purposes contemplated by the Act; in case the Sales Agent is required to deliver (whether physically, deemed to be delivered pursuant to Rule 153 or through compliance with Rule 172 under the Act or any similar rule), in connection with the sale of the Shares, a prospectus after the nine-month period referred to in Section 10(a)(3) of the Act, or after the time a post-effective amendment to the Registration Statement is required pursuant to Item 512(a) of Regulation S-K under the Act, the Company will prepare, at its expense, promptly upon request such amendment or amendments to the Registration Statement and the Prospectus as may be necessary to permit compliance with the requirements of Section 10(a)(3) of the Act or Item 512(a) of Regulation S-K under the Act, as the case may be.

(d) Subject to Section 5(b) hereof, to file promptly all reports and documents and any preliminary or definitive proxy or information statement required to be filed by the Company with the Commission in order to comply with the Exchange Act for so long as a prospectus is required by the Act to be delivered (whether physically, deemed to be delivered pursuant to Rule 153 or through compliance with Rule 172 under the Act or any similar rule) in connection with any sale of Shares; and to provide the Sales Agent, for its review and comment, with a copy of such reports and statements and other documents to be filed by the Company pursuant to Section 13, 14 or 15(d) of the Exchange Act during such period a reasonable amount of time prior to any proposed filing, and to file no such report, statement or document to which the Sales Agent shall have objected in writing; and to promptly notify the Sales Agent of such filing.

(e) To pay the fees applicable to the Registration Statement in connection with the offering of the Shares within the time required by Rule 456(b)(1) (i) under the Act (without reliance on the proviso to Rule 456(b)(1)(i) under the Act) and in compliance with Rule 456(b) and Rule 457(r) under the Act.

(f) If at any time when Shares remain unsold by the Sales Agent the Company receives from the Commission a notice pursuant to Rule 401(g)(2) under the Act or otherwise ceases to be eligible to use the automatic shelf registration statement form, the Company will (a) promptly notify the Sales Agent, (b) promptly file a new registration statement or post-effective amendment on the proper form relating to the Shares, in a form satisfactory to the Sales Agent, (c) use its best efforts to cause such registration statement or post-effective amendment to be declared effective as soon as practicable (if such filing is not otherwise effective immediately pursuant to Rule 462 under the Act) and (d) promptly notify the Sales Agent of such effectiveness. The Company will take all other action necessary or appropriate to permit the public offering and sale of the Shares to continue as contemplated in the Registration Statement that was the subject of the notice under Rule 401(g)(2) under the Act or for which the Company has otherwise become ineligible. References herein to the Registration Statement relating to the Shares shall include such new registration statement or post-effective amendment, as the case may be.

(g) If immediately prior to the third anniversary (the "Renewal Deadline") of the initial effective date of the Registration Statement, any of the Shares remain unsold by the Sales Agent, the Company will, prior to the Renewal Deadline file, if it has not already done so and is eligible to do so, a new automatic shelf registration statement relating to the Shares, in a form satisfactory to the Sales Agent. If the Company is not eligible to file an automatic shelf registration statement, the Company will, prior to the Renewal Deadline, if it has not already done so, file a new shelf registration statement relating to the Shares, in a form satisfactory to the

Sales Agent, and will use its best efforts to cause such registration statement to be declared effective within 180 days after the Renewal Deadline. The Company will take all other action necessary or appropriate to permit the public offering and sale of the Shares to continue as contemplated in the expired registration statement. References herein to the Registration Statement shall include such new automatic shelf registration statement or such new shelf registration statement, as the case may be.

(h) To promptly notify the Sales Agent of the happening of any event that could require the making of any change in the Prospectus then being used so that the Prospectus would not include an untrue statement of material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they are made, not misleading, and, during any period during which a prospectus is required to be delivered (whether physically, deemed to be delivered pursuant to Rule 153 or through compliance with Rule 172 under the Act or any similar rule) in connection with any sale of Shares, subject to Section 5(b), to prepare and furnish, at the Company's expense, to the Sales Agent promptly such amendments or supplements to such Prospectus as may be necessary to reflect any such change.

(i) To furnish such information as may be required and otherwise to cooperate in qualifying the Shares for offering and sale under the securities or blue sky laws of such states or other jurisdictions as the Sales Agent may designate and to maintain such qualifications in effect so long as required for the distribution of the Shares; provided, however, that the Company shall not be required to qualify as a foreign corporation or to consent to the service of process under the laws of any such jurisdiction (except service of process with respect to the offering and sale of the Shares); and to promptly advise the Sales Agent of the receipt by the Company of any notification with respect to the suspension of the qualification of the Shares for offer or sale in any jurisdiction or the initiation or threatening of any proceeding for such purpose.

(j) To make generally available to its security holders, and to deliver to the Sales Agent, an earnings statement of the Company (which will satisfy the provisions of Section 11(a) of the Act) covering a period of twelve months beginning after the effective date of the Registration Statement (as defined in Rule 158(c) of the Act) as soon as is reasonably practicable after the termination of such twelve-month period but not later than eighteen months after the effective date of the Registration Statement (as such date is defined in Rule 158(c) under the Act).

(k) To apply the net proceeds from the sale of the Shares in the manner set forth under the caption "Use of Proceeds" in the Prospectus Supplement or, if not so specified, in the Prospectus, and if not so specified, in the Basic Prospectus.

(l) Until the settlement of sale of all Common Stock being offered pursuant to this Agreement, at any time that sales of the Common Stock have been made but not settled or at any time the Company has outstanding with the Sales Agent any instructions to sell the Common Stock but such instructions have not been fulfilled or cancelled, the Company will not sell, offer to sell, contract or agree to sell, hypothecate, pledge, grant any option to sell or otherwise dispose of or agree to dispose of, directly or indirectly, any shares of the Common Stock or securities convertible into or exchangeable or exercisable for the Common Stock or warrants or other rights to purchase the Common Stock or any other securities of the Company that are substantially similar to the Common Stock or permit the registration under the Act of any shares of the Common Stock, including pursuant to another Distribution Agreement, in each case without giving the Sales Agent at least three business days' prior written notice specifying the nature of the proposed sale and the date of such proposed sale. Notwithstanding the foregoing, the Company may (i) register the offer and sale of the Shares through the Sales Agent pursuant to

this Agreement; (ii) issue Common Stock, restricted stock, options or other units or awards pursuant to the Company's long term stock incentive plans as currently in effect (or file a Form S-8 related to such plans) or pursuant to the exercise of employee stock options or other awards; (iii) issue Common Stock pursuant to the DRSPP or any successor dividend reinvestment or share purchase plan (or the filing of a Form S-3 related to such a plan) and (iv) offer or issue any series of preferred stock that is not convertible into shares of Common Stock other than in connection with a "change of control." For the avoidance of doubt, the Company will not be prohibited from issuing Common Stock upon the election by a holder of Preferred Stock to convert Preferred Stock into Common Stock. In the event that notice of a proposed sale is provided by the Company pursuant to this Section 5(l), the Sales Agent may suspend activity under this program for such period of time as may be requested by the Company or as may be deemed appropriate by the Sales Agent.

(m) Not, at any time at or after the execution of this Agreement, to offer or sell any Shares by means of any "prospectus" (within the meaning of the Act), or use any "prospectus" (within the meaning of the Act) in connection with the offer or sale of the Shares, in each case other than the Prospectus.

(n) The Company will not, and will cause its subsidiaries not to, take, directly or indirectly, any action designed, or which will constitute, or has constituted, or might reasonably be expected to cause or result in the stabilization or manipulation of the price of any security of the Company to facilitate the sale or resale of the Shares.

(o) To use its best efforts to cause the Common Stock to be listed on the NYSE and to maintain such listing.

(p) To advise the Sales Agent immediately after it shall have received notice or obtain knowledge thereof, of any information or fact that would alter or affect any opinion, certificate, letter and other document provided to the Sales Agent pursuant to Section 8 herein.

(q) Upon commencement of the offering of the Shares under this Agreement, and within four trading days of each time that (i) the Registration Statement or the Prospectus shall be amended or supplemented (other than pursuant to subclause (ii) below and other than a prospectus supplement filed pursuant to Rule 424(b) under the Act relating solely to the offering of securities other than the Shares), (ii) there is filed with the Commission any document incorporated by reference into the Prospectus (other than a Current Report on Form 8-K, unless the Sales Agent shall otherwise reasonably request), or (iii) otherwise as the Sales Agent may reasonably request (the date of commencement of the offering of the Shares under this Agreement and each date referred to in subclauses (i), (ii) and (iii) above, each a "Representation Date"), the Company shall furnish or cause to be furnished to the Sales Agent forthwith a certificate dated as of such delivery date, in form satisfactory to the Sales Agent to the effect that the statements contained in the certificate referred to in Section 8(e)(i) of this Agreement which were last furnished to the Sales Agent are true and correct as of such delivery date, as though made at and as of such date (except that such statements shall be deemed to relate to the Registration Statement and the Prospectus as amended and supplemented to such date) or, in lieu of such certificate, a certificate of the same tenor as the certificate referred to in said Section 8(e)(i), modified as necessary to relate to the Registration Statement and the Prospectus as amended and supplemented to the time of delivery of such certificate. The requirement to provide a certificate under this Section 5(q) shall be waived for any Representation Date occurring at a time at which no Placement Notice is pending, which waiver shall continue until the earlier to occur of the date the Company delivers a Placement Notice hereunder or under any Alternative Agreement (which for such calendar quarter shall be considered a Representation Date) and the next occurring Representation Date. Notwithstanding the foregoing, if the

Company subsequently decides to sell Shares through the Sales Agent or any Alternative Agent following a Representation Date when the Company relied on such waiver and did not provide the Agents with a certificate under this Section 5(q), then before the Company delivers the Placement Notice or the Sales Agent or any Alternative Agent sells any Shares, the Company shall provide the Sales Agent with such certificate, dated the date of the Placement Notice.

(r) On or prior to four trading days after each Representation Date with respect to which the Company is obligated to deliver a certificate under Section 8(e) for which no waiver is applicable, the Company shall furnish or cause to be furnished forthwith to the Sales Agent written opinions of (i) Davis Polk & Wardwell LLP, special counsel for the Company (including negative assurance), (ii) Hunton Andrews Kurth LLP, tax counsel for the Company, (iii) Venable LLP, Maryland counsel for the Company and (iv) Anthony C. Green, Chief Corporate Officer, Chief Legal Officer and Secretary for the Company or other counsels satisfactory to the Sales Agent, dated and delivered as of such delivery date, in form and substance satisfactory to the Sales Agent, of the same tenor as the opinions referred to in Section 8(c) of this Agreement, but modified as necessary to relate to the Registration Statement and the Prospectus as amended and supplemented to the time of delivery of such opinions.

(s) On or prior to four trading days after each Representation Date with respect to which the Company is obligated to deliver a certificate under Section 8(e) for which no waiver is applicable, the Company shall furnish or cause to be furnished to the Sales Agent forthwith a certificate of the Secretary of the Company, dated and delivered as of such delivery date, in form and substance satisfactory to the Sales Agent.

(t) On or prior to four trading days after each Representation Date with respect to which the Company is obligated to deliver a certificate under Section 8(e) for which no waiver is applicable, Cravath, Swaine & Moore LLP, counsel to the Sales Agent, shall deliver a written opinion, dated and delivered as of such delivery date, in form and substance satisfactory to the Sales Agent.

(u) On or prior to four trading days after each Representation Date with respect to which the Company is obligated to deliver a certificate under Section 8(e) for which no waiver is applicable, the Company shall cause the Accountants or other independent accountants satisfactory to the Sales Agent, forthwith to furnish to the Sales Agent a letter, dated as of such delivery date, in form and substance satisfactory to the Sales Agent, of the same tenor as the letter referred to in Section 8(d) of this Agreement but modified to relate to the Registration Statement and the Prospectus, as amended and supplemented to the date of such letter. Notwithstanding anything else contained herein to the contrary, other than as set forth in this Section 5(u) and Section 8(d) of this Agreement the Company shall be under no additional obligations to cause the Accountants to provide a letter to the Sales Agent, provided however, so long as this Agreement remains in effect, to the extent the Sales Agent reasonably believes it needs such a letter at some time other than as required under this Section 5(u) and Section 8(d), the Sales Agent may suspend the offering of the Shares in accordance with Section 4(a)(ii) of this Agreement, if such letter is not delivered.

(v) At each Representation Date with respect to which the Company is obligated to deliver a certificate under Section 8(e) for which no waiver is applicable, to conduct a due diligence session, in form and substance, satisfactory to the Sales Agent, which shall include representatives of the management and the accountants of the Company.

(w) That the Company consents to the Sales Agent trading in the Common Stock for the Sales Agent's own account and for the account of its clients at the same time as sales of the Shares occur pursuant to this Agreement.

(x) If to the knowledge of the Company, any condition set forth in Section 8(a) or Section 8(h) of this Agreement shall not have been satisfied on the applicable Settlement Date, to offer to any person who has agreed to purchase the Shares from the Company as the result of an offer to purchase solicited by the Sales Agent the right to refuse to purchase and pay for such Shares.

(y) To disclose in its quarterly reports on Form 10-Q and in its annual report on Form 10-K the number of the Shares sold through or to the Sales Agent under this Agreement, the Net Proceeds to the Company and the compensation paid by the Company with respect to sales of the Shares pursuant to this Agreement during the relevant quarter.

(z) To ensure that prior to instructing the Sales Agent to sell Shares the Company shall have obtained all necessary corporate authority for the offer and sale of such Shares.

(aa) That each acceptance by the Company of an offer to purchase the Shares hereunder shall be deemed to be an affirmation to the Sales Agent that the representations and warranties of the Company contained in or made pursuant to this Agreement are true and correct as of the date of such acceptance as though made at and as of such date, and an undertaking that such representations and warranties will be true and correct as of the Settlement Date for the Shares relating to such acceptance, as though made at and as of such date (except that such representations and warranties shall be deemed to relate to the Registration Statement and the Prospectus as amended and supplemented relating to such Shares).

(ab) The Company has been organized and operated in conformity with the requirements for qualification and taxation of the Company as a REIT under the Code, and the Company's proposed methods of operation will enable the Company to continue to meet the requirements for qualification and taxation as a REIT under the Code.

(ac) The Company has retained the Accountants as its qualified accountants and qualified tax experts (i) to test procedures and conduct annual compliance reviews designed to determine compliance with the REIT provisions of the Code and the Company's exempt status under the Investment Company Act and (ii) to otherwise assist the Company in monitoring appropriate accounting systems and procedures designed to determine compliance with the REIT provisions of the Code and the Company's exempt status under the Investment Company Act.

SECTION 6. Reserved.

SECTION 7. Payment of Expenses. The Company agrees with the Sales Agent that whether or not the transactions contemplated hereunder are consummated or this Agreement is terminated, to pay all of its expenses incident to the performance of its obligations hereunder, including, but not limited to, such costs, expenses, fees and taxes in connection with (i) the preparation and filing of the Registration Statement, the Basic Prospectus, the Prospectus Supplement, the Prospectus, each Permitted Free Writing Prospectus and any amendments or supplements thereto, and the printing and furnishing of copies of each thereof to the Sales Agent (including costs of mailing and shipment), (ii) the registration, issue, sale and delivery of the Shares including any stock or transfer taxes and stamp or similar duties payable upon the sale, issuance or delivery of the Shares, (iii) the producing, word processing and/or printing of this Agreement, any Powers of Attorney and any closing documents (including compilations thereof) and the reproduction and/or printing and furnishing of copies of each thereof to the Sales Agent (including costs of mailing and shipment), (iv) the qualification of the Shares for offering and sale under state laws and the determination of their eligibility for investment under state law as aforesaid (including the reasonable legal fees and filing fees and other disbursements of counsel for the Sales Agent) and the printing and furnishing of copies of any blue sky surveys to the

Sales Agent, (v) the listing of the Shares on any securities exchange or qualification of the Shares for quotation on the NYSE and any registration thereof under the Exchange Act and (vi) any filing for review of the public offering of the Shares by FINRA, including the reasonable legal fees and disbursements of counsel for the Sales Agent relating to FINRA matters. The Sales Agent will pay all of its other out-of-pocket costs and expenses incurred in connection with entering into this Agreement and the transactions contemplated by this Agreement, including, without limitation, travel, reproduction, printing and similar expenses.

SECTION 8. Conditions of Sales Agent's Obligations. The obligations of the Sales Agent hereunder are subject to (i) the accuracy of the representations and warranties on the part of the Company on the date hereof, any applicable date referred to in Section 5(q) of this Agreement and as of each Settlement Date, (ii) the performance by the Company of its obligations hereunder and (iii) to the following additional conditions precedent.

(a) (i) No stop order with respect to the effectiveness of the Registration Statement shall have been issued under the Act or proceedings initiated under Section 8(d) or 8(e) of the Act, and no order directed at or in relation to any document incorporated by reference therein and no order preventing or suspending the use of the Prospectus has been issued by the Commission, the Commission shall not have notified the Company of any objection to the use of the form of the Registration Statement or any post-effective amendment thereto, and no suspension of the qualification of the Shares for offering or sale in any jurisdiction, or to the knowledge of the Company or the Sales Agent of the initiation or threatening of any proceedings for any of such purposes, has occurred; (ii) the Registration Statement and all amendments thereto, or modifications thereof, if any, shall not contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading; (iii) none of the Basic Prospectus or the Prospectus, and no amendment or supplement thereto, or modification thereof, if any, shall include an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary in order to make the statements therein, in the light of the circumstances under which they are made, not misleading; (iv) no Prospectus, together with any combination of one or more of the Permitted Free Writing Prospectuses, if any, and no amendment or supplement thereto, shall include an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they are made, not misleading; and (v) none of the Permitted Free Writing Prospectuses, if any, shall include an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they are made, not misleading.

(b) Subsequent to the respective dates as of which information is given in the Registration Statement, the Basic Prospectus, the Prospectus and the Permitted Free Writing Prospectuses, if any, (i) no material and unfavorable change, financial or otherwise (other than as referred to in the Registration Statement and the Prospectus), in the business, condition, net worth or prospects of the Company and its subsidiaries, taken as a whole, in the judgment of the Sales Agent, shall occur or become known and (ii) no transaction which is material and unfavorable to the Company or any of its subsidiaries, taken as a whole (other than as referred to in the Registration Statement and Prospectus), in the judgment of the Sales Agent, shall have been entered into by the Company or any of its subsidiaries.

(c) The Company shall furnish to the Sales Agent, at every date specified in Section 5(r) of this Agreement for which no waiver is applicable, the opinions of Davis Polk & Wardwell LLP, Hunton Andrew Kurth LLP, Venable LLP and the Chief Legal Officer of the Company addressed to the Sales Agent, and dated as of such date, and in form satisfactory to the Sales Agent, in the form set forth in Exhibits A-1, A-2, A-3 and A-4 hereto.

(d) At the dates specified in Section 5(u) of this Agreement, the Sales Agent shall have received from the Accountants letters dated the date of delivery thereof and addressed to the Sales Agent in form and substance satisfactory to the Sales Agent.

(e) (i) The Company shall deliver to the Sales Agent, on or prior to four trading days after each Representation Date specified in Section 5(q) of this Agreement, a certificate of two of its executive officers to the effect that (i) the representations and warranties of the Company as set forth in this Agreement are true and correct as of such delivery date, (ii) the Company has performed such of its obligations under this Agreement as are to be performed at or before each such delivery date and (iii) the conditions set forth in paragraphs (a) and (b) of this Section 8 have been met. The certificate shall also state that the Shares have been duly and validly authorized by the Company, that all corporate action required to be taken for the issuance and sale of the Shares has been validly and sufficiently taken, and that the Company's Board of Directors or any other body with authority has not revoked, rescinded or otherwise modified or withdrawn such authorization or corporate action.

(f) The Sales Agent shall have received, at every date specified in Section 5(t) of this Agreement, the favorable opinion of Cravath, Swaine & Moore LLP, counsel to the Sales Agent, dated as of such date, and in form and substance satisfactory to the Sales Agent.

(g) The Sales Agent shall have received, at every date specified in Section 5(s) of this Agreement, a certificate of the Secretary of the Company, dated as of such date, and in form and substance satisfactory to the Sales Agent.

(h) All filings with the Commission required by Rule 424 under the Act to have been filed by the Settlement Date shall have been made within the applicable time period prescribed for such filing by Rule 424.

(i) The Shares shall have been approved for listing on the NYSE, subject only to notice of issuance at or prior to the Settlement Date.

For purposes of clarity and without limitation to any other provision of this Section 8 or elsewhere in this Agreement, the Company and the Sales Agent agree that the Sales Agent's obligations, if any, to solicit purchases of Shares on an agency basis or otherwise take any action pursuant to a Placement Notice shall, unless otherwise agreed in writing by the Sales Agent, be suspended during the period from and including a Representation Date for which certificates are required to be delivered pursuant to Section 5(q) through and including the time the Sales Agent shall have received the documents described in Sections 8(c) through 8(g), inclusive.

SECTION 9. Indemnification and Contribution.

(a) The Company agrees to indemnify, defend and hold harmless the Sales Agent and its affiliates, its and their directors, officers, employees and agents and any person who controls the Sales Agent within the meaning of Section 15 of the Act or Section 20 of the Exchange Act, and the successors and assigns of all of the foregoing persons, from and against any loss, damage, expense, liability or claim (including the reasonable cost of investigation) which the Sales Agent or any such person may incur under the Act, the Exchange Act, the common law or otherwise, insofar as such loss, damage, expense, liability or claim arises out of or is based upon (i) any untrue statement or alleged untrue statement of a material fact contained in the Registration Statement (or in the Registration Statement as amended by any post-effective amendment thereof by the Company) or arises out of or is based upon any omission or alleged omission to state a material fact required to be stated therein or necessary to make the statements

therein not misleading, except insofar as any such loss, damage, expense, liability or claim arises out of or is based upon any untrue statement or alleged untrue statement of a material fact contained in, and in conformity with information furnished in writing by or on behalf of the Sales Agent to the Company expressly for use in, the Registration Statement or arises out of or is based upon any omission or alleged omission to state a material fact in the Registration Statement in connection with such information, which material fact was not contained in such information and which material fact was required to be stated in such Registration Statement or was necessary to make such information not misleading or (ii) any untrue statement or alleged untrue statement of a material fact included in any Prospectus (the term Prospectus for the purpose of this Section 9 being deemed to include the Basic Prospectus, the Prospectus Supplement, the Prospectus and any amendments or supplements to the foregoing), in any Permitted Free Writing Prospectus, in any "issuer information" (as defined in Rule 433 under the Act) of the Company or in any Prospectus together with any combination of one or more of the Permitted Free Writing Prospectuses, if any, or arises out of or is based upon any omission or alleged omission to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading, except, with respect to such Prospectus or Permitted Free Writing Prospectus, insofar as any such loss, damage, expense, liability or claim arises out of or is based upon any untrue statement or alleged untrue statement of a material fact contained in, and in conformity with information furnished in writing by or on behalf of the Sales Agent to the Company expressly for use in, such Prospectus or Permitted Free Writing Prospectus or arises out of or is based upon any omission or alleged omission to state a material fact in such Prospectus or Permitted Free Writing Prospectus in connection with such information, which material fact was not contained in such information and which material fact was necessary in order to make the statements in such information, in the light of the circumstances under which they were made, not misleading.

If any action, suit or proceeding (together, a "Proceeding") is brought against the Sales Agent or any such person in respect of which indemnity may be sought against the Company pursuant to the foregoing paragraph, the Sales Agent or such person shall promptly notify the indemnifying party in writing of the institution of such Proceeding and the Company shall assume the defense of such Proceeding, including the employment of counsel reasonably satisfactory to such indemnified party and payment of all fees and expenses; provided, however, that the omission to so notify the Company shall not relieve the Company from any liability which the Company may have to the Sales Agent or any such person or otherwise except to the extent the Company was materially prejudiced by such omission. The Sales Agent or such person shall have the right to employ its or their own counsel in any such case, but the fees and expenses of such counsel shall be at the expense of the Sales Agent or of such person unless the employment of such counsel shall have been authorized in writing by the Company in connection with the defense of such Proceeding or the Company shall not have, within a reasonable period of time in light of the circumstances, employed counsel to have charge of the defense of such Proceeding or such indemnified party or parties shall have reasonably concluded that there may be defenses available to it or them which are different from, additional to or in conflict with those available to the Company (in which case the Company shall not have the right to direct the defense of such Proceeding on behalf of the indemnified party or parties), in any of which events such fees and expenses shall be borne by the Company, and paid as incurred (it being understood, however, that the Company shall not be liable for the expenses of more than one separate counsel (in addition to any local counsel) in any one Proceeding or series of related Proceedings in the same jurisdiction representing the indemnified parties who are parties to such Proceeding). The Company shall not be liable for any settlement of any Proceeding effected

without its written consent but if settled with the written consent of the Company, the Company agrees to indemnify and hold harmless the Sales Agent and any such person from and against any loss or liability by reason of such settlement. Notwithstanding the foregoing sentence, if at any time an indemnified party shall have requested the Company to reimburse the indemnified party for fees and expenses of counsel as contemplated by the second sentence of this paragraph, then the Company agrees that it shall be liable for any settlement of any Proceeding effected without its written consent if (i) such settlement is entered into more than 60 business days after receipt by the Company of the aforesaid request, (ii) the Company shall not have reimbursed the indemnified party in accordance with such request prior to the date of such settlement and (iii) such indemnified party shall have given the indemnifying party at least 30 days' prior notice of its intention to settle. The Company shall not, without the prior written consent of the indemnified party, effect any settlement of any pending or threatened Proceeding in respect of which any indemnified party is or may be a party and indemnity could have been sought hereunder by such indemnified party, unless such settlement includes an unconditional release of such indemnified party from all liability on claims that are the subject matter of such Proceeding and does not include an admission of fault or culpability or a failure to act, by or on behalf of such indemnified party.

(b) The Sales Agent agrees to indemnify, defend and hold harmless the Company, and each of its directors and each of the Company's officers, who signed the Registration Statement, and each person, if any, who controls the Company within the meaning of Section 15 of the Act or Section 20 of the Exchange Act, and the successors and assigns of all of the foregoing persons, from and against any loss, damage, expense, liability or claim (including the reasonable cost of investigation) which, jointly or severally, the Company or any such person may incur under the Act, the Exchange Act, the common law or otherwise, insofar as such loss, damage, expense, liability or claim arises out of or is based upon (i) any untrue statement or alleged untrue statement of a material fact contained in and, in conformity with information furnished in writing by or on behalf of the Sales Agent to the Company expressly for use with reference to the Sales Agent in the Registration Statement (or in the Registration Statement as amended by any post-effective amendment thereof by the Company), or arises out of or is based upon any omission or alleged omission to state a material fact in such Registration Statement in connection with such information, which material fact was not contained in such information and which material fact was required to be stated in such Registration Statement or was necessary to make such information not misleading or (ii) any untrue statement or alleged untrue statement of a material fact contained in, and in conformity with information furnished in writing by or on behalf of the Sales Agent to the Company expressly for use in, the Prospectus Supplement or a Permitted Free Writing Prospectus, or arises out of or is based upon any omission or alleged omission to state a material fact in the Prospectus Supplement or a Permitted Free Writing Prospectus in connection with such information, which material fact was not contained in such information and which material fact was necessary in order to make the statements in such information, in the light of the circumstances under which they were made, not misleading.

If any Proceeding is brought against the Company or any such person in respect of which indemnity may be sought against the Sales Agent pursuant to the foregoing paragraph, the Company or such person shall promptly notify the Sales Agent in writing of the institution of such Proceeding and the Sales Agent shall assume the defense of such Proceeding, including the employment of counsel reasonably satisfactory to such indemnified party and payment of all fees and expenses; *provided*, *however*, that the omission to so notify the Sales Agent shall not relieve the Sales Agent from any liability which the Sales Agent may have to the Company or

any such person or otherwise. The Company or such person shall have the right to employ its own counsel in any such case, but the fees and expenses of such counsel shall be at the expense of the Company such person unless the employment of such counsel shall have been authorized in writing by the Sales Agent in connection with the defense of such Proceeding or the Sales Agent shall not have, within a reasonable period of time in light of the circumstances, employed counsel to have charge of the defense of such Proceeding or such indemnified party or parties shall have reasonably concluded that there may be defenses available to it or them which are different from or additional to or in conflict with those available to the Sales Agent (in which case the Sales Agent shall not have the right to direct the defense of such Proceeding on behalf of the indemnified party or parties, but the Sales Agent may employ counsel and participate in the defense thereof but the fees and expenses of such counsel shall be at the expense of the Sales Agent), in any of which events such fees and expenses shall be borne by the Sales Agent and paid as incurred (it being understood, however, that the Sales Agent shall not be liable for the expenses of more than one separate counsel (in addition to any local counsel) in any one Proceeding or series of related Proceedings in the same jurisdiction representing the indemnified parties who are parties to such Proceeding). The Sales Agent shall not be liable for any settlement of any such Proceeding effected without the written consent of the Sales Agent but if settled with the written consent of the Sales Agent, the Sales Agent agrees to indemnify and hold harmless the Company and any such person from and against any loss or liability by reason of such settlement. Notwithstanding the foregoing sentence, if at any time an indemnified party shall have requested the Sales Agent to reimburse the indemnified party for fees and expenses of counsel as contemplated by the second sentence of this paragraph, then the Sales Agent agrees that it shall be liable for any settlement of any Proceeding effected without its written consent if (i) such settlement is entered into more than 60 business days after receipt by the Sales Agent of the aforesaid request, (ii) the Sales Agent shall not have reimbursed the indemnified party in accordance with such request prior to the date of such settlement and (iii) such indemnified party shall have given the Sales Agent at least 30 days' prior notice of its intention to settle. The Sales Agent shall not, without the prior written consent of the indemnified party, effect any settlement of any pending or threatened Proceeding in respect of which any indemnified party is a party and indemnity could have been sought hereunder by such indemnified party, unless such settlement includes an unconditional release of such indemnified party from all liability on claims that are the subject matter of such Proceeding.

(c) If the indemnification provided for in this Section 9 is unavailable to an indemnified party under subsections (a) and (b) of this Section 9 or insufficient to hold an indemnified party harmless in respect of any losses, damages, expenses, liabilities or claims referred to therein, then each applicable indemnifying party shall contribute to the amount paid or payable by such indemnified party as a result of such losses, damages, expenses, liabilities or claims (i) in such proportion as is appropriate to reflect the relative benefits received by the Company, on the one hand, and the Sales Agent, on the other hand, from the offering of the Shares or (ii) if the allocation provided by clause (i) above is not permitted by applicable law, in such proportion as is appropriate to reflect not only the relative benefits referred to in clause (i) above but also the relative fault of the Company, on the one hand, and of the Sales Agent, on the other, in connection with the statements or omissions which resulted in such losses, damages, expenses, liabilities or claims, as well as any other relevant equitable considerations. The relative benefits received by the Company, on the one hand, and the Sales Agent, on the other, shall be deemed to be in the same respective proportions as the total proceeds from the offering

(net of underwriting discounts and commissions but before deducting expenses) received by the Company, and the total underwriting discounts and commissions received by the Sales Agent, bear to the aggregate public offering price of the Shares. The relative fault of the Company, on the one hand, and of the Sales Agent, on the other, shall be determined by reference to, among other things, whether the untrue statement or alleged untrue statement of a material fact or omission or alleged omission relates to information supplied by the Company or by the Sales Agent and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission. The amount paid or payable by a party as a result of the losses, damages, expenses, liabilities and claims referred to in this subsection shall be deemed to include any legal or other fees or expenses reasonably incurred by such party in connection with investigating, preparing to defend or defending any Proceeding.

(d) The Company and the Sales Agent agree that it would not be just and equitable if contributions pursuant to this Section 9 were determined by pro rata allocation or by any other method of allocation which does not take account of the equitable considerations referred to in subsection (c) above. Notwithstanding the provisions of this Section 9, the Sales Agent shall not be required to contribute any amount in excess of commissions received by it under this Agreement. No person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation.

(e) The Company and the Sales Agent agree promptly to notify each other of the commencement of any Proceeding against it and, in the case of the Company, against any of the Company's officers or directors in connection with the issuance and sale of the Shares, or in connection with the Registration Statement, the Basic Prospectus, the Prospectus or any Permitted Free Writing Prospectus.

SECTION 10. Representations and Agreements to Survive Delivery. The indemnity and contribution agreements contained in Section 9 and the covenants, warranties and representations of the Company contained in this Agreement or in certificates delivered pursuant hereto shall remain in full force and effect regardless of any investigation made by or on behalf of the Sales Agent, its partners, directors or officers or any person (including each partner, officer or director of such person) who controls the Sales Agent within the meaning of Section 15 of the Act or Section 20 of the Exchange Act, or by or on behalf of the Company, its directors or officers or any person who controls the Company within the meaning of Section 15 of the Act or Section 20 of the Exchange Act, and shall survive any termination of this Agreement or the issuance and delivery of the Shares.

SECTION 11. Termination.

(a) The Company shall have the right, by giving written notice as hereinafter specified, to terminate the provisions of this Agreement relating to the solicitation of offers to purchase the Shares in its sole discretion at any time. Any such termination shall be without liability of any party to any other party except that (i) if any of the Shares have been sold through the Sales Agent for the Company, then Section 5(j) and Section 5(w) shall remain in full force and effect, (ii) with respect to any pending sale, through the Sales Agent for the Company, the obligations of the Company, including in respect of compensation of the Sales Agent, shall remain in full force and effect notwithstanding the termination and (iii) the provisions of Sections 7, 9, 10, 12, 13, 14, 18 and 20 of this Agreement shall remain in full force and effect notwithstanding such termination.

(b) The Sales Agent shall have the right, by giving written notice as hereinafter specified, to terminate the provisions of this Agreement relating to the solicitation of offers to

purchase the Shares in its sole discretion at any time. Any such termination shall be without liability of any party to any other party except that (i) if any of the Shares have been sold through the Sales Agent for the Company, then Section 5(j) and Section 5(w) shall remain in full force and effect and (ii) the provisions of Sections 7, 9, 10, 12, 13, 14, 18 and 20 of this Agreement shall remain in full force and effect notwithstanding such termination.

(c) This Agreement shall remain in full force and effect unless terminated pursuant to Sections 11(a) or 11(b) above or otherwise by mutual agreement of the parties; and shall automatically terminate on May 8, 2030; *provided* that any such termination by mutual agreement shall in all cases be deemed to provide that Sections 7, 9 and 10 shall remain in full force and effect.

(d) Any termination of this Agreement shall be effective on the date specified in such notice of termination; *provided* that such termination shall not be effective until the close of business on the date of receipt of such notice by the Sales Agent or the Company, as the case may be. If such termination shall occur prior to the Settlement Date for any sale of the Shares, such sale shall settle in accordance with the provisions of Section 4(a)(vi) of this Agreement.

SECTION 12. Notices. Except as otherwise herein provided, all statements, requests, notices and agreements under this Agreement shall be in writing and delivered by hand, overnight courier, mail or facsimile and, if to the Sales Agent, shall be sufficient in all respects if delivered or sent to Barclays Capital Inc., 745 Seventh Avenue, New York, New York 10019, Attention: Syndicate Registration, facsimile number: (646) 834-8133, and a copy for information purposes to Andrew J. Pitts, Esq. and Ryan J. Patrone, Esq. at Cravath, Swaine & Moore LLP, Two Manhattan West, 375 Ninth Avenue, New York, New York 10001 and, if to the Company, it shall be sufficient in all respects if delivered or sent to the Company at the offices of the Company at 1211 Avenue of the Americas, New York, New York 10036, Attention: David L. Finkelstein with a copy for information purposes to Davis Polk & Wardwell LLP at 450 Lexington Avenue New York, New York 10017, Attention: Shane Tintle, facsimile number: (212) 450-4000, Email: shane.tintle@davispolk.com. Each party to this Agreement may change such address for notices by sending to the parties to this Agreement written notice of a new address for such purpose.

SECTION 13. Parties at Interest. The Agreement herein set forth has been and is made solely for the benefit of the Sales Agent, the Company and, to the extent provided in Section 9 of this Agreement, the controlling persons, directors and officers referred to in such section, and their respective successors, assigns, heirs, personal representatives and executors and administrators. No other person, partnership, association or corporation (including a purchaser, as such purchaser, from the Sales Agent) shall acquire or have any right under or by virtue of this Agreement.

SECTION 14. No Fiduciary Relationship. The Company hereby acknowledges that the Sales Agent is acting solely as sales agent and/or principal in connection with the purchase and sale of the Company's securities. The Company further acknowledges that the Sales Agent is acting pursuant to a contractual relationship created solely by this Agreement entered into on an arm's length basis, and in no event do the parties intend that the Sales Agent act or be responsible as a fiduciary to the Company or its management, stockholders or creditors or any other person in connection with any activity that the Sales Agent may undertake or have undertaken in furtherance of the purchase and sale of the Company's securities, either before or after the date hereof. The Sales Agent hereby expressly disclaims any fiduciary or similar obligations to the Company, either in connection with the transactions contemplated by this Agreement or any matters leading up to such transactions, and the Company hereby confirms its understanding and agreement to that effect. The Company and the Sales Agent agree that they

are each responsible for making their own independent judgments with respect to any such transactions and that any opinions or views expressed by the Sales Agent to the Company regarding such transactions, including, but not limited to, any opinions or views with respect to the price or market for the Company's securities, do not constitute advice or recommendations to the Company, nor shall the expression of such opinions or views constitute any solicitation of any action by the Sales Agent. The Company hereby (a) waives and releases, to the fullest extent permitted by law, any claims that the Company may have against the Sales Agent with respect to any breach or alleged breach of any fiduciary or similar duty to the Company in connection with the transactions contemplated by this Agreement or any matters leading up to such transactions and (b) agrees that none of the activities of the Sales Agent in connection with the transactions contemplated herein constitutes a recommendation, investment advice or solicitation of any action by the Sales Agent with respect to any entity or natural person. The Company has consulted its own legal, accounting, financial, regulatory and tax advisors to the extent deemed appropriate.

SECTION 15. Press Releases and Disclosure. The Company may issue a press release in compliance with Rule 134 under the Act describing the material terms of the transactions contemplated hereby as soon as practicable following the date hereof, and may file with the Commission a Current Report on Form 8-K describing the material terms of the transaction contemplated hereby, and the Company shall consult with the Sales Agent prior to making such disclosures, and the parties shall use all reasonable efforts, acting in good faith, to agree upon a text for such disclosures that is reasonably satisfactory to all parties. No party hereto shall issue thereafter any press release or like public statement (including, without limitation, any disclosure required in reports filed with the Commission pursuant to the Exchange Act) related to this Agreement or any of the transactions contemplated hereby without the prior written approval of the other parties hereto, except as may be necessary or appropriate in the opinion of the party seeking to make disclosure to comply with the requirements of applicable law or stock exchange rules. If any such press release or like public statement is so required, the party making such disclosure shall consult with the other party prior to making such disclosure, and the parties shall use all reasonable efforts, acting in good faith, to agree upon a text for such disclosure that is reasonably satisfactory to all parties.

SECTION 16. Adjustments for Stock Splits. The parties acknowledge and agree that all share related numbers contained in this Agreement shall be adjusted to take into account any stock split effected with respect to the Shares.

SECTION 17. Entire Agreement. This Agreement constitutes the entire agreement and supersedes all other prior and contemporaneous agreements and undertakings, both written and oral, among the parties hereto with regard to the subject matter hereof. The Company and the Sales Agent hereby confirm and agree that the Distribution Agency Agreement, dated September 20, 2024 (as amended, supplemented or otherwise modified from time to time, the "Prior Sales Agreement"), between the Company and the Sales Agent is hereby deemed to be terminated, effective as of May 8, 2025, pursuant to Section 11(a) thereof and, except as provided in Section 11 thereof, is of no further force and effect.

SECTION 18. Counterparts; Electronic Signatures. This Agreement may be signed by the parties in one or more counterparts which together shall constitute one and the same agreement among the parties. Delivery of this Agreement by one party to the other may be made by facsimile, electronic mail (including any electronic signature complying with the New York Electronic Signatures and Records Act (N.Y. State Tech. §§ 301-309), as amended from time to time, or other applicable law) or other transmission method, and the parties hereto agree that any counterpart so delivered shall be deemed to have been duly and validly delivered and be valid and effective for all purposes.

SECTION 19. Law; Construction. This Agreement and any claim, counterclaim or dispute of any kind or nature whatsoever arising out of or in any way relating to this Agreement ("Claim"), directly or indirectly, shall be governed by, and construed in accordance with, the internal laws of the State of New York.

SECTION 20. Headings. The Section headings in this Agreement have been inserted as a matter of convenience of reference and are not a part of this Agreement.

SECTION 21. Submission to Jurisdiction. Except as set forth below, no Claim may be commenced, prosecuted or continued in any court other than the courts of the State of New York located in the City and County of New York or in the United States District Court for the Southern District of New York, which courts shall have jurisdiction over the adjudication of such matters, and the Company consents to the non-exclusive jurisdiction of such courts and personal service with respect thereto. The Company hereby consents to personal jurisdiction, service and venue in any court in which any Claim arising out of or in any way relating to this Agreement is brought by any third party against the Sales Agent or any indemnified party. Each of the Sales Agent and the Company (on its behalf and, to the extent permitted by applicable law, on behalf of its stockholders and affiliates) waives all right to trial by jury in any action, proceeding or counterclaim (whether based upon contract, tort or otherwise) in any way arising out of or relating to this Agreement. The Company agrees that a final judgment in any such action, proceeding or counterclaim brought in any such court shall be conclusive and binding upon the Company and may be enforced in any other courts in the jurisdiction of which the Company is or may be subject, by suit upon such judgment.

SECTION 22. Successors and Assigns. This Agreement shall be binding upon the Sales Agent, the Company and their successors and assigns and any successor or assign of any substantial portion of the Company's and the Sales Agent's respective businesses and/or assets.

SECTION 23. Recognition of the U.S. Special Resolution Regimes. In the event that the Sales Agent that is a Covered Entity becomes subject to a proceeding under a U.S. Special Resolution Regime, the transfer from the Sales Agent of this Agreement, and any interest and obligation in or under this Agreement, will be effective to the same extent as the transfer would be effective under the U.S. Special Resolution Regime if this Agreement, and any such interest and obligation, were governed by the laws of the United States or a state of the United States.

In the event that the Sales Agent that is a Covered Entity or a BHC Act Affiliate of such Sales Agent becomes subject to a proceeding under a U.S. Special Resolution Regime, Default Rights under this Agreement that may be exercised against such Sales Agent are permitted to be exercised to no greater extent than such Default Rights could be exercised under the U.S. Special Resolution Regime if this Agreement were governed by the laws of the United States or a state of the United States.

For purposes of this Section 23, a "BHC Act Affiliate" has the meaning assigned to the term "affiliate" in, and shall be interpreted in accordance with, 12 U.S.C. § 1841(k). "Covered Entity" means any of the following: (i) a "covered entity" as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 252.82(b); (ii) a "covered bank" as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 47.3(b); or (iii) a "covered FSI" as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 382.2(b). "Default Right" has the meaning assigned to that term in, and shall be interpreted in accordance with, 12 C.F.R. §§ 252.81, 47.2 or 382.1, as applicable. "U.S. Special Resolution Regime" means each of (i) the

Federal Deposit Insurance Act and the regulations promulgated thereunder and (ii) Title II of the Dodd-Frank Wall Street Reform and Consumer Protection Act and the regulations promulgated thereunder.

If the foregoing correctly sets forth the understanding among the Company and the Sales Agent, please so indicate in the space provided below for that purpose, whereupon this Agreement and your acceptance shall constitute a binding agreement among the Company and the Sales Agent. Alternatively, the execution of this Agreement by the Company and its acceptance by or on behalf of the Sales Agent may be evidenced by an exchange of telegraphic or other written communications.

Very truly yours,

ANNALY CAPITAL MANAGEMENT, INC.

By: /s/ David L. Finkelstein
Name: David L. Finkelstein
Title: Chief Executive Officer and
Co-Chief Investment Officer

[***Signature Page to Distribution Agency Agreement***]

ACCEPTED as of the date
first above written

BARCLAYS CAPITAL INC.

By: /s/ Warren Firmer
Name: Warren Firmer
Title: Managing Director

Schedule A
Permitted Free Writing Prospectuses

None.

Schedule B

Authorized Company Representatives

David Finkelstein, Chief Executive Officer and Co-Chief Investment Officer
Telephone: (212) 205-7256
Fax: (212) 696-0100
Email: dfinkelstein@annaly.com

Steve Campbell, President and Chief Operating Officer
Telephone: (212) 413-1885
Fax: (212) 696-0100
Email: scampbell@annaly.com

Serena Wolfe, Chief Financial Officer
Telephone: (212) 626-2308
Fax: (212) 696-0100
Email: swolfe@annaly.com

Anthony Green, Chief Corporate Officer, Chief Legal Officer and Secretary
Telephone: (646) 728-7668
Fax: (212) 696-0100
Email: agreen@annaly.com

Exhibit A-1

Opinion of Davis Polk & Wardwell LLP

See attached.

Exhibit A-2

Opinion of Hunton Andrew Kurth LLP

See attached.

Exhibit A-3

Opinion of Venable LLP

See attached.

Exhibit A-4

Opinion of the Company's Chief Legal Officer

See attached.

ANNALY CAPITAL MANAGEMENT, INC.

Shares of Common Stock
(par value $0.01 per share)

DISTRIBUTION AGENCY AGREEMENT

May 8, 2025

BNP Paribas Securities Corp.
787 Seventh Avenue
New York, New York 10019

Ladies and Gentlemen:

Annaly Capital Management, Inc., a Maryland corporation (the "Company"), agrees with BNP Paribas Securities Corp. (the "Sales Agent"), to issue and sell from time to time through the Sales Agent, as sales agent and/or principal, shares of its common stock, par value $0.01 per share (the "Common Stock"), on the terms set forth in this agreement (this "Agreement").

The Company is concurrently entering into separate distribution agency agreements (the "Alternative Agreements"), each dated of even date herewith, with Barclays Capital Inc., BofA Securities, Inc., BTIG, LLC, Citizens JMP Securities, LLC, Goldman Sachs & Co. LLC, J.P. Morgan Securities LLC, Keefe, Bruyette & Woods, Inc., Morgan Stanley & Co, LLC, Piper Sandler & Co., RBC Capital Markets, LLC, UBS Securities LLC and Wells Fargo Securities, LLC (each, an "Alternative Agent," and together with the Sales Agent, the "Agents"), to issue and sell from time to time through each Alternative Agent, as sales agent and/or principal, shares of the Company's Common Stock (the "Shares") on the terms set forth in the Alternative Agreements. This Agreement and the Alternative Agreements are collectively referred to herein as the "Distribution Agreements."

SECTION 1. Description of Securities. The Company proposes to issue and sell through or to the Sales Agent, as sales agent and/or principal, the Shares on the terms set forth in Section 4 of this Agreement. The Company agrees that whenever it determines to sell the Shares directly to the Sales Agent as principal, it will enter into a separate agreement (each, a "Terms Agreement"), in form and substance satisfactory to the Sales Agent, relating to such sale in accordance with Section 4 of this Agreement.

SECTION 2. Representations and Warranties of the Company. The Company represents and warrants to and agrees with the Sales Agent that:

(a) An "automatic shelf registration statement" (the "registration statement") as defined in Rule 405 under the Securities Act of 1933, as amended, and the rules and regulations thereunder (collectively called the "Act"), on Form S-3 (File No. 333-282261) in respect of the Shares, including a form of prospectus, has been prepared and filed by the Company not earlier than three years prior to the date hereof, in conformity with the requirements of the Act, and the

rules and regulations of the Securities and Exchange Commission (the "Commission") thereunder (the "Rules and Regulations"). The registration statement contains certain information concerning the offering and sale of the Common Stock, including the Shares, and contains additional information concerning the Company and its business; the Commission has not issued an order preventing or suspending the use of the Basic Prospectus (as defined below), the Prospectus Supplement (as defined below), the Prospectus (as defined below) or any Permitted Free Writing Prospectus (as defined below), or the effectiveness of the Registration Statement (as defined below), and no proceeding for that purpose or pursuant to Section 8A of the Act has been instituted or, to the Company's knowledge, threatened by the Commission. Except where the context otherwise requires, "Registration Statement," as used herein, means the registration statement, as amended at the time of such registration statement's effectiveness for purposes of Section 11 of the Act, as such section applies to the Sales Agent, as well as any new registration statement, post-effective amendment or new automatic shelf registration statement as may have been filed pursuant to Section 5(f) or (g) of this Agreement, including (1) all documents filed as a part thereof or incorporated or deemed to be incorporated by reference therein, (2) any information contained or incorporated by reference in a prospectus filed with the Commission pursuant to Rule 424(b) under the Act, to the extent such information is deemed, pursuant to Rule 430B or Rule 430C under the Act, to be part of the registration statement at the time of such registration statement's effectiveness for purposes of Section 11 of the Act, as such section applies to the Sales Agent, and (3) any registration statement filed to register the offer and sale of Shares pursuant to Rule 462(b) under the Act. Except where the context otherwise requires, "Basic Prospectus," as used herein, means the prospectus filed as part of each Registration Statement, together with any amendments or supplements thereto as of the date of this Agreement. Except where the context otherwise requires, "Prospectus Supplement," as used herein, means the final prospectus supplement, relating to the Shares, filed by the Company with the Commission pursuant to Rule 424(b) under the Act on or before the second business day after the date hereof (or such earlier time as may be required under the Act), or if after such date, the most recently filed final prospectus supplement relating to the Shares, in the form furnished by the Company to the Sales Agent in connection with the offering of the Shares. Except where the context otherwise requires, "Prospectus," as used herein, means the Prospectus Supplement together with the Basic Prospectus attached to or used with the Prospectus Supplement. "Permitted Free Writing Prospectuses," as used herein, means the documents listed on Schedule A attached hereto. Any reference herein to the registration statement, the Registration Statement, the Basic Prospectus, the Prospectus Supplement, the Prospectus or any Permitted Free Writing Prospectus shall be deemed to refer to and include the documents, if any, incorporated by reference, or deemed to be incorporated by reference, therein (the "Incorporated Documents"), including, unless the context otherwise requires, the documents, if any, filed as exhibits to such Incorporated Documents. Any reference herein to the terms "amend," "amendment" or "supplement" with respect to the Registration Statement, the Basic Prospectus, the Prospectus Supplement, the Prospectus or any Permitted Free Writing Prospectus shall be deemed to refer to and include the filing of any document under the Securities Exchange Act of 1934, as amended, and the rules and regulations thereunder (collectively, the "Exchange Act") on or after the initial effective date of the Registration Statement, or the date of the Basic Prospectus, the Prospectus Supplement, the Prospectus or such Permitted Free Writing Prospectus, as the case may be, and deemed to be incorporated therein by reference.

(b) The Registration Statement complied when it became effective, complies as of the date hereof and, as amended or supplemented, at each deemed effective date with respect to the Sales Agent pursuant to Rule 430(B)(f)(2) of the Act, at each Settlement Date (as defined in Section 4(a)(vi) hereof), and at all times during which a prospectus is required by the Act to be delivered (whether physically, deemed to be delivered pursuant to Rule 153 or through compliance with Rule 172 under the Act or any similar rule) in connection with any sale of Shares, will comply, in all material respects, with the requirements of the Act, and the

Registration Statement did not and will not, at or during such times, contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading; the conditions to the use of Form S-3 in connection with the offering and sale of the Shares as contemplated hereby have been satisfied; the Registration Statement meets, and the offering and sale of the Shares as contemplated hereby complies with, the requirements of Rule 415 under the Act (including, without limitation, Rule 415(a)(5)); the Basic Prospectus complied or will comply, at the time it was or will be filed with the Commission, complies as of the date hereof (if filed with the Commission on or prior to the date hereof) and, as of the time of each sale of Shares pursuant to this Agreement (each, a "Time of Sale"), at each Settlement Date and at all times during which a prospectus is required by the Act to be delivered (whether physically, deemed to be delivered pursuant to Rule 153 or through compliance with Rule 172 under the Act or any similar rule) in connection with any sale of Shares, will comply, in all material respects, with the requirements of the Act; at no time during the period that begins on the earlier of the date of the Basic Prospectus and the date the Basic Prospectus was filed with the Commission and ends on each Settlement Date did or will the Basic Prospectus, as then amended or supplemented, include an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; the Prospectus will comply, as of the date that it is filed with the Commission, the date of the Prospectus Supplement, each Time of Sale, each Settlement Date, and at all times during which a prospectus is required by the Act to be delivered (whether physically, deemed to be delivered pursuant to Rule 153 or through compliance with Rule 172 under the Act or any similar rule) in connection with any sale of Shares, in all material respects, with the requirements of the Act (including, without limitation, Section 10(a) of the Act); at no time during the period that begins on the date of the Prospectus Supplement and ends at the later of each Settlement Date and the end of the period during which a prospectus is required by the Act to be delivered (whether physically, deemed to be delivered pursuant to Rule 153 or through compliance with Rule 172 under the Act or any similar rule) in connection with any sale of Shares did or will the Prospectus, as then amended or supplemented, either alone or together with any combination of one or more of the then issued Permitted Free Writing Prospectuses, if any, include an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; at no time during the period that begins on the date of such Permitted Free Writing Prospectus and ends at each Settlement Date did or will any Permitted Free Writing Prospectus include an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided, however, that the Company makes no representation or warranty with respect to any statement contained in the Registration Statement, the Basic Prospectus, the Prospectus or any Permitted Free Writing Prospectus in reliance upon and in conformity with information concerning the Sales Agent and furnished in writing by or on behalf of the Sales Agent expressly for use in the Registration Statement, the Basic Prospectus, the Prospectus or such Permitted Free Writing Prospectus; each Incorporated Document, at the time such document was filed with the Commission or at the time such document became effective, as applicable, complied, in all material respects, with the requirements of the Exchange Act and did not include an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(c) (i) At the time of filing of the Registration Statement, (ii) at the time of the most recent amendment thereto for the purposes of complying with Section 10(a)(3) of the Act or otherwise (whether such amendment was by post-effective amendment, incorporated report filed pursuant to Section 13 or 15(d) of the Exchange Act or form of prospectus), (iii) at the time the Company or any person acting on its behalf (within the meaning, for this clause only, of Rule 163(c) of the Act) made any offer relating to the Shares in reliance on the exemption of

Rule 163 of the Act and (iv) at the date hereof, the Company is a "well-known seasoned issuer" as defined in Rule 405 of the Act ("Rule 405"), including not having been and not being an "ineligible issuer" as defined by Rule 405. The Registration Statement is an "automatic shelf registration statement," as defined in Rule 405, and the Shares, since their registration on the Registration Statement, have been and remain eligible for registration by the Company on a Rule 405 "automatic shelf registration statement." The Company has not received from the Commission any notice pursuant to Rule 401(g)(2) of the Act objecting to the use of the automatic shelf registration statement form.

(d) Prior to the execution of this Agreement, the Company has not, directly or indirectly, offered or sold any Shares by means of any "prospectus" (within the meaning of the Act) or used any "prospectus" (within the meaning of the Act) in connection with the offer or sale of the Shares; the Company has not, directly or indirectly, prepared, used or referred to any Permitted Free Writing Prospectus except in compliance with Rule 163 or with Rules 164 and 433 under the Act; assuming that any such Permitted Free Writing Prospectus is so sent or given after the Registration Statement was filed with the Commission (and after such Permitted Free Writing Prospectus was, if required pursuant to Rule 433(d) under the Act, filed with the Commission), the sending or giving, by the Sales Agent, of any Permitted Free Writing Prospectus will satisfy the provisions of Rule 164 or Rule 433 (without reliance on subsections (b), (c) and (d) of Rule 164); the conditions set forth in one or more of subclauses (i) through (iv), inclusive, of Rule 433(b)(1) under the Act are satisfied, and the registration statement relating to the offering of the Shares contemplated hereby, as initially filed with the Commission, includes a prospectus that, other than by reason of Rule 433 or Rule 431 under the Act, satisfies the requirements of Section 10 of the Act; neither the Company nor the Sales Agent is disqualified, by reason of subsection (f) or (g) of Rule 164 under the Act, from using, in connection with the offer and sale of the Shares, "free writing prospectuses" (as defined in Rule 405 under the Act) pursuant to Rules 164 and 433 under the Act; the Company is not an "ineligible issuer" (as defined in Rule 405 under the Act) as of the eligibility determination date for purposes of Rules 164 and 433 under the Act with respect to the offering of the Shares contemplated by the Registration Statement; the parties hereto agree and understand that the content of any and all "road shows" (as defined in Rule 433 under the Act) related to the offering of the Shares contemplated hereby is solely the property of the Company.

(e) The Company has an authorized and outstanding capitalization as set forth in the consolidated balance sheet included or incorporated by reference in the Registration Statement, the Prospectus or any Permitted Free Writing Prospectus or as of the Company's then most recently completed quarter or fiscal year, contained in the Company's quarterly report on Form 10-Q or the Company's annual report on Form 10-K, as applicable, at the indicated date, and there has been no material change in such information since the Company's then most recently completed quarter or fiscal year (subject to the issuance of shares of Common Stock upon exercise of stock options and warrants disclosed as outstanding in the Registration Statement (excluding the exhibits thereto) and the Prospectus and the grant of options under existing stock option plans described in the Registration Statement (excluding the exhibits thereto), the Basic Prospectus and the Prospectus).

(f) The consolidated financial statements of the Company, together with the related schedules and notes thereto, set forth or included or incorporated by reference in the Registration Statement, the Prospectus or any Permitted Free Writing Prospectus are accurate in all material respects and fairly present the financial condition of the Company on a consolidated basis as of the dates indicated and the results of operations, changes in financial position, stockholders' equity and cash flows for the periods therein specified are in conformity with generally accepted accounting principles consistently applied throughout the periods involved (except as otherwise stated therein). The selected financial and statistical data included or incorporated by reference

in the Registration Statement and the Prospectus present fairly the information shown therein and, to the extent based upon or derived from the financial statements, have been compiled on a basis consistent with the financial statements presented therein. No other financial statements are required to be set forth or to be incorporated by reference in the Registration Statement or the Prospectus under the Act. The interactive data in eXtensible Business Reporting Language included or incorporated by reference in the Registration Statement, the Prospectus or any Permitted Free Writing Prospectus fairly present the information called for in all material respects and have been prepared in accordance with the Commission's rules and guidelines applicable thereto.

(g) The Prospectus and any Permitted Free Writing Prospectus delivered to the Sales Agent for use in connection with this offering will be, identical to the versions of the Prospectus and any Permitted Free Writing Prospectus, respectively, created to be transmitted to the Commission for filing via EDGAR, except to the extent permitted by Regulation S-T.

(h) The Company and each of its subsidiaries has been duly formed or, if a corporation, incorporated and is validly existing as a limited liability company, limited partnership or corporation in good standing under the laws of the state of its formation or incorporation, as applicable, is duly qualified to do business and is in good standing as a foreign limited liability company, limited partnership or corporation, as applicable, in each jurisdiction in which its ownership or lease of property or assets or the conduct of its business requires such qualification, except where the failure to so qualify would not have a material adverse effect on the business, assets, properties, prospects, financial condition or results of operation of the Company and its subsidiaries taken as a whole (a "Company Material Adverse Effect"), and has full limited liability company, limited partnership or corporate, as applicable, power and authority necessary to own, hold, lease and/or operate its assets and properties, to conduct the business in which it is engaged and as described in the Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any, and to enter into and perform its obligations under this Agreement and to consummate the transactions contemplated hereby, and the Company and its subsidiary Arcola Securities, Inc. ("Arcola") are each in compliance in all material respects with the laws, orders, rules, regulations and directives issued or administered by such jurisdictions.

(i) The Company has no "significant subsidiaries" (as such term is defined in Rule 1-02 of Regulation S-X promulgated under the Securities Act), and has no other subsidiaries except as (i) set forth in Exhibit 21.1 to the Company's most recently filed annual report on Form 10-K, (ii) otherwise disclosed by the Company in the Registration Statement, the Prospectus or the Permitted Free Writing Prospectus, if any, or (iii) would not, individually or in the aggregate, be material to the Company. Complete and correct copies of the charter and of the bylaws of the Company and all amendments thereto have been delivered to the Sales Agent (or otherwise made available on EDGAR) and, except as set forth in the exhibits to, or incorporated by reference into, the Registration Statement, no changes therein will be made subsequent to the date hereof and prior to each Time of Sale and each Settlement Date.

(j) The Company is not in breach of, or in default under (nor has any event occurred which with notice, lapse of time or both would result in any breach of or constitute a default under), (i) its charter or bylaws or (ii) any obligation, agreement, covenant or condition contained in any contract, license, repurchase agreement, indenture, mortgage, deed of trust, bank loan or credit agreement, note, lease or other evidence of indebtedness, or any lease, contract or other agreement or instrument to which the Company is a party or by which it or any of its assets or properties may be bound or affected, the effect of which breach or default under this clause (ii) could have a Company Material Adverse Effect. The execution, delivery and performance of this Agreement, the issuance and sale of the Shares and the consummation of the transactions

contemplated hereby will not conflict with, or result in any breach of, constitute a default under or a Repayment Event (as defined below) under (nor constitute any event which with notice, lapse of time or both would result in any breach of, constitute a default under or a Repayment Event under), (i) any provision of the charter or bylaws of the Company, (ii) any provision of any contract, license, repurchase agreement, indenture, mortgage, deed of trust, bank loan or credit agreement, note, lease or other evidence of indebtedness, or any lease, contract or other agreement or instrument to which the Company is a party or by which the Company or any of its assets or properties may be bound or affected, the effect of which could have a Company Material Adverse Effect or (iii) under any federal, state, local or foreign law, regulation or rule or any decree, judgment or order applicable to the Company. As used herein, a "Repayment Event" means any event or condition which gives the holder of any note, debenture or other evidence of indebtedness (or any person acting on such holder's behalf) the right to require the repurchase, redemption or repayment of all or a portion of such indebtedness by the Company or any subsidiary.

(k) All of the issued and outstanding shares of capital stock, including the Common Stock, of the Company have been duly and validly authorized and issued and are fully paid and non-assessable, have been issued in compliance with all federal and state securities laws and were not issued in violation of any preemptive right, resale right, right of first refusal or similar right.

(l) This Agreement has been duly authorized, executed and delivered by the Company.

(m) Reserved.

(n) The capital stock of the Company, including the Shares, conforms and will conform in all material respects to the description thereof contained in the Registration Statement, the Prospectus or any Permitted Free Writing Prospectus and such description conforms to the rights set forth in the instruments defining the same. If certificated, the global certificates representing the Shares are in due and proper form and the holders of the Shares will not be subject to personal liability by reason of being such holders.

(o) The Shares have been duly and validly authorized by the Company for issuance and sale pursuant to this Agreement and, when issued and delivered against payment therefor as provided herein, will be duly and validly issued and fully paid and non-assessable, free and clear of any pledge, lien, encumbrance, security interest or other claim, and will be registered pursuant to Section 12 of the Exchange Act.

(p) No approval, authorization, consent or order of or filing with any national, state or local governmental or regulatory commission, board, body, authority or agency is required in connection with the issuance and sale of the Shares or the consummation by the Company of the transaction contemplated hereby other than (i) registration of the Shares under the Act, (ii) any necessary qualification under the securities or blue sky laws of the various jurisdictions in which the Shares are being offered by the Sales Agent and (iii) such approvals in connection with the approval of the listing of the Shares on the New York Stock Exchange LLC (the "NYSE").

(q) No person, as such term is defined in Rule 1-02 of Regulation S-X promulgated under the Act (each, a "Person"), has the right, contractual or otherwise, to cause the Company to issue to it any shares of capital stock or other securities of the Company upon the issue and sale of the Shares to the Sales Agent hereunder, nor does any Person have preemptive rights, co-sale rights, rights of first refusal or other rights to purchase or subscribe for any of the Shares or any securities or obligations convertible into or exchangeable for, or any contracts or commitments to

issue or sell any of, the Shares or any options, rights or convertible securities or obligations, other than those that have been expressly waived prior to the date hereof.

(r) Ernst & Young LLP (the "Accountants"), whose report on the consolidated financial statements of the Company is filed with the Commission as part of the Registration Statement and the Prospectus, are and, during the periods covered by their reports, were independent public accountants as required by the Act.

(s) Each of the Company and its subsidiaries has all necessary licenses, authorizations, consents and approvals and has made all necessary filings required under any federal, state, local or foreign law, regulation or rule, and has obtained all necessary permits, authorizations, consents and approvals from other Persons, in order to conduct its business as described in the Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any, except as such as could not have a Company Material Adverse Effect. Neither the Company nor any of its subsidiaries is required by any applicable law to obtain accreditation or certification from any governmental agency or authority in order to provide the products and services which it currently provides or which it proposes to provide as set forth in the Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any, except as such could not have a Company Material Adverse Effect. Neither the Company nor any of its subsidiaries is in violation of, or in default under, any such license, permit, authorization, consent or approval or any federal, state, local or foreign law, regulation or rule or any decree, order or judgment applicable to the Company or any of its subsidiaries, the effect of which could have a Company Material Adverse Effect.

(t) The descriptions in the Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any, of the legal or governmental proceedings, contracts, leases and other legal documents therein described present fairly in all material respects the information required to be shown, and there are no legal or governmental proceedings, contracts, leases or other documents of a character required to be described in the Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any, or to be filed as exhibits to the Registration Statement which are not described or filed as required. All agreements between the Company and third parties expressly referenced in the Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any, are legal, valid and binding obligations of the Company, enforceable in accordance with their respective terms, except to the extent enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws affecting creditors' rights generally and by general equitable principles and except to the extent that any indemnification provision thereof may be limited by public policy considerations in respect thereof.

(u) Except as set forth in the Registration Statement, the Prospectus or a Permitted Free Writing Prospectus, there are no actions, suits, claims, investigations, inquiries or proceedings pending or, to the best of the Company's knowledge, threatened to which the Company or any of the subsidiaries or any of their respective officers or directors is a party or of which any of its properties or other assets is subject at law or in equity, or before or by any federal, state, local or foreign governmental or regulatory commission, board, body, authority or agency which could result in a judgment, decree or order having a Company Material Adverse Effect.

(v) Except as otherwise may be disclosed therein, subsequent to the respective dates as of which information is given in the Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any, there has not been (i) any Company Material Adverse Effect, or any development which would reasonably be expected to cause a Company Material Adverse Effect, in the business, properties or assets described or referred to in the Registration Statement,

the Prospectus and the Permitted Free Writing Prospectuses, if any, or the results of operations, condition (financial or otherwise), net worth, business, prospects or operations of the Company and its subsidiaries, taken as a whole, (ii) any transaction which is material to the Company and its subsidiaries, taken as a whole, except transactions in the ordinary course of business, (iii) any obligation, direct or contingent, which is material to the Company and its subsidiaries, taken as a whole, incurred by the Company or any subsidiary, except obligations incurred in the ordinary course of business, (iv) any change in the capital stock or, except in the ordinary course of business, outstanding indebtedness of the Company or any subsidiary or (v) except for regular quarterly dividends on the outstanding shares of preferred stock (collectively, the "Preferred Stock") and the Common Stock, in amounts per share that are consistent with past practice and the descriptions thereof in the Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any, any dividend or distribution of any kind declared, paid or made by the Company on any class of its capital stock. There are no contingent obligations that are material to the Company and its subsidiaries, taken as a whole, which are not disclosed in the Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any.

(w) Except as set forth in the Registration Statement, the Prospectus or a Permitted Free Writing Prospectus, there are no Persons with registration or other similar rights to have any equity or debt securities, including securities which are convertible into or exchangeable for equity securities, registered pursuant to the Registration Statement or otherwise registered by the Company under the Act.

(x) The Company (i) does not have any issued and outstanding preferred stock, other than the shares of Preferred Stock, in such number and series, as are described in the Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any, (ii) has not failed to pay any dividend or sinking fund installment on preferred stock and (iii) has not defaulted on any installment on indebtedness for borrowed money or on any rental on one or more long term leases, which defaults would have a Company Material Adverse Effect on the financial position of the Company and its subsidiaries, taken as a whole. The Company has not filed a report pursuant to Section 13(a) or 15(d) of the Exchange Act since the filing of its last annual report on Form 10-K, indicating that it (i) has failed to pay any dividend or sinking fund installment on the Preferred Stock or (ii) has defaulted on any installment on indebtedness for borrowed money or on any rental on one or more long term leases, which defaults would have a Company Material Adverse Effect.

(y) Neither the Company nor any of its officers, directors and controlling Persons have, directly or indirectly, (i) taken any action designed to cause or to result in, or that has constituted or which might reasonably be expected to constitute, the stabilization or manipulation of the price of the Common Stock to facilitate the sale of the Shares, or (ii) (except pursuant to this Agreement, shares of the Company's Common Stock issued pursuant to the Company's dividend reinvestment and share purchase plan (the "DRSPP"), as may have been incurred in connection with the Company's publicly disclosed repurchase of Common Stock and the retirement of the Company's long-term indebtedness) (A) sold, bid for, purchased, or paid anyone any compensation for soliciting purchases of, the Shares or, (B) other than as disclosed in the Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any, during the one hundred eighty (180) day period preceding the date of this Agreement, paid or agreed to pay to any Person any compensation for soliciting another to purchase any other securities of the Company.

(z) The Company has applied to have the Shares listed on the NYSE, and the Shares will have been approved for listing on the NYSE as of the time of purchase, subject only to official notice of issuance.

(aa) Neither the Company nor any of its affiliates, except for Arcola, (i) is required to register as a "broker" or "dealer" in accordance with the provisions of the Exchange Act or (ii) directly or indirectly through one or more intermediaries, controls or has any other association with (within the meaning of Article I of the Bylaws of the Financial Industry Regulatory Authority, Inc. ("FINRA")) any member firm of FINRA.

(ab) Any certificate signed by any officer of the Company delivered to the Sales Agent or to counsel for the Sales Agent pursuant to or in connection with this Agreement shall be deemed a representation and warranty by the Company to the Sales Agent as to the matters covered thereby.

(ac) As of the date of this Agreement, the Company has no plan or intention to materially alter its capital investment policy or investment allocation strategy, both as described in the Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any, and is in compliance with its stated capital investment policy and investment allocation strategy. Each of the Company and its subsidiaries has good and marketable title to all of the properties and assets owned by them, in each case free and clear of any security interests, liens, encumbrances, equities, claims and other defects (except for any security interest, lien, encumbrance or claim that may otherwise exist under any applicable repurchase agreement or loan agreement), except such as do not have a Company Material Adverse Effect and do not interfere with the use made or proposed to be made of such property or asset by the Company or any subsidiary, and except as described in or contemplated by the Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any. The Company owns no real property that is material, on an individual basis, to the Company. Any real property and buildings held under lease by the Company or any subsidiary are held under valid, existing and enforceable leases, with such exceptions as are disclosed in the Prospectus or are not material and do not interfere with the use made or proposed to be made of such property and buildings by the Company.

(ad) The Company has filed all federal and material state and foreign income and franchise tax returns required to be filed on or prior to the date hereof and has paid taxes shown as due thereon (or that are otherwise due and payable), other than taxes which are being contested in good faith and for which adequate reserves have been established in accordance with generally accepted accounting principles. The Company has no knowledge, after due inquiry, of any tax deficiency which has been asserted or threatened against the Company. To the knowledge of the Company, there are no tax returns of the Company that are currently being audited by federal, state or local taxing authorities or agencies which would have a Company Material Adverse Effect.

(ae) The Company owns or possesses adequate license or other rights to use all patents, trademarks, service marks, trade names, copyrights, software and design licenses, trade secrets, manufacturing processes, other intangible property rights and know-how (collectively, "Intangibles") necessary to entitle the Company to conduct its business as described in the Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any, and the Company has not received notice of infringement of or conflict with (and the Company knows of no such infringement of or conflict with) asserted rights of others with respect to any Intangibles which could have a Company Material Adverse Effect.

(af) The Company maintains a system of internal accounting controls sufficient to provide reasonable assurance that (i) transactions are executed in accordance with management's general or specific authorizations, (ii) transactions are recorded as necessary to permit preparation of financial statements in conformity with generally accepted accounting principles as applied in the United States and to maintain asset accountability, (iii) access to assets is

permitted only in accordance with management's general or specific authorization, (iv) the recorded accountability for assets is compared with the existing assets at reasonable intervals and appropriate action is taken with respect to any differences and (v) the interactive data in eXtensible Business Reporting Language incorporated by reference in the Registration Statement, the Prospectus and any Permitted Free Writing Prospectus fairly present the information called for in all material respects and is prepared in accordance with the Commission's rules and guidelines applicable thereto.

(ag) The Company has established and maintains disclosure controls and procedures (as such term is defined in Rule 13a-14 and 15d-14 under the Exchange Act); such disclosure controls and procedures are designed to ensure that material information relating to the Company is made known to the Company's Chief Executive Officer and its Chief Financial Officer, and such disclosure controls and procedures are effective to perform the functions for which they were established; any significant material weaknesses in internal controls have been identified for the Company's Chief Executive Officer and its Chief Financial Officer; and since the date of the most recent evaluation of such disclosure controls and procedures, there have been no significant changes in internal controls or in other factors that could significantly affect internal controls.

(ah) The Company is insured by insurers of recognized financial responsibility against such losses and risks and in such amounts as are prudent and customary in the business in which it is engaged. The Company has no reason to believe that it will not be able to renew its existing insurance coverage as and when such coverage expires or to obtain similar coverage from similar insurers as may be necessary to continue its business at a cost that would not have a Company Material Adverse Effect.

(ai) Except as set forth in the Registration Statement, the Prospectus or a Permitted Free Writing Prospectus, the Company is not in violation, and has not received notice of any violation with respect to, any applicable environmental, safety or similar law applicable to the business of the Company. The Company has received all permits, licenses or other approvals required of them under applicable federal and state occupational safety and health and environmental laws and regulations to conduct its business, and the Company is in compliance with all terms and conditions of any such permit, license or approval, except any such violation of law or regulation, failure to receive required permits, licenses or other approvals or failure to comply with the terms and conditions of such permits, licenses or approvals which could not, singly or in the aggregate, have a Company Material Adverse Effect.

(aj) Neither the Company nor any of its subsidiaries has incurred any liability for any finder's fees or similar payments in connection with the transactions herein contemplated, except as may otherwise exist with respect to the Sales Agent pursuant to this Agreement.

(ak) Except as set forth in the Registration Statement, the Prospectus or a Permitted Free Writing Prospectus, there are no existing or threatened labor disputes with the employees of the Company which are likely to have individually or in the aggregate a Company Material Adverse Effect.

(al) No relationship, direct or indirect, exists between or among the Company or any of its subsidiaries, on the one hand, and the directors, officers and stockholders of the Company, on the other hand, which is required by the Act to be described in the Registration Statement and the Prospectus that is not so described.

(am) The Company, since its date of inception, has been, and upon the sale of the Shares will continue to be, organized and operated in conformity with the requirements for

qualification and taxation as a "real estate investment trust" (a "REIT") under Sections 856 through 860 of the Internal Revenue Code of 1986, as amended and the regulations and published interpretations thereunder (collectively, the "Code"), for all taxable years commencing with its taxable year ended December 31, 1997. The proposed method of operation of the Company as described in Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any, will enable the Company to continue to meet the requirements for qualification and taxation as a REIT under the Code, and no actions have been taken (or not taken which are required to be taken) which would cause such qualification to be lost. The Company intends to continue to operate in a manner which would permit it to qualify as a REIT under the Code. The Company has no intention of changing its operations or engaging in activities which would cause it to fail to qualify, or make economically undesirable its continued qualification, as a REIT.

(an) Neither the Company nor any subsidiary is and, after giving effect to the offering and sale of the Shares, will be required to register as an "investment company" or an entity "controlled" by an "investment company," as such terms are defined in the Investment Company Act of 1940, as amended (the "Investment Company Act").

(ao) To the Company's knowledge, no relationship, direct or indirect, exists between or among the Company or any subsidiary, on the one hand, and the officers, 10% stockholders or directors of the Company or any subsidiary, on the other hand, which is required by the rules of FINRA to be described in the Registration Statement and the Prospectus which is not so described.

(ap) The Company has not, directly or indirectly, including through any subsidiary, extended credit, arranged to extend credit, or renewed any extension of credit, in the form of a personal loan, to or for any director or executive officer of the Company, or to or for any family member or affiliate of any director or executive officer of the Company.

(aq) Neither the Company nor any of the subsidiaries nor, to the Company's knowledge, any employee or agent of the Company or the subsidiaries has made any payment of funds of the Company or the subsidiaries or received or retained any funds in violation of any law, rule or regulation, which payment, receipt or retention of funds is of a character required to be disclosed in the Registration Statement or the Prospectus.

(ar) The Company is in compliance with all applicable provisions of the Sarbanes-Oxley Act of 2002 and the rules and regulations promulgated thereunder.

(as) The Common Stock is an "actively traded security" excepted from the requirements of Rule 101 of Regulation M under the Exchange Act by subsection (c)(1) of such rule.

(at) Other than any Terms Agreement or the Alternative Agreements, the Company has not entered into any other sales agency or distribution agreements or similar arrangements with any agent or other representative in respect of the Shares and the equity shelf program established by the Distribution Agreements, the terms of which have not been properly and duly waived.

(au) The operations of the Company and its subsidiaries are and have been conducted at all times in material compliance with all applicable financial recordkeeping and reporting requirements, including those of the Bank Secrecy Act, as amended by Title III of the Uniting and Strengthening America by Providing Appropriate Tools Required to intercept and Obstruct Terrorism Act of 2001 (USA PATRIOT Act), as amended, and the applicable anti-money

laundering statutes of jurisdictions where the Company and its subsidiaries conduct business, the rules and regulations thereunder and any related or similar rules, regulations or guidelines, issued, administered or enforced by any governmental agency (collectively, the "Anti-Money Laundering Laws"), and no action, suit or proceeding by or before any court or governmental agency, authority or body or any arbitrator involving the Company or any of its subsidiaries with respect to Anti-Money Laundering Laws is pending or, to the best knowledge of the Company, threatened.

(av) (A) Neither the Company nor any of its subsidiaries, nor any director, officer or employee thereof, nor, to the Company's knowledge, any agent, affiliate or representative of the Company or any of them, is an individual or entity ("Covered Person") that is, or is owned or controlled by a Covered Person that is:

(i) the subject of any sanctions administered or enforced by the U.S. Department of Treasury's Office of Foreign Assets Control ("OFAC"), the United Nations Security Council, the European Union, His Majesty's Treasury or other relevant sanctions authority (collectively, "Sanctions"); nor

(ii) located, organized or resident in a country or territory that is the subject of Sanctions (including, without limitation, the so-called Donetsk People's Republic, the so-called Luhansk People's Republic, the Kherson, the non-government controlled areas of the Kherson and Zaporizhzhia regions of Ukraine, and any other Covered Region of Ukraine identified pursuant to Executive Order 14065, the Crimea region of Ukraine, Cuba, Iran, North Korea, Syria and Venezuelan State-owned entities).

(A) The Company will not use the proceeds of the offering, or lend, contribute or otherwise make available such proceeds to any subsidiary, joint venture partner or other Covered Person:

(i) to fund or facilitate any activities or business of or with any Covered Person or in any country or territory that, at the time of such funding or facilitation, is the subject of Sanctions; or

(ii) in any other manner that will result in a violation of Sanctions by any Covered Person (including any Covered Person participating in the offering, whether as underwriter, advisor, investor or otherwise).

(B) The Company and its subsidiaries have not knowingly engaged in, are not now knowingly engaged in, and will not engage in, any dealings or transactions with any Covered Person, or in any country or territory, that at the time of the dealing or transaction is or was the subject of Sanctions.

(C) Neither the Company nor any of its subsidiaries, nor any director, officer or, to the Company's knowledge, employee thereof, nor, to the Company's knowledge, any agent, affiliate or representative of the Company or any of them: (i) has used any corporate funds for any unlawful contribution, gift, entertainment or other unlawful expense relating to political activity; (ii) has made any direct or indirect unlawful contribution or payment to any official of, or candidate for, or any employee of, any federal, state or foreign office from corporate funds; (iii) has made any bribe, unlawful rebate, payoff, influence payment, kickback or other unlawful payment; or (iv) is aware of or has taken any action, directly or indirectly, that would result in a violation by such persons of the OECD Convention on Bribery of Foreign Public Officials in International

Business Transactions, the Foreign Corrupt Practices Act of 1977, as amended, and the rules and regulations thereunder (collectively, the "FCPA") or any similar law or regulation to which the Company, any of its subsidiaries, any director, officer, agent, employee, affiliate or other person associated with or acting on behalf of the Company or any of its subsidiaries is subject. The Company, its subsidiaries and their affiliates have each conducted its businesses in compliance with the FCPA and any applicable similar law or regulation and have instituted and maintain policies and procedures designed to ensure, and which are reasonably expected to continue to ensure, continued compliance therewith.

SECTION 3. Reserved.

SECTION 4. Sale and Delivery of Securities. (a) On the basis of the representations, warranties and agreements herein contained, but subject to the terms and conditions herein set forth, the Company agrees to issue and sell through the Sales Agent, as sales agent, and the Sales Agent agrees to use its commercially reasonable efforts to sell, as sales agent for the Company, the Shares on the following terms.

(i) The Shares are to be sold on a daily basis or otherwise as shall be agreed to by the Company and the Sales Agent on any day that (A) is a trading day for the NYSE (other than a day on which the NYSE is scheduled to close prior to its regular weekday closing time), (B) the Company has instructed the Sales Agent by telephone (confirmed promptly by electronic mail) (or as otherwise agreed to by the Company and the Sales Agent) from any of the individuals listed as authorized representatives of the Company on Schedule B hereto (the "Authorized Company Representatives") to make such sales and (C) the Company has satisfied its obligations under Section 8 of this Agreement. The Company will designate the maximum amount of the Shares to be sold by the Sales Agent daily as agreed to by the Sales Agent and in any event not in excess of the amount available for issuance under the currently effective Registration Statement relating to the sale of up to $2,000,000,000 of Shares as described in the prospectus supplement dated May 8, 2025, or any Registration Statement filed pursuant to Section 5(g), or in a number in excess of the number of Shares authorized from time to time to be issued and sold under this Agreement by the Company's board of directors, or a duly authorized committee thereof, and notified to the Sales Agent in writing (a "Placement Notice").

Subject to the terms and conditions hereof, the Sales Agent shall use its commercially reasonable efforts to offer and sell all of the Shares designated; provided, however, that the Sales Agent shall have no obligation to offer or sell any Shares, and the Company acknowledges and agrees that the Sales Agent shall have no such obligation, in the event an offer or sale of the Shares on behalf of the Company may in the judgment of the Sales Agent constitute the sale of a "block" under Rule 10b-18(a)(5) under the Exchange Act or a "distribution" within the meaning of Rule 100 of Regulation M under the Exchange Act or the Sales Agent reasonably believes it may be deemed an "underwriter" under the Act in a transaction that is other than by means of ordinary brokers' transactions between members of the NYSE that qualify for delivery of a Prospectus to the NYSE in accordance with Rule 153 under the Act (such transactions are hereinafter referred to as "At-the-Market Offerings").

(ii) Notwithstanding the foregoing, the Company, through any of the Authorized Company Representatives, may instruct the Sales Agent by telephone

(confirmed promptly by electronic mail) (or as otherwise agreed to by the Company and the Sales Agent) not to sell the Shares if such sales cannot be effected at or above the price designated by the Company in any such instruction. In addition, the Company or the Sales Agent may, upon notice to the other party hereto by telephone (confirmed promptly by electronic mail) (or as otherwise agreed to by the Company and the Sales Agent), suspend the offering of the Shares; provided, however, that such suspension shall not affect or impair the parties' respective obligations with respect to the Shares sold hereunder prior to the giving of such notice.

(iii) The Sales Agent hereby covenants and agrees not to make any sales of the Shares on behalf of the Company, pursuant to this Section 4(a), other than (A) by means of At-the-Market Offerings and (B) such other sales of the Shares on behalf of the Company in its capacity as agent of the Company as shall be agreed by the Company and the Sales Agent.

(iv) The compensation to the Sales Agent, as an agent of the Company, for sales of the Shares shall be up to 1.25% of the gross sales price of the Shares sold pursuant to this Section 4(a) or such lower amount as otherwise mutually agreed upon by the Company and the Sales Agent from time to time. The remaining proceeds, after further deduction for any transaction fees imposed by any governmental or self-regulatory organization in respect of such sales, shall constitute the net proceeds to the Company for such Shares (the "Net Proceeds").

(v) The Sales Agent shall provide written confirmation to the Company following the close of trading on the NYSE each day in which the Shares are sold under this Section 4(a) setting forth the amount of the Shares sold on such day, the Net Proceeds to the Company and the compensation payable by the Company to the Sales Agent with respect to such sales.

(vi) Settlement for sales of the Shares pursuant to this Section 4(a) will occur on the first business day following the date on which such sales are made or such other date as may be agreed by the Company and the Sales Agent (each such date, a "Settlement Date"). On each Settlement Date, the Shares sold through the Sales Agent for settlement on such date shall be issued and delivered by the Company to the Sales Agent against payment of the Net Proceeds for the sale of such Shares. Settlement for all such Shares shall be effected by free delivery of the Shares by the Company or its transfer agent to the Sales Agent's account, or to the account of the Sales Agent's designee, at The Depository Trust Company through its Deposit and Withdrawal at Custodian System ("DWAC") or by such other means of delivery as may be mutually agreed upon by the parties hereto, which in all cases shall be freely tradable, transferable, registered shares in good deliverable form, in return for payments in same day funds delivered to the account designated by the Company. If the Company, or its transfer agent (if applicable), shall default on its obligation to deliver the Shares on any Settlement Date, the Company shall (A) indemnify and hold the Sales Agent harmless against any loss, claim or damage arising from or as a result of such default by the Company and (B) pay the Sales Agent any commission to which it would otherwise be entitled absent such default. The Authorized Company Representatives shall be the contact persons for the Company for all matters related to the settlement of the transfer of the Shares through DWAC for purposes of this Section 4(a)(vi).

(vii) At each Time of Sale, Settlement Date and Representation Date (as defined in Section 5(q)), the Company shall be deemed to have affirmed each of their respective representations and warranties contained in this Agreement. Any obligation of

the Sales Agent to use its commercially reasonable efforts to sell the Shares on behalf of the Company shall be subject to the continuing accuracy of the representations and warranties of the Company herein, to the performance by the Company of its obligations hereunder and to the continuing satisfaction of the additional conditions specified in Section 8 of this Agreement.

(a) (i) If the Company wishes to issue and sell the Shares other than as set forth in Section 4(a) of this Agreement (each, a "Placement"), it will notify the Sales Agent of the proposed terms of such Placement. If the Sales Agent, acting as principal, wishes to accept such proposed terms (which it may decline to do for any reason in its sole discretion) or, following discussions with the Company, wishes to accept amended terms, the Sales Agent and the Company will enter into a Terms Agreement setting forth the terms of such Placement. In the event of a conflict between the terms of this Agreement and the terms of any Terms Agreement, the terms of such Terms Agreement will control.

(b) (i) Under no circumstances shall the aggregate number of Shares sold pursuant to this Agreement exceed the number of Shares authorized from time to time to be issued and sold under this Agreement by the Company's board of directors, or a duly authorized committee thereof, and notified to the Sales Agent in writing.

(i) If either party has reason to believe that the exemptive provisions set forth in Rule 101(c)(1) of Regulation M under the Exchange Act are not satisfied with respect to the Shares, it shall promptly notify the other party and sales of the Shares under this Agreement shall be suspended until that or other exemptive provisions have been satisfied in the judgment of each party.

(c) Each sale of the Shares to or through the Sales Agent shall be made in accordance with the terms of this Agreement or, if applicable, a Terms Agreement.

(d) Any offer, solicitation or sale of the Shares shall be effected by or through only one of the Agents on any single trading day.

(e) Subject to the limitations set forth herein and as may be mutually agreed upon by the Company and the Sales Agent, sales pursuant to this Agreement may not be requested by the Company and need not be made by the Sales Agent during any period in which the Company is or could be deemed to be, in possession of material non-public information.

(f) Notwithstanding any other provision of this Agreement, the Company shall not offer, sell or deliver, or request the offer or sale, of any Shares pursuant to this Agreement at any time during the period from and including the time the Company issues a press release containing, or shall otherwise publicly announce, its earnings, revenues or other operating results for a fiscal period or periods (each, an "Earnings Announcement") through and including the Representation Date that occurs in connection with the Company filing a Quarterly Report on Form 10-Q or an Annual Report on Form 10-K (a "Filing Time") that includes consolidated financial statements as of and for the same fiscal period or periods, as the case may be, covered by such Earnings Announcement, unless the Company shall first (i) prepare and deliver to the Sales Agent (with a copy to counsel for the Sales Agent) a Current Report on Form 8-K that includes substantially the same financial and related information that was included in such Earnings Announcement (other than any earnings projections and similar forward-looking data and officers' quotations) (each, an "Earnings 8-K"), in form and substance reasonably satisfactory to the Sales Agent, and, prior to its filing, obtain the written consent of the Sales Agent to such filing (which consent shall not be unreasonably withheld), (ii) provide the Sales Agent with the officers' certificates, opinions and letters of counsels and accountants' letter

specified in Sections 5(q) through 5(u), inclusive, hereof, (iii) afford the Sales Agent the opportunity to conduct a due diligence review in accordance with Section 5(v) hereof prior to filing such Earnings 8-K and (iv) file (rather than furnish) such Earnings 8-K with the Commission. For purposes of clarity, the parties hereto agree that (A) the delivery of any officers' certificates, opinions or letters of counsel or accountants' letter pursuant to this Section 4(g) shall not relieve the Company from any of its obligations under this Agreement with respect to any Quarterly Report on Form 10-Q or Annual Report on Form 10-K, as the case may be, including, without limitation, the obligation to deliver officers' certificates, opinions and letters of counsel and accountants' letters as provided in Sections 5(q) through 5(u), inclusive, hereof, and (B) this Section 4(g) shall in no way affect or limit the operation of Section 4(d) hereof, which shall have independent application.

(g) The Company acknowledges and agrees that (A) there can be no assurance that the Sales Agent will be successful in selling the Shares, (B) the Sales Agent will incur no liability or obligation to the Company or any other person or entity if it does not sell Shares for any reason other than a failure by the Sales Agent to use its commercially reasonable efforts consistent with its normal trading and sales practices and applicable law and regulations to sell such Shares in accordance with the terms of this Agreement, and (C) the Sales Agent shall be under no obligation to purchase Shares on a principal basis pursuant to this Agreement, except as otherwise specifically agreed by the Sales Agent and the Company.

SECTION 5. Covenants of the Company. The Company agrees with the Sales Agent:

(a) During the period in which a prospectus relating to the Shares is required to be delivered under the Act (whether physically, deemed to be delivered pursuant to Rule 153 or through compliance with Rule 172 under the Act or any similar rule), to notify the Sales Agent promptly of the time when any subsequent amendment to the Registration Statement has become effective or any subsequent supplement to the Basic Prospectus, the Prospectus or any Permitted Free Writing Prospectus has been filed; to prepare and file with the Commission, promptly upon the Sales Agent's request, any amendments or supplements to the Registration Statement, the Basic Prospectus, the Prospectus or any Permitted Free Writing Prospectus that, in the Sales Agent's reasonable opinion, may be necessary or advisable in connection with the offering of the Shares by the Sales Agent; and to cause each amendment or supplement to the Basic Prospectus or the Prospectus to be filed with the Commission as required pursuant to the applicable paragraph of Rule 424(b) of the Act or, in the case of any Incorporated Document, to be filed with the Commission as required pursuant to the Exchange Act, within the time period prescribed.

(b) To promptly advise the Sales Agent, confirming such advice in writing, of any suspension of the Sales Agent's obligations under Rule 15c2-8 under the Exchange Act or any request by the Commission for amendments or supplements to the Registration Statement, the Basic Prospectus, the Prospectus or any Permitted Free Writing Prospectus or for additional information with respect thereto, or of notice of examination, institution of proceedings for, or the entry of a stop order suspending the effectiveness of the Registration Statement and, if the Commission should enter a stop order suspending the effectiveness of the Registration Statement, to use its best efforts to obtain the lifting or removal of such order as soon as possible; to promptly advise the Sales Agent of any proposal to amend or supplement the Registration Statement, the Basic Prospectus or the Prospectus, and to provide the Sales Agent and its counsel copies of any such documents for review and comment a reasonable amount of time prior to any proposed filing and to file no such amendment or supplement (other than any prospectus supplement relating to the offering of other securities (including, without limitation, the Common Stock)) to which the Sales Agent shall have objected in writing.

(c) To make available to the Sales Agent, as soon as practicable after this Agreement becomes effective, and thereafter from time to time to furnish to the Sales Agent, as many copies of the Prospectus (or of the Prospectus as amended or supplemented if the Company shall have made any amendments or supplements thereto after the effective date of the Registration Statement) as the Sales Agent may request for the purposes contemplated by the Act; in case the Sales Agent is required to deliver (whether physically, deemed to be delivered pursuant to Rule 153 or through compliance with Rule 172 under the Act or any similar rule), in connection with the sale of the Shares, a prospectus after the nine-month period referred to in Section 10(a)(3) of the Act, or after the time a post-effective amendment to the Registration Statement is required pursuant to Item 512(a) of Regulation S-K under the Act, the Company will prepare, at its expense, promptly upon request such amendment or amendments to the Registration Statement and the Prospectus as may be necessary to permit compliance with the requirements of Section 10(a)(3) of the Act or Item 512(a) of Regulation S-K under the Act, as the case may be.

(d) Subject to Section 5(b) hereof, to file promptly all reports and documents and any preliminary or definitive proxy or information statement required to be filed by the Company with the Commission in order to comply with the Exchange Act for so long as a prospectus is required by the Act to be delivered (whether physically, deemed to be delivered pursuant to Rule 153 or through compliance with Rule 172 under the Act or any similar rule) in connection with any sale of Shares; and to provide the Sales Agent, for its review and comment, with a copy of such reports and statements and other documents to be filed by the Company pursuant to Section 13, 14 or 15(d) of the Exchange Act during such period a reasonable amount of time prior to any proposed filing, and to file no such report, statement or document to which the Sales Agent shall have objected in writing; and to promptly notify the Sales Agent of such filing.

(e) To pay the fees applicable to the Registration Statement in connection with the offering of the Shares within the time required by Rule 456(b)(1) (i) under the Act (without reliance on the proviso to Rule 456(b)(1)(i) under the Act) and in compliance with Rule 456(b) and Rule 457(r) under the Act.

(f) If at any time when Shares remain unsold by the Sales Agent the Company receives from the Commission a notice pursuant to Rule 401(g)(2) under the Act or otherwise ceases to be eligible to use the automatic shelf registration statement form, the Company will (a) promptly notify the Sales Agent, (b) promptly file a new registration statement or post-effective amendment on the proper form relating to the Shares, in a form satisfactory to the Sales Agent, (c) use its best efforts to cause such registration statement or post-effective amendment to be declared effective as soon as practicable (if such filing is not otherwise effective immediately pursuant to Rule 462 under the Act) and (d) promptly notify the Sales Agent of such effectiveness. The Company will take all other action necessary or appropriate to permit the public offering and sale of the Shares to continue as contemplated in the Registration Statement that was the subject of the notice under Rule 401(g)(2) under the Act or for which the Company has otherwise become ineligible. References herein to the Registration Statement relating to the Shares shall include such new registration statement or post-effective amendment, as the case may be.

(g) If immediately prior to the third anniversary (the "Renewal Deadline") of the initial effective date of the Registration Statement, any of the Shares remain unsold by the Sales Agent, the Company will, prior to the Renewal Deadline file, if it has not already done so and is eligible to do so, a new automatic shelf registration statement relating to the Shares, in a form satisfactory to the Sales Agent. If the Company is not eligible to file an automatic shelf registration statement, the Company will, prior to the Renewal Deadline, if it has not already done so, file a new shelf registration statement relating to the Shares, in a form satisfactory to the

Sales Agent, and will use its best efforts to cause such registration statement to be declared effective within 180 days after the Renewal Deadline. The Company will take all other action necessary or appropriate to permit the public offering and sale of the Shares to continue as contemplated in the expired registration statement. References herein to the Registration Statement shall include such new automatic shelf registration statement or such new shelf registration statement, as the case may be.

(h) To promptly notify the Sales Agent of the happening of any event that could require the making of any change in the Prospectus then being used so that the Prospectus would not include an untrue statement of material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they are made, not misleading, and, during any period during which a prospectus is required to be delivered (whether physically, deemed to be delivered pursuant to Rule 153 or through compliance with Rule 172 under the Act or any similar rule) in connection with any sale of Shares, subject to Section 5(b), to prepare and furnish, at the Company's expense, to the Sales Agent promptly such amendments or supplements to such Prospectus as may be necessary to reflect any such change.

(i) To furnish such information as may be required and otherwise to cooperate in qualifying the Shares for offering and sale under the securities or blue sky laws of such states or other jurisdictions as the Sales Agent may designate and to maintain such qualifications in effect so long as required for the distribution of the Shares; provided, however, that the Company shall not be required to qualify as a foreign corporation or to consent to the service of process under the laws of any such jurisdiction (except service of process with respect to the offering and sale of the Shares); and to promptly advise the Sales Agent of the receipt by the Company of any notification with respect to the suspension of the qualification of the Shares for offer or sale in any jurisdiction or the initiation or threatening of any proceeding for such purpose.

(j) To make generally available to its security holders, and to deliver to the Sales Agent, an earnings statement of the Company (which will satisfy the provisions of Section 11(a) of the Act) covering a period of twelve months beginning after the effective date of the Registration Statement (as defined in Rule 158(c) of the Act) as soon as is reasonably practicable after the termination of such twelve-month period but not later than eighteen months after the effective date of the Registration Statement (as such date is defined in Rule 158(c) under the Act).

(k) To apply the net proceeds from the sale of the Shares in the manner set forth under the caption "Use of Proceeds" in the Prospectus Supplement or, if not so specified, in the Prospectus, and if not so specified, in the Basic Prospectus.

(l) Until the settlement of sale of all Common Stock being offered pursuant to this Agreement, at any time that sales of the Common Stock have been made but not settled or at any time the Company has outstanding with the Sales Agent any instructions to sell the Common Stock but such instructions have not been fulfilled or cancelled, the Company will not sell, offer to sell, contract or agree to sell, hypothecate, pledge, grant any option to sell or otherwise dispose of or agree to dispose of, directly or indirectly, any shares of the Common Stock or securities convertible into or exchangeable or exercisable for the Common Stock or warrants or other rights to purchase the Common Stock or any other securities of the Company that are substantially similar to the Common Stock or permit the registration under the Act of any shares of the Common Stock, including pursuant to another Distribution Agreement, in each case without giving the Sales Agent at least three business days' prior written notice specifying the nature of the proposed sale and the date of such proposed sale. Notwithstanding the foregoing, the Company may (i) register the offer and sale of the Shares through the Sales Agent pursuant to

this Agreement; (ii) issue Common Stock, restricted stock, options or other units or awards pursuant to the Company's long term stock incentive plans as currently in effect (or file a Form S-8 related to such plans) or pursuant to the exercise of employee stock options or other awards; (iii) issue Common Stock pursuant to the DRSPP or any successor dividend reinvestment or share purchase plan (or the filing of a Form S-3 related to such a plan) and (iv) offer or issue any series of preferred stock that is not convertible into shares of Common Stock other than in connection with a "change of control." For the avoidance of doubt, the Company will not be prohibited from issuing Common Stock upon the election by a holder of Preferred Stock to convert Preferred Stock into Common Stock. In the event that notice of a proposed sale is provided by the Company pursuant to this Section 5(l), the Sales Agent may suspend activity under this program for such period of time as may be requested by the Company or as may be deemed appropriate by the Sales Agent.

(m) Not, at any time at or after the execution of this Agreement, to offer or sell any Shares by means of any "prospectus" (within the meaning of the Act), or use any "prospectus" (within the meaning of the Act) in connection with the offer or sale of the Shares, in each case other than the Prospectus.

(n) The Company will not, and will cause its subsidiaries not to, take, directly or indirectly, any action designed, or which will constitute, or has constituted, or might reasonably be expected to cause or result in the stabilization or manipulation of the price of any security of the Company to facilitate the sale or resale of the Shares.

(o) To use its best efforts to cause the Common Stock to be listed on the NYSE and to maintain such listing.

(p) To advise the Sales Agent immediately after it shall have received notice or obtain knowledge thereof, of any information or fact that would alter or affect any opinion, certificate, letter and other document provided to the Sales Agent pursuant to Section 8 herein.

(q) Upon commencement of the offering of the Shares under this Agreement, and within four trading days of each time that (i) the Registration Statement or the Prospectus shall be amended or supplemented (other than pursuant to subclause (ii) below and other than a prospectus supplement filed pursuant to Rule 424(b) under the Act relating solely to the offering of securities other than the Shares), (ii) there is filed with the Commission any document incorporated by reference into the Prospectus (other than a Current Report on Form 8-K, unless the Sales Agent shall otherwise reasonably request), or (iii) otherwise as the Sales Agent may reasonably request (the date of commencement of the offering of the Shares under this Agreement and each date referred to in subclauses (i), (ii) and (iii) above, each a "Representation Date"), the Company shall furnish or cause to be furnished to the Sales Agent forthwith a certificate dated as of such delivery date, in form satisfactory to the Sales Agent to the effect that the statements contained in the certificate referred to in Section 8(e)(i) of this Agreement which were last furnished to the Sales Agent are true and correct as of such delivery date, as though made at and as of such date (except that such statements shall be deemed to relate to the Registration Statement and the Prospectus as amended and supplemented to such date) or, in lieu of such certificate, a certificate of the same tenor as the certificate referred to in said Section 8(e)(i), modified as necessary to relate to the Registration Statement and the Prospectus as amended and supplemented to the time of delivery of such certificate. The requirement to provide a certificate under this Section 5(q) shall be waived for any Representation Date occurring at a time at which no Placement Notice is pending, which waiver shall continue until the earlier to occur of the date the Company delivers a Placement Notice hereunder or under any Alternative Agreement (which for such calendar quarter shall be considered a Representation Date) and the next occurring Representation Date. Notwithstanding the foregoing, if the

Company subsequently decides to sell Shares through the Sales Agent or any Alternative Agent following a Representation Date when the Company relied on such waiver and did not provide the Agents with a certificate under this Section 5(q), then before the Company delivers the Placement Notice or the Sales Agent or any Alternative Agent sells any Shares, the Company shall provide the Sales Agent with such certificate, dated the date of the Placement Notice.

(r) On or prior to four trading days after each Representation Date with respect to which the Company is obligated to deliver a certificate under Section 8(e) for which no waiver is applicable, the Company shall furnish or cause to be furnished forthwith to the Sales Agent written opinions of (i) Davis Polk & Wardwell LLP, special counsel for the Company (including negative assurance), (ii) Hunton Andrews Kurth LLP, tax counsel for the Company, (iii) Venable LLP, Maryland counsel for the Company and (iv) Anthony C. Green, Chief Corporate Officer, Chief Legal Officer and Secretary for the Company or other counsels satisfactory to the Sales Agent, dated and delivered as of such delivery date, in form and substance satisfactory to the Sales Agent, of the same tenor as the opinions referred to in Section 8(c) of this Agreement, but modified as necessary to relate to the Registration Statement and the Prospectus as amended and supplemented to the time of delivery of such opinions.

(s) On or prior to four trading days after each Representation Date with respect to which the Company is obligated to deliver a certificate under Section 8(e) for which no waiver is applicable, the Company shall furnish or cause to be furnished to the Sales Agent forthwith a certificate of the Secretary of the Company, dated and delivered as of such delivery date, in form and substance satisfactory to the Sales Agent.

(t) On or prior to four trading days after each Representation Date with respect to which the Company is obligated to deliver a certificate under Section 8(e) for which no waiver is applicable, Cravath, Swaine & Moore LLP, counsel to the Sales Agent, shall deliver a written opinion, dated and delivered as of such delivery date, in form and substance satisfactory to the Sales Agent.

(u) On or prior to four trading days after each Representation Date with respect to which the Company is obligated to deliver a certificate under Section 8(e) for which no waiver is applicable, the Company shall cause the Accountants or other independent accountants satisfactory to the Sales Agent, forthwith to furnish to the Sales Agent a letter, dated as of such delivery date, in form and substance satisfactory to the Sales Agent, of the same tenor as the letter referred to in Section 8(d) of this Agreement but modified to relate to the Registration Statement and the Prospectus, as amended and supplemented to the date of such letter. Notwithstanding anything else contained herein to the contrary, other than as set forth in this Section 5(u) and Section 8(d) of this Agreement the Company shall be under no additional obligations to cause the Accountants to provide a letter to the Sales Agent, provided however, so long as this Agreement remains in effect, to the extent the Sales Agent reasonably believes it needs such a letter at some time other than as required under this Section 5(u) and Section 8(d), the Sales Agent may suspend the offering of the Shares in accordance with Section 4(a)(ii) of this Agreement, if such letter is not delivered.

(v) At each Representation Date with respect to which the Company is obligated to deliver a certificate under Section 8(e) for which no waiver is applicable, to conduct a due diligence session, in form and substance, satisfactory to the Sales Agent, which shall include representatives of the management and the accountants of the Company.

(w) That the Company consents to the Sales Agent trading in the Common Stock for the Sales Agent's own account and for the account of its clients at the same time as sales of the Shares occur pursuant to this Agreement.

(x) If to the knowledge of the Company, any condition set forth in Section 8(a) or Section 8(h) of this Agreement shall not have been satisfied on the applicable Settlement Date, to offer to any person who has agreed to purchase the Shares from the Company as the result of an offer to purchase solicited by the Sales Agent the right to refuse to purchase and pay for such Shares.

(y) To disclose in its quarterly reports on Form 10-Q and in its annual report on Form 10-K the number of the Shares sold through or to the Sales Agent under this Agreement, the Net Proceeds to the Company and the compensation paid by the Company with respect to sales of the Shares pursuant to this Agreement during the relevant quarter.

(z) To ensure that prior to instructing the Sales Agent to sell Shares the Company shall have obtained all necessary corporate authority for the offer and sale of such Shares.

(aa) That each acceptance by the Company of an offer to purchase the Shares hereunder shall be deemed to be an affirmation to the Sales Agent that the representations and warranties of the Company contained in or made pursuant to this Agreement are true and correct as of the date of such acceptance as though made at and as of such date, and an undertaking that such representations and warranties will be true and correct as of the Settlement Date for the Shares relating to such acceptance, as though made at and as of such date (except that such representations and warranties shall be deemed to relate to the Registration Statement and the Prospectus as amended and supplemented relating to such Shares).

(ab) The Company has been organized and operated in conformity with the requirements for qualification and taxation of the Company as a REIT under the Code, and the Company's proposed methods of operation will enable the Company to continue to meet the requirements for qualification and taxation as a REIT under the Code.

(ac) The Company has retained the Accountants as its qualified accountants and qualified tax experts (i) to test procedures and conduct annual compliance reviews designed to determine compliance with the REIT provisions of the Code and the Company's exempt status under the Investment Company Act and (ii) to otherwise assist the Company in monitoring appropriate accounting systems and procedures designed to determine compliance with the REIT provisions of the Code and the Company's exempt status under the Investment Company Act.

SECTION 6. Reserved.

SECTION 7. Payment of Expenses. The Company agrees with the Sales Agent that whether or not the transactions contemplated hereunder are consummated or this Agreement is terminated, to pay all of its expenses incident to the performance of its obligations hereunder, including, but not limited to, such costs, expenses, fees and taxes in connection with (i) the preparation and filing of the Registration Statement, the Basic Prospectus, the Prospectus Supplement, the Prospectus, each Permitted Free Writing Prospectus and any amendments or supplements thereto, and the printing and furnishing of copies of each thereof to the Sales Agent (including costs of mailing and shipment), (ii) the registration, issue, sale and delivery of the Shares including any stock or transfer taxes and stamp or similar duties payable upon the sale, issuance or delivery of the Shares, (iii) the producing, word processing and/or printing of this Agreement, any Powers of Attorney and any closing documents (including compilations thereof) and the reproduction and/or printing and furnishing of copies of each thereof to the Sales Agent (including costs of mailing and shipment), (iv) the qualification of the Shares for offering and sale under state laws and the determination of their eligibility for investment under state law as aforesaid (including the reasonable legal fees and filing fees and other disbursements of counsel for the Sales Agent) and the printing and furnishing of copies of any blue sky surveys to the

Sales Agent, (v) the listing of the Shares on any securities exchange or qualification of the Shares for quotation on the NYSE and any registration thereof under the Exchange Act and (vi) any filing for review of the public offering of the Shares by FINRA, including the reasonable legal fees and disbursements of counsel for the Sales Agent relating to FINRA matters. The Sales Agent will pay all of its other out-of-pocket costs and expenses incurred in connection with entering into this Agreement and the transactions contemplated by this Agreement, including, without limitation, travel, reproduction, printing and similar expenses.

SECTION 8. Conditions of Sales Agent's Obligations. The obligations of the Sales Agent hereunder are subject to (i) the accuracy of the representations and warranties on the part of the Company on the date hereof, any applicable date referred to in Section 5(q) of this Agreement and as of each Settlement Date, (ii) the performance by the Company of its obligations hereunder and (iii) to the following additional conditions precedent.

(a) (i) No stop order with respect to the effectiveness of the Registration Statement shall have been issued under the Act or proceedings initiated under Section 8(d) or 8(e) of the Act, and no order directed at or in relation to any document incorporated by reference therein and no order preventing or suspending the use of the Prospectus has been issued by the Commission, the Commission shall not have notified the Company of any objection to the use of the form of the Registration Statement or any post-effective amendment thereto, and no suspension of the qualification of the Shares for offering or sale in any jurisdiction, or to the knowledge of the Company or the Sales Agent of the initiation or threatening of any proceedings for any of such purposes, has occurred; (ii) the Registration Statement and all amendments thereto, or modifications thereof, if any, shall not contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading; (iii) none of the Basic Prospectus or the Prospectus, and no amendment or supplement thereto, or modification thereof, if any, shall include an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary in order to make the statements therein, in the light of the circumstances under which they are made, not misleading; (iv) no Prospectus, together with any combination of one or more of the Permitted Free Writing Prospectuses, if any, and no amendment or supplement thereto, shall include an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they are made, not misleading; and (v) none of the Permitted Free Writing Prospectuses, if any, shall include an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they are made, not misleading.

(b) Subsequent to the respective dates as of which information is given in the Registration Statement, the Basic Prospectus, the Prospectus and the Permitted Free Writing Prospectuses, if any, (i) no material and unfavorable change, financial or otherwise (other than as referred to in the Registration Statement and the Prospectus), in the business, condition, net worth or prospects of the Company and its subsidiaries, taken as a whole, in the judgment of the Sales Agent, shall occur or become known and (ii) no transaction which is material and unfavorable to the Company or any of its subsidiaries, taken as a whole (other than as referred to in the Registration Statement and Prospectus), in the judgment of the Sales Agent, shall have been entered into by the Company or any of its subsidiaries.

(c) The Company shall furnish to the Sales Agent, at every date specified in Section 5(r) of this Agreement for which no waiver is applicable, the opinions of Davis Polk & Wardwell LLP, Hunton Andrew Kurth LLP, Venable LLP and the Chief Legal Officer of the Company addressed to the Sales Agent, and dated as of such date, and in form satisfactory to the Sales Agent, in the form set forth in Exhibits A-1, A-2, A-3 and A-4 hereto.

(d) At the dates specified in Section 5(u) of this Agreement, the Sales Agent shall have received from the Accountants letters dated the date of delivery thereof and addressed to the Sales Agent in form and substance satisfactory to the Sales Agent.

(e) (i) The Company shall deliver to the Sales Agent, on or prior to four trading days after each Representation Date specified in Section 5(q) of this Agreement, a certificate of two of its executive officers to the effect that (i) the representations and warranties of the Company as set forth in this Agreement are true and correct as of such delivery date, (ii) the Company has performed such of its obligations under this Agreement as are to be performed at or before each such delivery date and (iii) the conditions set forth in paragraphs (a) and (b) of this Section 8 have been met. The certificate shall also state that the Shares have been duly and validly authorized by the Company, that all corporate action required to be taken for the issuance and sale of the Shares has been validly and sufficiently taken, and that the Company's Board of Directors or any other body with authority has not revoked, rescinded or otherwise modified or withdrawn such authorization or corporate action.

(f) The Sales Agent shall have received, at every date specified in Section 5(t) of this Agreement, the favorable opinion of Cravath, Swaine & Moore LLP, counsel to the Sales Agent, dated as of such date, and in form and substance satisfactory to the Sales Agent.

(g) The Sales Agent shall have received, at every date specified in Section 5(s) of this Agreement, a certificate of the Secretary of the Company, dated as of such date, and in form and substance satisfactory to the Sales Agent.

(h) All filings with the Commission required by Rule 424 under the Act to have been filed by the Settlement Date shall have been made within the applicable time period prescribed for such filing by Rule 424.

(i) The Shares shall have been approved for listing on the NYSE, subject only to notice of issuance at or prior to the Settlement Date.

For purposes of clarity and without limitation to any other provision of this Section 8 or elsewhere in this Agreement, the Company and the Sales Agent agree that the Sales Agent's obligations, if any, to solicit purchases of Shares on an agency basis or otherwise take any action pursuant to a Placement Notice shall, unless otherwise agreed in writing by the Sales Agent, be suspended during the period from and including a Representation Date for which certificates are required to be delivered pursuant to Section 5(q) through and including the time the Sales Agent shall have received the documents described in Sections 8(c) through 8(g), inclusive.

SECTION 9. Indemnification and Contribution.

(a) The Company agrees to indemnify, defend and hold harmless the Sales Agent and its affiliates, its and their directors, officers, employees and agents and any person who controls the Sales Agent within the meaning of Section 15 of the Act or Section 20 of the Exchange Act, and the successors and assigns of all of the foregoing persons, from and against any loss, damage, expense, liability or claim (including the reasonable cost of investigation) which the Sales Agent or any such person may incur under the Act, the Exchange Act, the common law or otherwise, insofar as such loss, damage, expense, liability or claim arises out of or is based upon (i) any untrue statement or alleged untrue statement of a material fact contained in the Registration Statement (or in the Registration Statement as amended by any post-effective amendment thereof by the Company) or arises out of or is based upon any omission or alleged omission to state a material fact required to be stated therein or necessary to make the statements

therein not misleading, except insofar as any such loss, damage, expense, liability or claim arises out of or is based upon any untrue statement or alleged untrue statement of a material fact contained in, and in conformity with information furnished in writing by or on behalf of the Sales Agent to the Company expressly for use in, the Registration Statement or arises out of or is based upon any omission or alleged omission to state a material fact in the Registration Statement in connection with such information, which material fact was not contained in such information and which material fact was required to be stated in such Registration Statement or was necessary to make such information not misleading or (ii) any untrue statement or alleged untrue statement of a material fact included in any Prospectus (the term Prospectus for the purpose of this Section 9 being deemed to include the Basic Prospectus, the Prospectus Supplement, the Prospectus and any amendments or supplements to the foregoing), in any Permitted Free Writing Prospectus, in any "issuer information" (as defined in Rule 433 under the Act) of the Company or in any Prospectus together with any combination of one or more of the Permitted Free Writing Prospectuses, if any, or arises out of or is based upon any omission or alleged omission to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading, except, with respect to such Prospectus or Permitted Free Writing Prospectus, insofar as any such loss, damage, expense, liability or claim arises out of or is based upon any untrue statement or alleged untrue statement of a material fact contained in, and in conformity with information furnished in writing by or on behalf of the Sales Agent to the Company expressly for use in, such Prospectus or Permitted Free Writing Prospectus or arises out of or is based upon any omission or alleged omission to state a material fact in such Prospectus or Permitted Free Writing Prospectus in connection with such information, which material fact was not contained in such information and which material fact was necessary in order to make the statements in such information, in the light of the circumstances under which they were made, not misleading.

If any action, suit or proceeding (together, a "Proceeding") is brought against the Sales Agent or any such person in respect of which indemnity may be sought against the Company pursuant to the foregoing paragraph, the Sales Agent or such person shall promptly notify the indemnifying party in writing of the institution of such Proceeding and the Company shall assume the defense of such Proceeding, including the employment of counsel reasonably satisfactory to such indemnified party and payment of all fees and expenses; provided, however, that the omission to so notify the Company shall not relieve the Company from any liability which the Company may have to the Sales Agent or any such person or otherwise except to the extent the Company was materially prejudiced by such omission. The Sales Agent or such person shall have the right to employ its or their own counsel in any such case, but the fees and expenses of such counsel shall be at the expense of the Sales Agent or of such person unless the employment of such counsel shall have been authorized in writing by the Company in connection with the defense of such Proceeding or the Company shall not have, within a reasonable period of time in light of the circumstances, employed counsel to have charge of the defense of such Proceeding or such indemnified party or parties shall have reasonably concluded that there may be defenses available to it or them which are different from, additional to or in conflict with those available to the Company (in which case the Company shall not have the right to direct the defense of such Proceeding on behalf of the indemnified party or parties), in any of which events such fees and expenses shall be borne by the Company, and paid as incurred (it being understood, however, that the Company shall not be liable for the expenses of more than one separate counsel (in addition to any local counsel) in any one Proceeding or series of related Proceedings in the same jurisdiction representing the indemnified parties who are parties to such Proceeding). The Company shall not be liable for any settlement of any Proceeding effected

without its written consent but if settled with the written consent of the Company, the Company agrees to indemnify and hold harmless the Sales Agent and any such person from and against any loss or liability by reason of such settlement. Notwithstanding the foregoing sentence, if at any time an indemnified party shall have requested the Company to reimburse the indemnified party for fees and expenses of counsel as contemplated by the second sentence of this paragraph, then the Company agrees that it shall be liable for any settlement of any Proceeding effected without its written consent if (i) such settlement is entered into more than 60 business days after receipt by the Company of the aforesaid request, (ii) the Company shall not have reimbursed the indemnified party in accordance with such request prior to the date of such settlement and (iii) such indemnified party shall have given the indemnifying party at least 30 days' prior notice of its intention to settle. The Company shall not, without the prior written consent of the indemnified party, effect any settlement of any pending or threatened Proceeding in respect of which any indemnified party is or may be a party and indemnity could have been sought hereunder by such indemnified party, unless such settlement includes an unconditional release of such indemnified party from all liability on claims that are the subject matter of such Proceeding and does not include an admission of fault or culpability or a failure to act, by or on behalf of such indemnified party.

(b) The Sales Agent agrees to indemnify, defend and hold harmless the Company, and each of its directors and each of the Company's officers, who signed the Registration Statement, and each person, if any, who controls the Company within the meaning of Section 15 of the Act or Section 20 of the Exchange Act, and the successors and assigns of all of the foregoing persons, from and against any loss, damage, expense, liability or claim (including the reasonable cost of investigation) which, jointly or severally, the Company or any such person may incur under the Act, the Exchange Act, the common law or otherwise, insofar as such loss, damage, expense, liability or claim arises out of or is based upon (i) any untrue statement or alleged untrue statement of a material fact contained in and, in conformity with information furnished in writing by or on behalf of the Sales Agent to the Company expressly for use with reference to the Sales Agent in the Registration Statement (or in the Registration Statement as amended by any post-effective amendment thereof by the Company), or arises out of or is based upon any omission or alleged omission to state a material fact in such Registration Statement in connection with such information, which material fact was not contained in such information and which material fact was required to be stated in such Registration Statement or was necessary to make such information not misleading or (ii) any untrue statement or alleged untrue statement of a material fact contained in, and in conformity with information furnished in writing by or on behalf of the Sales Agent to the Company expressly for use in, the Prospectus Supplement or a Permitted Free Writing Prospectus, or arises out of or is based upon any omission or alleged omission to state a material fact in the Prospectus Supplement or a Permitted Free Writing Prospectus in connection with such information, which material fact was not contained in such information and which material fact was necessary in order to make the statements in such information, in the light of the circumstances under which they were made, not misleading.

If any Proceeding is brought against the Company or any such person in respect of which indemnity may be sought against the Sales Agent pursuant to the foregoing paragraph, the Company or such person shall promptly notify the Sales Agent in writing of the institution of such Proceeding and the Sales Agent shall assume the defense of such Proceeding, including the employment of counsel reasonably satisfactory to such indemnified party and payment of all fees and expenses; *provided*, *however*, that the omission to so notify the Sales Agent shall not relieve the Sales Agent from any liability which the Sales Agent may have to the Company or

any such person or otherwise. The Company or such person shall have the right to employ its own counsel in any such case, but the fees and expenses of such counsel shall be at the expense of the Company such person unless the employment of such counsel shall have been authorized in writing by the Sales Agent in connection with the defense of such Proceeding or the Sales Agent shall not have, within a reasonable period of time in light of the circumstances, employed counsel to have charge of the defense of such Proceeding or such indemnified party or parties shall have reasonably concluded that there may be defenses available to it or them which are different from or additional to or in conflict with those available to the Sales Agent (in which case the Sales Agent shall not have the right to direct the defense of such Proceeding on behalf of the indemnified party or parties, but the Sales Agent may employ counsel and participate in the defense thereof but the fees and expenses of such counsel shall be at the expense of the Sales Agent), in any of which events such fees and expenses shall be borne by the Sales Agent and paid as incurred (it being understood, however, that the Sales Agent shall not be liable for the expenses of more than one separate counsel (in addition to any local counsel) in any one Proceeding or series of related Proceedings in the same jurisdiction representing the indemnified parties who are parties to such Proceeding). The Sales Agent shall not be liable for any settlement of any such Proceeding effected without the written consent of the Sales Agent but if settled with the written consent of the Sales Agent, the Sales Agent agrees to indemnify and hold harmless the Company and any such person from and against any loss or liability by reason of such settlement. Notwithstanding the foregoing sentence, if at any time an indemnified party shall have requested the Sales Agent to reimburse the indemnified party for fees and expenses of counsel as contemplated by the second sentence of this paragraph, then the Sales Agent agrees that it shall be liable for any settlement of any Proceeding effected without its written consent if (i) such settlement is entered into more than 60 business days after receipt by the Sales Agent of the aforesaid request, (ii) the Sales Agent shall not have reimbursed the indemnified party in accordance with such request prior to the date of such settlement and (iii) such indemnified party shall have given the Sales Agent at least 30 days' prior notice of its intention to settle. The Sales Agent shall not, without the prior written consent of the indemnified party, effect any settlement of any pending or threatened Proceeding in respect of which any indemnified party is a party and indemnity could have been sought hereunder by such indemnified party, unless such settlement includes an unconditional release of such indemnified party from all liability on claims that are the subject matter of such Proceeding.

(c) If the indemnification provided for in this Section 9 is unavailable to an indemnified party under subsections (a) and (b) of this Section 9 or insufficient to hold an indemnified party harmless in respect of any losses, damages, expenses, liabilities or claims referred to therein, then each applicable indemnifying party shall contribute to the amount paid or payable by such indemnified party as a result of such losses, damages, expenses, liabilities or claims (i) in such proportion as is appropriate to reflect the relative benefits received by the Company, on the one hand, and the Sales Agent, on the other hand, from the offering of the Shares or (ii) if the allocation provided by clause (i) above is not permitted by applicable law, in such proportion as is appropriate to reflect not only the relative benefits referred to in clause (i) above but also the relative fault of the Company, on the one hand, and of the Sales Agent, on the other, in connection with the statements or omissions which resulted in such losses, damages, expenses, liabilities or claims, as well as any other relevant equitable considerations. The relative benefits received by the Company, on the one hand, and the Sales Agent, on the other, shall be deemed to be in the same respective proportions as the total proceeds from the offering

(net of underwriting discounts and commissions but before deducting expenses) received by the Company, and the total underwriting discounts and commissions received by the Sales Agent, bear to the aggregate public offering price of the Shares. The relative fault of the Company, on the one hand, and of the Sales Agent, on the other, shall be determined by reference to, among other things, whether the untrue statement or alleged untrue statement of a material fact or omission or alleged omission relates to information supplied by the Company or by the Sales Agent and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission. The amount paid or payable by a party as a result of the losses, damages, expenses, liabilities and claims referred to in this subsection shall be deemed to include any legal or other fees or expenses reasonably incurred by such party in connection with investigating, preparing to defend or defending any Proceeding.

(d) The Company and the Sales Agent agree that it would not be just and equitable if contributions pursuant to this Section 9 were determined by pro rata allocation or by any other method of allocation which does not take account of the equitable considerations referred to in subsection (c) above. Notwithstanding the provisions of this Section 9, the Sales Agent shall not be required to contribute any amount in excess of commissions received by it under this Agreement. No person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation.

(e) The Company and the Sales Agent agree promptly to notify each other of the commencement of any Proceeding against it and, in the case of the Company, against any of the Company's officers or directors in connection with the issuance and sale of the Shares, or in connection with the Registration Statement, the Basic Prospectus, the Prospectus or any Permitted Free Writing Prospectus.

SECTION 10. Representations and Agreements to Survive Delivery. The indemnity and contribution agreements contained in Section 9 and the covenants, warranties and representations of the Company contained in this Agreement or in certificates delivered pursuant hereto shall remain in full force and effect regardless of any investigation made by or on behalf of the Sales Agent, its partners, directors or officers or any person (including each partner, officer or director of such person) who controls the Sales Agent within the meaning of Section 15 of the Act or Section 20 of the Exchange Act, or by or on behalf of the Company, its directors or officers or any person who controls the Company within the meaning of Section 15 of the Act or Section 20 of the Exchange Act, and shall survive any termination of this Agreement or the issuance and delivery of the Shares.

SECTION 11. Termination.

(a) The Company shall have the right, by giving written notice as hereinafter specified, to terminate the provisions of this Agreement relating to the solicitation of offers to purchase the Shares in its sole discretion at any time. Any such termination shall be without liability of any party to any other party except that (i) if any of the Shares have been sold through the Sales Agent for the Company, then Section 5(j) and Section 5(w) shall remain in full force and effect, (ii) with respect to any pending sale, through the Sales Agent for the Company, the obligations of the Company, including in respect of compensation of the Sales Agent, shall remain in full force and effect notwithstanding the termination and (iii) the provisions of Sections 7, 9, 10, 12, 13, 14, 18 and 20 of this Agreement shall remain in full force and effect notwithstanding such termination.

(b) The Sales Agent shall have the right, by giving written notice as hereinafter specified, to terminate the provisions of this Agreement relating to the solicitation of offers to

purchase the Shares in its sole discretion at any time. Any such termination shall be without liability of any party to any other party except that (i) if any of the Shares have been sold through the Sales Agent for the Company, then Section 5(j) and Section 5(w) shall remain in full force and effect and (ii) the provisions of Sections 7, 9, 10, 12, 13, 14, 18 and 20 of this Agreement shall remain in full force and effect notwithstanding such termination.

(c) This Agreement shall remain in full force and effect unless terminated pursuant to Sections 11(a) or 11(b) above or otherwise by mutual agreement of the parties; and shall automatically terminate on May 8, 2030; *provided* that any such termination by mutual agreement shall in all cases be deemed to provide that Sections 7, 9 and 10 shall remain in full force and effect.

(d) Any termination of this Agreement shall be effective on the date specified in such notice of termination; *provided* that such termination shall not be effective until the close of business on the date of receipt of such notice by the Sales Agent or the Company, as the case may be. If such termination shall occur prior to the Settlement Date for any sale of the Shares, such sale shall settle in accordance with the provisions of Section 4(a)(vi) of this Agreement.

SECTION 12. Notices. Except as otherwise herein provided, all statements, requests, notices and agreements under this Agreement shall be in writing and delivered by hand, overnight courier, mail or facsimile and, if to the Sales Agent, shall be sufficient in all respects if delivered or sent to BNP Paribas Securities Corp., 787 Seventh Avenue, New York, New York 10019, Attention: Robert McDonald, Phone: (646) 342-0756, Email: dl.nyk.ste@us.bnpparibas.com, and a copy for information purposes to Andrew J. Pitts, Esq. and Ryan J. Patrone, Esq. at Cravath, Swaine & Moore LLP, Two Manhattan West, 375 Ninth Avenue, New York, New York 10001 and, if to the Company, it shall be sufficient in all respects if delivered or sent to the Company at the offices of the Company at 1211 Avenue of the Americas, New York, New York 10036, Attention: David L. Finkelstein with a copy for information purposes to Davis Polk & Wardwell LLP at 450 Lexington Avenue New York, New York 10017, Attention: Shane Tintle, facsimile number: (212) 450-4000, Email: shane.tintle@davispolk.com. Each party to this Agreement may change such address for notices by sending to the parties to this Agreement written notice of a new address for such purpose.

SECTION 13. Parties at Interest. The Agreement herein set forth has been and is made solely for the benefit of the Sales Agent, the Company and, to the extent provided in Section 9 of this Agreement, the controlling persons, directors and officers referred to in such section, and their respective successors, assigns, heirs, personal representatives and executors and administrators. No other person, partnership, association or corporation (including a purchaser, as such purchaser, from the Sales Agent) shall acquire or have any right under or by virtue of this Agreement.

SECTION 14. No Fiduciary Relationship. The Company hereby acknowledges that the Sales Agent is acting solely as sales agent and/or principal in connection with the purchase and sale of the Company's securities. The Company further acknowledges that the Sales Agent is acting pursuant to a contractual relationship created solely by this Agreement entered into on an arm's length basis, and in no event do the parties intend that the Sales Agent act or be responsible as a fiduciary to the Company or its management, stockholders or creditors or any other person in connection with any activity that the Sales Agent may undertake or have undertaken in furtherance of the purchase and sale of the Company's securities, either before or after the date hereof. The Sales Agent hereby expressly disclaims any fiduciary or similar obligations to the Company, either in connection with the transactions contemplated by this Agreement or any matters leading up to such transactions, and the Company hereby confirms its understanding and agreement to that effect. The Company and the Sales Agent agree that they

are each responsible for making their own independent judgments with respect to any such transactions and that any opinions or views expressed by the Sales Agent to the Company regarding such transactions, including, but not limited to, any opinions or views with respect to the price or market for the Company's securities, do not constitute advice or recommendations to the Company, nor shall the expression of such opinions or views constitute any solicitation of any action by the Sales Agent. The Company hereby (a) waives and releases, to the fullest extent permitted by law, any claims that the Company may have against the Sales Agent with respect to any breach or alleged breach of any fiduciary or similar duty to the Company in connection with the transactions contemplated by this Agreement or any matters leading up to such transactions and (b) agrees that none of the activities of the Sales Agent in connection with the transactions contemplated herein constitutes a recommendation, investment advice or solicitation of any action by the Sales Agent with respect to any entity or natural person. The Company has consulted its own legal, accounting, financial, regulatory and tax advisors to the extent deemed appropriate.

SECTION 15. Press Releases and Disclosure. The Company may issue a press release in compliance with Rule 134 under the Act describing the material terms of the transactions contemplated hereby as soon as practicable following the date hereof, and may file with the Commission a Current Report on Form 8-K describing the material terms of the transaction contemplated hereby, and the Company shall consult with the Sales Agent prior to making such disclosures, and the parties shall use all reasonable efforts, acting in good faith, to agree upon a text for such disclosures that is reasonably satisfactory to all parties. No party hereto shall issue thereafter any press release or like public statement (including, without limitation, any disclosure required in reports filed with the Commission pursuant to the Exchange Act) related to this Agreement or any of the transactions contemplated hereby without the prior written approval of the other parties hereto, except as may be necessary or appropriate in the opinion of the party seeking to make disclosure to comply with the requirements of applicable law or stock exchange rules. If any such press release or like public statement is so required, the party making such disclosure shall consult with the other party prior to making such disclosure, and the parties shall use all reasonable efforts, acting in good faith, to agree upon a text for such disclosure that is reasonably satisfactory to all parties.

SECTION 16. Adjustments for Stock Splits. The parties acknowledge and agree that all share related numbers contained in this Agreement shall be adjusted to take into account any stock split effected with respect to the Shares.

SECTION 17. Entire Agreement. This Agreement constitutes the entire agreement and supersedes all other prior and contemporaneous agreements and undertakings, both written and oral, among the parties hereto with regard to the subject matter hereof. The Company and the Sales Agent hereby confirm and agree that the Distribution Agency Agreement, dated September 20, 2024 (as amended, supplemented or otherwise modified from time to time, the "Prior Sales Agreement"), between the Company and the Sales Agent is hereby deemed to be terminated, effective as of May 8, 2025, pursuant to Section 11(a) thereof and, except as provided in Section 11 thereof, is of no further force and effect.

SECTION 18. Counterparts; Electronic Signatures. This Agreement may be signed by the parties in one or more counterparts which together shall constitute one and the same agreement among the parties. Delivery of this Agreement by one party to the other may be made by facsimile, electronic mail (including any electronic signature complying with the New York Electronic Signatures and Records Act (N.Y. State Tech. §§ 301-309), as amended from time to time, or other applicable law) or other transmission method, and the parties hereto agree that any counterpart so delivered shall be deemed to have been duly and validly delivered and be valid and effective for all purposes.

SECTION 19. Law; Construction. This Agreement and any claim, counterclaim or dispute of any kind or nature whatsoever arising out of or in any way relating to this Agreement ("Claim"), directly or indirectly, shall be governed by, and construed in accordance with, the internal laws of the State of New York.

SECTION 20. Headings. The Section headings in this Agreement have been inserted as a matter of convenience of reference and are not a part of this Agreement.

SECTION 21. Submission to Jurisdiction. Except as set forth below, no Claim may be commenced, prosecuted or continued in any court other than the courts of the State of New York located in the City and County of New York or in the United States District Court for the Southern District of New York, which courts shall have jurisdiction over the adjudication of such matters, and the Company consents to the non-exclusive jurisdiction of such courts and personal service with respect thereto. The Company hereby consents to personal jurisdiction, service and venue in any court in which any Claim arising out of or in any way relating to this Agreement is brought by any third party against the Sales Agent or any indemnified party. Each of the Sales Agent and the Company (on its behalf and, to the extent permitted by applicable law, on behalf of its stockholders and affiliates) waives all right to trial by jury in any action, proceeding or counterclaim (whether based upon contract, tort or otherwise) in any way arising out of or relating to this Agreement. The Company agrees that a final judgment in any such action, proceeding or counterclaim brought in any such court shall be conclusive and binding upon the Company and may be enforced in any other courts in the jurisdiction of which the Company is or may be subject, by suit upon such judgment.

SECTION 22. Successors and Assigns. This Agreement shall be binding upon the Sales Agent, the Company and their successors and assigns and any successor or assign of any substantial portion of the Company's and the Sales Agent's respective businesses and/or assets.

SECTION 23. Recognition of the U.S. Special Resolution Regimes. In the event that the Sales Agent that is a Covered Entity becomes subject to a proceeding under a U.S. Special Resolution Regime, the transfer from the Sales Agent of this Agreement, and any interest and obligation in or under this Agreement, will be effective to the same extent as the transfer would be effective under the U.S. Special Resolution Regime if this Agreement, and any such interest and obligation, were governed by the laws of the United States or a state of the United States.

In the event that the Sales Agent that is a Covered Entity or a BHC Act Affiliate of such Sales Agent becomes subject to a proceeding under a U.S. Special Resolution Regime, Default Rights under this Agreement that may be exercised against such Sales Agent are permitted to be exercised to no greater extent than such Default Rights could be exercised under the U.S. Special Resolution Regime if this Agreement were governed by the laws of the United States or a state of the United States.

For purposes of this Section 23, a "BHC Act Affiliate" has the meaning assigned to the term "affiliate" in, and shall be interpreted in accordance with, 12 U.S.C. § 1841(k). "Covered Entity" means any of the following: (i) a "covered entity" as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 252.82(b); (ii) a "covered bank" as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 47.3(b); or (iii) a "covered FSI" as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 382.2(b). "Default Right" has the meaning assigned to that term in, and shall be interpreted in accordance with, 12 C.F.R. §§ 252.81, 47.2 or 382.1, as applicable. "U.S. Special Resolution Regime" means each of (i) the

Federal Deposit Insurance Act and the regulations promulgated thereunder and (ii) Title II of the Dodd-Frank Wall Street Reform and Consumer Protection Act and the regulations promulgated thereunder.

If the foregoing correctly sets forth the understanding among the Company and the Sales Agent, please so indicate in the space provided below for that purpose, whereupon this Agreement and your acceptance shall constitute a binding agreement among the Company and the Sales Agent. Alternatively, the execution of this Agreement by the Company and its acceptance by or on behalf of the Sales Agent may be evidenced by an exchange of telegraphic or other written communications.

Very truly yours,

ANNALY CAPITAL MANAGEMENT, INC.

By: /s/ David L. Finkelstein
Name: David L. Finkelstein
Title: Chief Executive Officer and
Co-Chief Investment Officer

[***Signature Page to Distribution Agency Agreement***]

ACCEPTED as of the date
first above written

BNP PARIBAS SECURITIES CORP.

By: /s/ Robert McDonald
Name: Robert McDonald
Title: Managing Director

[***Signature Page to Distribution Agency Agreement***]

Schedule A
Permitted Free Writing Prospectuses

None.

Schedule B

Authorized Company Representatives

David Finkelstein, Chief Executive Officer and Co-Chief Investment Officer
Telephone: (212) 205-7256
Fax: (212) 696-0100
Email: dfinkelstein@annaly.com

Steve Campbell, President and Chief Operating Officer
Telephone: (212) 413-1885
Fax: (212) 696-0100
Email: scampbell@annaly.com

Serena Wolfe, Chief Financial Officer
Telephone: (212) 626-2308
Fax: (212) 696-0100
Email: swolfe@annaly.com

Anthony Green, Chief Corporate Officer, Chief Legal Officer and Secretary
Telephone: (646) 728-7668
Fax: (212) 696-0100
Email: agreen@annaly.com

Exhibit A-1

Opinion of Davis Polk & Wardwell LLP

See attached.

Exhibit A-2

Opinion of Hunton Andrew Kurth LLP

See attached.

Exhibit A-3

Opinion of Venable LLP

See attached.

Exhibit A-4

Opinion of the Company's Chief Legal Officer

See attached.

ANNALY CAPITAL MANAGEMENT, INC.

Shares of Common Stock
(par value $0.01 per share)

DISTRIBUTION AGENCY AGREEMENT

May 8, 2025

BofA Securities, Inc.
One Bryant Park
New York, New York 10036

Ladies and Gentlemen:

Annaly Capital Management, Inc., a Maryland corporation (the "Company"), agrees with BofA Securities, Inc. (the "Sales Agent"), to issue and sell from time to time through the Sales Agent, as sales agent and/or principal, shares of its common stock, par value $0.01 per share (the "Common Stock"), on the terms set forth in this agreement (this "Agreement").

The Company is concurrently entering into separate distribution agency agreements (the "Alternative Agreements"), each dated of even date herewith, with Barclays Capital Inc., BNP Paribas Securities Corp., BTIG, LLC, Citizens JMP Securities, LLC, Goldman Sachs & Co. LLC, J.P. Morgan Securities LLC, Keefe, Bruyette & Woods, Inc., Morgan Stanley & Co, LLC, Piper Sandler & Co., RBC Capital Markets, LLC, UBS Securities LLC and Wells Fargo Securities, LLC (each, an "Alternative Agent," and together with the Sales Agent, the "Agents"), to issue and sell from time to time through each Alternative Agent, as sales agent and/or principal, shares of the Company's Common Stock (the "Shares") on the terms set forth in the Alternative Agreements. This Agreement and the Alternative Agreements are collectively referred to herein as the "Distribution Agreements."

SECTION 1. Description of Securities. The Company proposes to issue and sell through or to the Sales Agent, as sales agent and/or principal, the Shares on the terms set forth in Section 4 of this Agreement. The Company agrees that whenever it determines to sell the Shares directly to the Sales Agent as principal, it will enter into a separate agreement (each, a "Terms Agreement"), in form and substance satisfactory to the Sales Agent, relating to such sale in accordance with Section 4 of this Agreement.

SECTION 2. Representations and Warranties of the Company. The Company represents and warrants to and agrees with the Sales Agent that:

(a) An "automatic shelf registration statement" (the "registration statement") as defined in Rule 405 under the Securities Act of 1933, as amended, and the rules and regulations thereunder (collectively called the "Act"), on Form S-3 (File No. 333-282261) in respect of the Shares, including a form of prospectus, has been prepared and filed by the Company not earlier than three years prior to the date hereof, in conformity with the requirements of the Act, and the

rules and regulations of the Securities and Exchange Commission (the "Commission") thereunder (the "Rules and Regulations"). The registration statement contains certain information concerning the offering and sale of the Common Stock, including the Shares, and contains additional information concerning the Company and its business; the Commission has not issued an order preventing or suspending the use of the Basic Prospectus (as defined below), the Prospectus Supplement (as defined below), the Prospectus (as defined below) or any Permitted Free Writing Prospectus (as defined below), or the effectiveness of the Registration Statement (as defined below), and no proceeding for that purpose or pursuant to Section 8A of the Act has been instituted or, to the Company's knowledge, threatened by the Commission. Except where the context otherwise requires, "Registration Statement," as used herein, means the registration statement, as amended at the time of such registration statement's effectiveness for purposes of Section 11 of the Act, as such section applies to the Sales Agent, as well as any new registration statement, post-effective amendment or new automatic shelf registration statement as may have been filed pursuant to Section 5(f) or (g) of this Agreement, including (1) all documents filed as a part thereof or incorporated or deemed to be incorporated by reference therein, (2) any information contained or incorporated by reference in a prospectus filed with the Commission pursuant to Rule 424(b) under the Act, to the extent such information is deemed, pursuant to Rule 430B or Rule 430C under the Act, to be part of the registration statement at the time of such registration statement's effectiveness for purposes of Section 11 of the Act, as such section applies to the Sales Agent, and (3) any registration statement filed to register the offer and sale of Shares pursuant to Rule 462(b) under the Act. Except where the context otherwise requires, "Basic Prospectus," as used herein, means the prospectus filed as part of each Registration Statement, together with any amendments or supplements thereto as of the date of this Agreement. Except where the context otherwise requires, "Prospectus Supplement," as used herein, means the final prospectus supplement, relating to the Shares, filed by the Company with the Commission pursuant to Rule 424(b) under the Act on or before the second business day after the date hereof (or such earlier time as may be required under the Act), or if after such date, the most recently filed final prospectus supplement relating to the Shares, in the form furnished by the Company to the Sales Agent in connection with the offering of the Shares. Except where the context otherwise requires, "Prospectus," as used herein, means the Prospectus Supplement together with the Basic Prospectus attached to or used with the Prospectus Supplement. "Permitted Free Writing Prospectuses," as used herein, means the documents listed on Schedule A attached hereto. Any reference herein to the registration statement, the Registration Statement, the Basic Prospectus, the Prospectus Supplement, the Prospectus or any Permitted Free Writing Prospectus shall be deemed to refer to and include the documents, if any, incorporated by reference, or deemed to be incorporated by reference, therein (the "Incorporated Documents"), including, unless the context otherwise requires, the documents, if any, filed as exhibits to such Incorporated Documents. Any reference herein to the terms "amend," "amendment" or "supplement" with respect to the Registration Statement, the Basic Prospectus, the Prospectus Supplement, the Prospectus or any Permitted Free Writing Prospectus shall be deemed to refer to and include the filing of any document under the Securities Exchange Act of 1934, as amended, and the rules and regulations thereunder (collectively, the "Exchange Act") on or after the initial effective date of the Registration Statement, or the date of the Basic Prospectus, the Prospectus Supplement, the Prospectus or such Permitted Free Writing Prospectus, as the case may be, and deemed to be incorporated therein by reference.

(b) The Registration Statement complied when it became effective, complies as of the date hereof and, as amended or supplemented, at each deemed effective date with respect to the Sales Agent pursuant to Rule 430(B)(f)(2) of the Act, at each Settlement Date (as defined in Section 4(a)(vi) hereof), and at all times during which a prospectus is required by the Act to be delivered (whether physically, deemed to be delivered pursuant to Rule 153 or through compliance with Rule 172 under the Act or any similar rule) in connection with any sale of Shares, will comply, in all material respects, with the requirements of the Act, and the

Registration Statement did not and will not, at or during such times, contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading; the conditions to the use of Form S-3 in connection with the offering and sale of the Shares as contemplated hereby have been satisfied; the Registration Statement meets, and the offering and sale of the Shares as contemplated hereby complies with, the requirements of Rule 415 under the Act (including, without limitation, Rule 415(a)(5)); the Basic Prospectus complied or will comply, at the time it was or will be filed with the Commission, complies as of the date hereof (if filed with the Commission on or prior to the date hereof) and, as of the time of each sale of Shares pursuant to this Agreement (each, a "Time of Sale"), at each Settlement Date and at all times during which a prospectus is required by the Act to be delivered (whether physically, deemed to be delivered pursuant to Rule 153 or through compliance with Rule 172 under the Act or any similar rule) in connection with any sale of Shares, will comply, in all material respects, with the requirements of the Act; at no time during the period that begins on the earlier of the date of the Basic Prospectus and the date the Basic Prospectus was filed with the Commission and ends on each Settlement Date did or will the Basic Prospectus, as then amended or supplemented, include an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; the Prospectus will comply, as of the date that it is filed with the Commission, the date of the Prospectus Supplement, each Time of Sale, each Settlement Date, and at all times during which a prospectus is required by the Act to be delivered (whether physically, deemed to be delivered pursuant to Rule 153 or through compliance with Rule 172 under the Act or any similar rule) in connection with any sale of Shares, in all material respects, with the requirements of the Act (including, without limitation, Section 10(a) of the Act); at no time during the period that begins on the date of the Prospectus Supplement and ends at the later of each Settlement Date and the end of the period during which a prospectus is required by the Act to be delivered (whether physically, deemed to be delivered pursuant to Rule 153 or through compliance with Rule 172 under the Act or any similar rule) in connection with any sale of Shares did or will the Prospectus, as then amended or supplemented, either alone or together with any combination of one or more of the then issued Permitted Free Writing Prospectuses, if any, include an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; at no time during the period that begins on the date of such Permitted Free Writing Prospectus and ends at each Settlement Date did or will any Permitted Free Writing Prospectus include an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided, however, that the Company makes no representation or warranty with respect to any statement contained in the Registration Statement, the Basic Prospectus, the Prospectus or any Permitted Free Writing Prospectus in reliance upon and in conformity with information concerning the Sales Agent and furnished in writing by or on behalf of the Sales Agent expressly for use in the Registration Statement, the Basic Prospectus, the Prospectus or such Permitted Free Writing Prospectus; each Incorporated Document, at the time such document was filed with the Commission or at the time such document became effective, as applicable, complied, in all material respects, with the requirements of the Exchange Act and did not include an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(c) (i) At the time of filing of the Registration Statement, (ii) at the time of the most recent amendment thereto for the purposes of complying with Section 10(a)(3) of the Act or otherwise (whether such amendment was by post-effective amendment, incorporated report filed pursuant to Section 13 or 15(d) of the Exchange Act or form of prospectus), (iii) at the time the Company or any person acting on its behalf (within the meaning, for this clause only, of Rule 163(c) of the Act) made any offer relating to the Shares in reliance on the exemption of

Rule 163 of the Act and (iv) at the date hereof, the Company is a "well-known seasoned issuer" as defined in Rule 405 of the Act ("Rule 405"), including not having been and not being an "ineligible issuer" as defined by Rule 405. The Registration Statement is an "automatic shelf registration statement," as defined in Rule 405, and the Shares, since their registration on the Registration Statement, have been and remain eligible for registration by the Company on a Rule 405 "automatic shelf registration statement." The Company has not received from the Commission any notice pursuant to Rule 401(g)(2) of the Act objecting to the use of the automatic shelf registration statement form.

(d) Prior to the execution of this Agreement, the Company has not, directly or indirectly, offered or sold any Shares by means of any "prospectus" (within the meaning of the Act) or used any "prospectus" (within the meaning of the Act) in connection with the offer or sale of the Shares; the Company has not, directly or indirectly, prepared, used or referred to any Permitted Free Writing Prospectus except in compliance with Rule 163 or with Rules 164 and 433 under the Act; assuming that any such Permitted Free Writing Prospectus is so sent or given after the Registration Statement was filed with the Commission (and after such Permitted Free Writing Prospectus was, if required pursuant to Rule 433(d) under the Act, filed with the Commission), the sending or giving, by the Sales Agent, of any Permitted Free Writing Prospectus will satisfy the provisions of Rule 164 or Rule 433 (without reliance on subsections (b), (c) and (d) of Rule 164); the conditions set forth in one or more of subclauses (i) through (iv), inclusive, of Rule 433(b)(1) under the Act are satisfied, and the registration statement relating to the offering of the Shares contemplated hereby, as initially filed with the Commission, includes a prospectus that, other than by reason of Rule 433 or Rule 431 under the Act, satisfies the requirements of Section 10 of the Act; neither the Company nor the Sales Agent is disqualified, by reason of subsection (f) or (g) of Rule 164 under the Act, from using, in connection with the offer and sale of the Shares, "free writing prospectuses" (as defined in Rule 405 under the Act) pursuant to Rules 164 and 433 under the Act; the Company is not an "ineligible issuer" (as defined in Rule 405 under the Act) as of the eligibility determination date for purposes of Rules 164 and 433 under the Act with respect to the offering of the Shares contemplated by the Registration Statement; the parties hereto agree and understand that the content of any and all "road shows" (as defined in Rule 433 under the Act) related to the offering of the Shares contemplated hereby is solely the property of the Company.

(e) The Company has an authorized and outstanding capitalization as set forth in the consolidated balance sheet included or incorporated by reference in the Registration Statement, the Prospectus or any Permitted Free Writing Prospectus or as of the Company's then most recently completed quarter or fiscal year, contained in the Company's quarterly report on Form 10-Q or the Company's annual report on Form 10-K, as applicable, at the indicated date, and there has been no material change in such information since the Company's then most recently completed quarter or fiscal year (subject to the issuance of shares of Common Stock upon exercise of stock options and warrants disclosed as outstanding in the Registration Statement (excluding the exhibits thereto) and the Prospectus and the grant of options under existing stock option plans described in the Registration Statement (excluding the exhibits thereto), the Basic Prospectus and the Prospectus).

(f) The consolidated financial statements of the Company, together with the related schedules and notes thereto, set forth or included or incorporated by reference in the Registration Statement, the Prospectus or any Permitted Free Writing Prospectus are accurate in all material respects and fairly present the financial condition of the Company on a consolidated basis as of the dates indicated and the results of operations, changes in financial position, stockholders' equity and cash flows for the periods therein specified are in conformity with generally accepted accounting principles consistently applied throughout the periods involved (except as otherwise stated therein). The selected financial and statistical data included or incorporated by reference

in the Registration Statement and the Prospectus present fairly the information shown therein and, to the extent based upon or derived from the financial statements, have been compiled on a basis consistent with the financial statements presented therein. No other financial statements are required to be set forth or to be incorporated by reference in the Registration Statement or the Prospectus under the Act. The interactive data in eXtensible Business Reporting Language included or incorporated by reference in the Registration Statement, the Prospectus or any Permitted Free Writing Prospectus fairly present the information called for in all material respects and have been prepared in accordance with the Commission's rules and guidelines applicable thereto.

(g) The Prospectus and any Permitted Free Writing Prospectus delivered to the Sales Agent for use in connection with this offering will be, identical to the versions of the Prospectus and any Permitted Free Writing Prospectus, respectively, created to be transmitted to the Commission for filing via EDGAR, except to the extent permitted by Regulation S-T.

(h) The Company and each of its subsidiaries has been duly formed or, if a corporation, incorporated and is validly existing as a limited liability company, limited partnership or corporation in good standing under the laws of the state of its formation or incorporation, as applicable, is duly qualified to do business and is in good standing as a foreign limited liability company, limited partnership or corporation, as applicable, in each jurisdiction in which its ownership or lease of property or assets or the conduct of its business requires such qualification, except where the failure to so qualify would not have a material adverse effect on the business, assets, properties, prospects, financial condition or results of operation of the Company and its subsidiaries taken as a whole (a "Company Material Adverse Effect"), and has full limited liability company, limited partnership or corporate, as applicable, power and authority necessary to own, hold, lease and/or operate its assets and properties, to conduct the business in which it is engaged and as described in the Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any, and to enter into and perform its obligations under this Agreement and to consummate the transactions contemplated hereby, and the Company and its subsidiary Arcola Securities, Inc. ("Arcola") are each in compliance in all material respects with the laws, orders, rules, regulations and directives issued or administered by such jurisdictions.

(i) The Company has no "significant subsidiaries" (as such term is defined in Rule 1-02 of Regulation S-X promulgated under the Securities Act), and has no other subsidiaries except as (i) set forth in Exhibit 21.1 to the Company's most recently filed annual report on Form 10-K, (ii) otherwise disclosed by the Company in the Registration Statement, the Prospectus or the Permitted Free Writing Prospectus, if any, or (iii) would not, individually or in the aggregate, be material to the Company. Complete and correct copies of the charter and of the bylaws of the Company and all amendments thereto have been delivered to the Sales Agent (or otherwise made available on EDGAR) and, except as set forth in the exhibits to, or incorporated by reference into, the Registration Statement, no changes therein will be made subsequent to the date hereof and prior to each Time of Sale and each Settlement Date.

(j) The Company is not in breach of, or in default under (nor has any event occurred which with notice, lapse of time or both would result in any breach of or constitute a default under), (i) its charter or bylaws or (ii) any obligation, agreement, covenant or condition contained in any contract, license, repurchase agreement, indenture, mortgage, deed of trust, bank loan or credit agreement, note, lease or other evidence of indebtedness, or any lease, contract or other agreement or instrument to which the Company is a party or by which it or any of its assets or properties may be bound or affected, the effect of which breach or default under this clause (ii) could have a Company Material Adverse Effect. The execution, delivery and performance of this Agreement, the issuance and sale of the Shares and the consummation of the transactions

contemplated hereby will not conflict with, or result in any breach of, constitute a default under or a Repayment Event (as defined below) under (nor constitute any event which with notice, lapse of time or both would result in any breach of, constitute a default under or a Repayment Event under), (i) any provision of the charter or bylaws of the Company, (ii) any provision of any contract, license, repurchase agreement, indenture, mortgage, deed of trust, bank loan or credit agreement, note, lease or other evidence of indebtedness, or any lease, contract or other agreement or instrument to which the Company is a party or by which the Company or any of its assets or properties may be bound or affected, the effect of which could have a Company Material Adverse Effect or (iii) under any federal, state, local or foreign law, regulation or rule or any decree, judgment or order applicable to the Company. As used herein, a "Repayment Event" means any event or condition which gives the holder of any note, debenture or other evidence of indebtedness (or any person acting on such holder's behalf) the right to require the repurchase, redemption or repayment of all or a portion of such indebtedness by the Company or any subsidiary.

(k) All of the issued and outstanding shares of capital stock, including the Common Stock, of the Company have been duly and validly authorized and issued and are fully paid and non-assessable, have been issued in compliance with all federal and state securities laws and were not issued in violation of any preemptive right, resale right, right of first refusal or similar right.

(l) This Agreement has been duly authorized, executed and delivered by the Company.

(m) Reserved.

(n) The capital stock of the Company, including the Shares, conforms and will conform in all material respects to the description thereof contained in the Registration Statement, the Prospectus or any Permitted Free Writing Prospectus and such description conforms to the rights set forth in the instruments defining the same. If certificated, the global certificates representing the Shares are in due and proper form and the holders of the Shares will not be subject to personal liability by reason of being such holders.

(o) The Shares have been duly and validly authorized by the Company for issuance and sale pursuant to this Agreement and, when issued and delivered against payment therefor as provided herein, will be duly and validly issued and fully paid and non-assessable, free and clear of any pledge, lien, encumbrance, security interest or other claim, and will be registered pursuant to Section 12 of the Exchange Act.

(p) No approval, authorization, consent or order of or filing with any national, state or local governmental or regulatory commission, board, body, authority or agency is required in connection with the issuance and sale of the Shares or the consummation by the Company of the transaction contemplated hereby other than (i) registration of the Shares under the Act, (ii) any necessary qualification under the securities or blue sky laws of the various jurisdictions in which the Shares are being offered by the Sales Agent and (iii) such approvals in connection with the approval of the listing of the Shares on the New York Stock Exchange LLC (the "NYSE").

(q) No person, as such term is defined in Rule 1-02 of Regulation S-X promulgated under the Act (each, a "Person"), has the right, contractual or otherwise, to cause the Company to issue to it any shares of capital stock or other securities of the Company upon the issue and sale of the Shares to the Sales Agent hereunder, nor does any Person have preemptive rights, co-sale rights, rights of first refusal or other rights to purchase or subscribe for any of the Shares or any securities or obligations convertible into or exchangeable for, or any contracts or commitments to

issue or sell any of, the Shares or any options, rights or convertible securities or obligations, other than those that have been expressly waived prior to the date hereof.

(r) Ernst & Young LLP (the "Accountants"), whose report on the consolidated financial statements of the Company is filed with the Commission as part of the Registration Statement and the Prospectus, are and, during the periods covered by their reports, were independent public accountants as required by the Act.

(s) Each of the Company and its subsidiaries has all necessary licenses, authorizations, consents and approvals and has made all necessary filings required under any federal, state, local or foreign law, regulation or rule, and has obtained all necessary permits, authorizations, consents and approvals from other Persons, in order to conduct its business as described in the Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any, except as such as could not have a Company Material Adverse Effect. Neither the Company nor any of its subsidiaries is required by any applicable law to obtain accreditation or certification from any governmental agency or authority in order to provide the products and services which it currently provides or which it proposes to provide as set forth in the Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any, except as such could not have a Company Material Adverse Effect. Neither the Company nor any of its subsidiaries is in violation of, or in default under, any such license, permit, authorization, consent or approval or any federal, state, local or foreign law, regulation or rule or any decree, order or judgment applicable to the Company or any of its subsidiaries, the effect of which could have a Company Material Adverse Effect.

(t) The descriptions in the Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any, of the legal or governmental proceedings, contracts, leases and other legal documents therein described present fairly in all material respects the information required to be shown, and there are no legal or governmental proceedings, contracts, leases or other documents of a character required to be described in the Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any, or to be filed as exhibits to the Registration Statement which are not described or filed as required. All agreements between the Company and third parties expressly referenced in the Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any, are legal, valid and binding obligations of the Company, enforceable in accordance with their respective terms, except to the extent enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws affecting creditors' rights generally and by general equitable principles and except to the extent that any indemnification provision thereof may be limited by public policy considerations in respect thereof.

(u) Except as set forth in the Registration Statement, the Prospectus or a Permitted Free Writing Prospectus, there are no actions, suits, claims, investigations, inquiries or proceedings pending or, to the best of the Company's knowledge, threatened to which the Company or any of the subsidiaries or any of their respective officers or directors is a party or of which any of its properties or other assets is subject at law or in equity, or before or by any federal, state, local or foreign governmental or regulatory commission, board, body, authority or agency which could result in a judgment, decree or order having a Company Material Adverse Effect.

(v) Except as otherwise may be disclosed therein, subsequent to the respective dates as of which information is given in the Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any, there has not been (i) any Company Material Adverse Effect, or any development which would reasonably be expected to cause a Company Material Adverse Effect, in the business, properties or assets described or referred to in the Registration Statement,

the Prospectus and the Permitted Free Writing Prospectuses, if any, or the results of operations, condition (financial or otherwise), net worth, business, prospects or operations of the Company and its subsidiaries, taken as a whole, (ii) any transaction which is material to the Company and its subsidiaries, taken as a whole, except transactions in the ordinary course of business, (iii) any obligation, direct or contingent, which is material to the Company and its subsidiaries, taken as a whole, incurred by the Company or any subsidiary, except obligations incurred in the ordinary course of business, (iv) any change in the capital stock or, except in the ordinary course of business, outstanding indebtedness of the Company or any subsidiary or (v) except for regular quarterly dividends on the outstanding shares of preferred stock (collectively, the "Preferred Stock") and the Common Stock, in amounts per share that are consistent with past practice and the descriptions thereof in the Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any, any dividend or distribution of any kind declared, paid or made by the Company on any class of its capital stock. There are no contingent obligations that are material to the Company and its subsidiaries, taken as a whole, which are not disclosed in the Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any.

(w) Except as set forth in the Registration Statement, the Prospectus or a Permitted Free Writing Prospectus, there are no Persons with registration or other similar rights to have any equity or debt securities, including securities which are convertible into or exchangeable for equity securities, registered pursuant to the Registration Statement or otherwise registered by the Company under the Act.

(x) The Company (i) does not have any issued and outstanding preferred stock, other than the shares of Preferred Stock, in such number and series, as are described in the Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any, (ii) has not failed to pay any dividend or sinking fund installment on preferred stock and (iii) has not defaulted on any installment on indebtedness for borrowed money or on any rental on one or more long term leases, which defaults would have a Company Material Adverse Effect on the financial position of the Company and its subsidiaries, taken as a whole. The Company has not filed a report pursuant to Section 13(a) or 15(d) of the Exchange Act since the filing of its last annual report on Form 10-K, indicating that it (i) has failed to pay any dividend or sinking fund installment on the Preferred Stock or (ii) has defaulted on any installment on indebtedness for borrowed money or on any rental on one or more long term leases, which defaults would have a Company Material Adverse Effect.

(y) Neither the Company nor any of its officers, directors and controlling Persons have, directly or indirectly, (i) taken any action designed to cause or to result in, or that has constituted or which might reasonably be expected to constitute, the stabilization or manipulation of the price of the Common Stock to facilitate the sale of the Shares, or (ii) (except pursuant to this Agreement, shares of the Company's Common Stock issued pursuant to the Company's dividend reinvestment and share purchase plan (the "DRSPP"), as may have been incurred in connection with the Company's publicly disclosed repurchase of Common Stock and the retirement of the Company's long-term indebtedness) (A) sold, bid for, purchased, or paid anyone any compensation for soliciting purchases of, the Shares or, (B) other than as disclosed in the Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any, during the one hundred eighty (180) day period preceding the date of this Agreement, paid or agreed to pay to any Person any compensation for soliciting another to purchase any other securities of the Company.

(z) The Company has applied to have the Shares listed on the NYSE, and the Shares will have been approved for listing on the NYSE as of the time of purchase, subject only to official notice of issuance.

(aa) Neither the Company nor any of its affiliates, except for Arcola, (i) is required to register as a "broker" or "dealer" in accordance with the provisions of the Exchange Act or (ii) directly or indirectly through one or more intermediaries, controls or has any other association with (within the meaning of Article I of the Bylaws of the Financial Industry Regulatory Authority, Inc. ("FINRA")) any member firm of FINRA.

(ab) Any certificate signed by any officer of the Company delivered to the Sales Agent or to counsel for the Sales Agent pursuant to or in connection with this Agreement shall be deemed a representation and warranty by the Company to the Sales Agent as to the matters covered thereby.

(ac) As of the date of this Agreement, the Company has no plan or intention to materially alter its capital investment policy or investment allocation strategy, both as described in the Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any, and is in compliance with its stated capital investment policy and investment allocation strategy. Each of the Company and its subsidiaries has good and marketable title to all of the properties and assets owned by them, in each case free and clear of any security interests, liens, encumbrances, equities, claims and other defects (except for any security interest, lien, encumbrance or claim that may otherwise exist under any applicable repurchase agreement or loan agreement), except such as do not have a Company Material Adverse Effect and do not interfere with the use made or proposed to be made of such property or asset by the Company or any subsidiary, and except as described in or contemplated by the Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any. The Company owns no real property that is material, on an individual basis, to the Company. Any real property and buildings held under lease by the Company or any subsidiary are held under valid, existing and enforceable leases, with such exceptions as are disclosed in the Prospectus or are not material and do not interfere with the use made or proposed to be made of such property and buildings by the Company.

(ad) The Company has filed all federal and material state and foreign income and franchise tax returns required to be filed on or prior to the date hereof and has paid taxes shown as due thereon (or that are otherwise due and payable), other than taxes which are being contested in good faith and for which adequate reserves have been established in accordance with generally accepted accounting principles. The Company has no knowledge, after due inquiry, of any tax deficiency which has been asserted or threatened against the Company. To the knowledge of the Company, there are no tax returns of the Company that are currently being audited by federal, state or local taxing authorities or agencies which would have a Company Material Adverse Effect.

(ae) The Company owns or possesses adequate license or other rights to use all patents, trademarks, service marks, trade names, copyrights, software and design licenses, trade secrets, manufacturing processes, other intangible property rights and know-how (collectively, "Intangibles") necessary to entitle the Company to conduct its business as described in the Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any, and the Company has not received notice of infringement of or conflict with (and the Company knows of no such infringement of or conflict with) asserted rights of others with respect to any Intangibles which could have a Company Material Adverse Effect.

(af) The Company maintains a system of internal accounting controls sufficient to provide reasonable assurance that (i) transactions are executed in accordance with management's general or specific authorizations, (ii) transactions are recorded as necessary to permit preparation of financial statements in conformity with generally accepted accounting principles as applied in the United States and to maintain asset accountability, (iii) access to assets is

permitted only in accordance with management's general or specific authorization, (iv) the recorded accountability for assets is compared with the existing assets at reasonable intervals and appropriate action is taken with respect to any differences and (v) the interactive data in eXtensible Business Reporting Language incorporated by reference in the Registration Statement, the Prospectus and any Permitted Free Writing Prospectus fairly present the information called for in all material respects and is prepared in accordance with the Commission's rules and guidelines applicable thereto.

(ag) The Company has established and maintains disclosure controls and procedures (as such term is defined in Rule 13a-14 and 15d-14 under the Exchange Act); such disclosure controls and procedures are designed to ensure that material information relating to the Company is made known to the Company's Chief Executive Officer and its Chief Financial Officer, and such disclosure controls and procedures are effective to perform the functions for which they were established; any significant material weaknesses in internal controls have been identified for the Company's Chief Executive Officer and its Chief Financial Officer; and since the date of the most recent evaluation of such disclosure controls and procedures, there have been no significant changes in internal controls or in other factors that could significantly affect internal controls.

(ah) The Company is insured by insurers of recognized financial responsibility against such losses and risks and in such amounts as are prudent and customary in the business in which it is engaged. The Company has no reason to believe that it will not be able to renew its existing insurance coverage as and when such coverage expires or to obtain similar coverage from similar insurers as may be necessary to continue its business at a cost that would not have a Company Material Adverse Effect.

(ai) Except as set forth in the Registration Statement, the Prospectus or a Permitted Free Writing Prospectus, the Company is not in violation, and has not received notice of any violation with respect to, any applicable environmental, safety or similar law applicable to the business of the Company. The Company has received all permits, licenses or other approvals required of them under applicable federal and state occupational safety and health and environmental laws and regulations to conduct its business, and the Company is in compliance with all terms and conditions of any such permit, license or approval, except any such violation of law or regulation, failure to receive required permits, licenses or other approvals or failure to comply with the terms and conditions of such permits, licenses or approvals which could not, singly or in the aggregate, have a Company Material Adverse Effect.

(aj) Neither the Company nor any of its subsidiaries has incurred any liability for any finder's fees or similar payments in connection with the transactions herein contemplated, except as may otherwise exist with respect to the Sales Agent pursuant to this Agreement.

(ak) Except as set forth in the Registration Statement, the Prospectus or a Permitted Free Writing Prospectus, there are no existing or threatened labor disputes with the employees of the Company which are likely to have individually or in the aggregate a Company Material Adverse Effect.

(al) No relationship, direct or indirect, exists between or among the Company or any of its subsidiaries, on the one hand, and the directors, officers and stockholders of the Company, on the other hand, which is required by the Act to be described in the Registration Statement and the Prospectus that is not so described.

(am) The Company, since its date of inception, has been, and upon the sale of the Shares will continue to be, organized and operated in conformity with the requirements for

qualification and taxation as a "real estate investment trust" (a "REIT") under Sections 856 through 860 of the Internal Revenue Code of 1986, as amended and the regulations and published interpretations thereunder (collectively, the "Code"), for all taxable years commencing with its taxable year ended December 31, 1997. The proposed method of operation of the Company as described in Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any, will enable the Company to continue to meet the requirements for qualification and taxation as a REIT under the Code, and no actions have been taken (or not taken which are required to be taken) which would cause such qualification to be lost. The Company intends to continue to operate in a manner which would permit it to qualify as a REIT under the Code. The Company has no intention of changing its operations or engaging in activities which would cause it to fail to qualify, or make economically undesirable its continued qualification, as a REIT.

(an) Neither the Company nor any subsidiary is and, after giving effect to the offering and sale of the Shares, will be required to register as an "investment company" or an entity "controlled" by an "investment company," as such terms are defined in the Investment Company Act of 1940, as amended (the "Investment Company Act").

(ao) To the Company's knowledge, no relationship, direct or indirect, exists between or among the Company or any subsidiary, on the one hand, and the officers, 10% stockholders or directors of the Company or any subsidiary, on the other hand, which is required by the rules of FINRA to be described in the Registration Statement and the Prospectus which is not so described.

(ap) The Company has not, directly or indirectly, including through any subsidiary, extended credit, arranged to extend credit, or renewed any extension of credit, in the form of a personal loan, to or for any director or executive officer of the Company, or to or for any family member or affiliate of any director or executive officer of the Company.

(aq) Neither the Company nor any of the subsidiaries nor, to the Company's knowledge, any employee or agent of the Company or the subsidiaries has made any payment of funds of the Company or the subsidiaries or received or retained any funds in violation of any law, rule or regulation, which payment, receipt or retention of funds is of a character required to be disclosed in the Registration Statement or the Prospectus.

(ar) The Company is in compliance with all applicable provisions of the Sarbanes-Oxley Act of 2002 and the rules and regulations promulgated thereunder.

(as) The Common Stock is an "actively traded security" excepted from the requirements of Rule 101 of Regulation M under the Exchange Act by subsection (c)(1) of such rule.

(at) Other than any Terms Agreement or the Alternative Agreements, the Company has not entered into any other sales agency or distribution agreements or similar arrangements with any agent or other representative in respect of the Shares and the equity shelf program established by the Distribution Agreements, the terms of which have not been properly and duly waived.

(au) The operations of the Company and its subsidiaries are and have been conducted at all times in material compliance with all applicable financial recordkeeping and reporting requirements, including those of the Bank Secrecy Act, as amended by Title III of the Uniting and Strengthening America by Providing Appropriate Tools Required to intercept and Obstruct Terrorism Act of 2001 (USA PATRIOT Act), as amended, and the applicable anti-money

laundering statutes of jurisdictions where the Company and its subsidiaries conduct business, the rules and regulations thereunder and any related or similar rules, regulations or guidelines, issued, administered or enforced by any governmental agency (collectively, the "Anti-Money Laundering Laws"), and no action, suit or proceeding by or before any court or governmental agency, authority or body or any arbitrator involving the Company or any of its subsidiaries with respect to Anti-Money Laundering Laws is pending or, to the best knowledge of the Company, threatened.

(av) (A) Neither the Company nor any of its subsidiaries, nor any director, officer or employee thereof, nor, to the Company's knowledge, any agent, affiliate or representative of the Company or any of them, is an individual or entity ("Covered Person") that is, or is owned or controlled by a Covered Person that is:

(i) the subject of any sanctions administered or enforced by the U.S. Department of Treasury's Office of Foreign Assets Control ("OFAC"), the United Nations Security Council, the European Union, His Majesty's Treasury or other relevant sanctions authority (collectively, "Sanctions"); nor

(ii) located, organized or resident in a country or territory that is the subject of Sanctions (including, without limitation, the so-called Donetsk People's Republic, the so-called Luhansk People's Republic, the Kherson, the non-government controlled areas of the Kherson and Zaporizhzhia regions of Ukraine, and any other Covered Region of Ukraine identified pursuant to Executive Order 14065, the Crimea region of Ukraine, Cuba, Iran, North Korea, Syria and Venezuelan State-owned entities).

(A) The Company will not use the proceeds of the offering, or lend, contribute or otherwise make available such proceeds to any subsidiary, joint venture partner or other Covered Person:

(i) to fund or facilitate any activities or business of or with any Covered Person or in any country or territory that, at the time of such funding or facilitation, is the subject of Sanctions; or

(ii) in any other manner that will result in a violation of Sanctions by any Covered Person (including any Covered Person participating in the offering, whether as underwriter, advisor, investor or otherwise).

(B) The Company and its subsidiaries have not knowingly engaged in, are not now knowingly engaged in, and will not engage in, any dealings or transactions with any Covered Person, or in any country or territory, that at the time of the dealing or transaction is or was the subject of Sanctions.

(C) Neither the Company nor any of its subsidiaries, nor any director, officer or, to the Company's knowledge, employee thereof, nor, to the Company's knowledge, any agent, affiliate or representative of the Company or any of them: (i) has used any corporate funds for any unlawful contribution, gift, entertainment or other unlawful expense relating to political activity; (ii) has made any direct or indirect unlawful contribution or payment to any official of, or candidate for, or any employee of, any federal, state or foreign office from corporate funds; (iii) has made any bribe, unlawful rebate, payoff, influence payment, kickback or other unlawful payment; or (iv) is aware of or has taken any action, directly or indirectly, that would result in a violation by such persons of the OECD Convention on Bribery of Foreign Public Officials in International

Business Transactions, the Foreign Corrupt Practices Act of 1977, as amended, and the rules and regulations thereunder (collectively, the "FCPA") or any similar law or regulation to which the Company, any of its subsidiaries, any director, officer, agent, employee, affiliate or other person associated with or acting on behalf of the Company or any of its subsidiaries is subject. The Company, its subsidiaries and their affiliates have each conducted its businesses in compliance with the FCPA and any applicable similar law or regulation and have instituted and maintain policies and procedures designed to ensure, and which are reasonably expected to continue to ensure, continued compliance therewith.

SECTION 3. Reserved.

SECTION 4. Sale and Delivery of Securities. (a) On the basis of the representations, warranties and agreements herein contained, but subject to the terms and conditions herein set forth, the Company agrees to issue and sell through the Sales Agent, as sales agent, and the Sales Agent agrees to use its commercially reasonable efforts to sell, as sales agent for the Company, the Shares on the following terms.

(i) The Shares are to be sold on a daily basis or otherwise as shall be agreed to by the Company and the Sales Agent on any day that (A) is a trading day for the NYSE (other than a day on which the NYSE is scheduled to close prior to its regular weekday closing time), (B) the Company has instructed the Sales Agent by telephone (confirmed promptly by electronic mail) (or as otherwise agreed to by the Company and the Sales Agent) from any of the individuals listed as authorized representatives of the Company on Schedule B hereto (the "Authorized Company Representatives") to make such sales and (C) the Company has satisfied its obligations under Section 8 of this Agreement. The Company will designate the maximum amount of the Shares to be sold by the Sales Agent daily as agreed to by the Sales Agent and in any event not in excess of the amount available for issuance under the currently effective Registration Statement relating to the sale of up to $2,000,000,000 of Shares as described in the prospectus supplement dated May 8, 2025, or any Registration Statement filed pursuant to Section 5(g), or in a number in excess of the number of Shares authorized from time to time to be issued and sold under this Agreement by the Company's board of directors, or a duly authorized committee thereof, and notified to the Sales Agent in writing (a "Placement Notice").

Subject to the terms and conditions hereof, the Sales Agent shall use its commercially reasonable efforts to offer and sell all of the Shares designated; provided, however, that the Sales Agent shall have no obligation to offer or sell any Shares, and the Company acknowledges and agrees that the Sales Agent shall have no such obligation, in the event an offer or sale of the Shares on behalf of the Company may in the judgment of the Sales Agent constitute the sale of a "block" under Rule 10b-18(a)(5) under the Exchange Act or a "distribution" within the meaning of Rule 100 of Regulation M under the Exchange Act or the Sales Agent reasonably believes it may be deemed an "underwriter" under the Act in a transaction that is other than by means of ordinary brokers' transactions between members of the NYSE that qualify for delivery of a Prospectus to the NYSE in accordance with Rule 153 under the Act (such transactions are hereinafter referred to as "At-the-Market Offerings").

(ii) Notwithstanding the foregoing, the Company, through any of the Authorized Company Representatives, may instruct the Sales Agent by telephone

(confirmed promptly by electronic mail) (or as otherwise agreed to by the Company and the Sales Agent) not to sell the Shares if such sales cannot be effected at or above the price designated by the Company in any such instruction. In addition, the Company or the Sales Agent may, upon notice to the other party hereto by telephone (confirmed promptly by electronic mail) (or as otherwise agreed to by the Company and the Sales Agent), suspend the offering of the Shares; provided, however, that such suspension shall not affect or impair the parties' respective obligations with respect to the Shares sold hereunder prior to the giving of such notice.

(iii) The Sales Agent hereby covenants and agrees not to make any sales of the Shares on behalf of the Company, pursuant to this Section 4(a), other than (A) by means of At-the-Market Offerings and (B) such other sales of the Shares on behalf of the Company in its capacity as agent of the Company as shall be agreed by the Company and the Sales Agent.

(iv) The compensation to the Sales Agent, as an agent of the Company, for sales of the Shares shall be up to 1.25% of the gross sales price of the Shares sold pursuant to this Section 4(a) or such lower amount as otherwise mutually agreed upon by the Company and the Sales Agent from time to time. The remaining proceeds, after further deduction for any transaction fees imposed by any governmental or self-regulatory organization in respect of such sales, shall constitute the net proceeds to the Company for such Shares (the "Net Proceeds").

(v) The Sales Agent shall provide written confirmation to the Company following the close of trading on the NYSE each day in which the Shares are sold under this Section 4(a) setting forth the amount of the Shares sold on such day, the Net Proceeds to the Company and the compensation payable by the Company to the Sales Agent with respect to such sales.

(vi) Settlement for sales of the Shares pursuant to this Section 4(a) will occur on the first business day following the date on which such sales are made or such other date as may be agreed by the Company and the Sales Agent (each such date, a "Settlement Date"). On each Settlement Date, the Shares sold through the Sales Agent for settlement on such date shall be issued and delivered by the Company to the Sales Agent against payment of the Net Proceeds for the sale of such Shares. Settlement for all such Shares shall be effected by free delivery of the Shares by the Company or its transfer agent to the Sales Agent's account, or to the account of the Sales Agent's designee, at The Depository Trust Company through its Deposit and Withdrawal at Custodian System ("DWAC") or by such other means of delivery as may be mutually agreed upon by the parties hereto, which in all cases shall be freely tradable, transferable, registered shares in good deliverable form, in return for payments in same day funds delivered to the account designated by the Company. If the Company, or its transfer agent (if applicable), shall default on its obligation to deliver the Shares on any Settlement Date, the Company shall (A) indemnify and hold the Sales Agent harmless against any loss, claim or damage arising from or as a result of such default by the Company and (B) pay the Sales Agent any commission to which it would otherwise be entitled absent such default. The Authorized Company Representatives shall be the contact persons for the Company for all matters related to the settlement of the transfer of the Shares through DWAC for purposes of this Section 4(a)(vi).

(vii) At each Time of Sale, Settlement Date and Representation Date (as defined in Section 5(q)), the Company shall be deemed to have affirmed each of their respective representations and warranties contained in this Agreement. Any obligation of

the Sales Agent to use its commercially reasonable efforts to sell the Shares on behalf of the Company shall be subject to the continuing accuracy of the representations and warranties of the Company herein, to the performance by the Company of its obligations hereunder and to the continuing satisfaction of the additional conditions specified in Section 8 of this Agreement.

(a) (i) If the Company wishes to issue and sell the Shares other than as set forth in Section 4(a) of this Agreement (each, a "Placement"), it will notify the Sales Agent of the proposed terms of such Placement. If the Sales Agent, acting as principal, wishes to accept such proposed terms (which it may decline to do for any reason in its sole discretion) or, following discussions with the Company, wishes to accept amended terms, the Sales Agent and the Company will enter into a Terms Agreement setting forth the terms of such Placement. In the event of a conflict between the terms of this Agreement and the terms of any Terms Agreement, the terms of such Terms Agreement will control.

(b) (i) Under no circumstances shall the aggregate number of Shares sold pursuant to this Agreement exceed the number of Shares authorized from time to time to be issued and sold under this Agreement by the Company's board of directors, or a duly authorized committee thereof, and notified to the Sales Agent in writing.

(i) If either party has reason to believe that the exemptive provisions set forth in Rule 101(c)(1) of Regulation M under the Exchange Act are not satisfied with respect to the Shares, it shall promptly notify the other party and sales of the Shares under this Agreement shall be suspended until that or other exemptive provisions have been satisfied in the judgment of each party.

(c) Each sale of the Shares to or through the Sales Agent shall be made in accordance with the terms of this Agreement or, if applicable, a Terms Agreement.

(d) Any offer, solicitation or sale of the Shares shall be effected by or through only one of the Agents on any single trading day.

(e) Subject to the limitations set forth herein and as may be mutually agreed upon by the Company and the Sales Agent, sales pursuant to this Agreement may not be requested by the Company and need not be made by the Sales Agent during any period in which the Company is or could be deemed to be, in possession of material non-public information.

(f) Notwithstanding any other provision of this Agreement, the Company shall not offer, sell or deliver, or request the offer or sale, of any Shares pursuant to this Agreement at any time during the period from and including the time the Company issues a press release containing, or shall otherwise publicly announce, its earnings, revenues or other operating results for a fiscal period or periods (each, an "Earnings Announcement") through and including the Representation Date that occurs in connection with the Company filing a Quarterly Report on Form 10-Q or an Annual Report on Form 10-K (a "Filing Time") that includes consolidated financial statements as of and for the same fiscal period or periods, as the case may be, covered by such Earnings Announcement, unless the Company shall first (i) prepare and deliver to the Sales Agent (with a copy to counsel for the Sales Agent) a Current Report on Form 8-K that includes substantially the same financial and related information that was included in such Earnings Announcement (other than any earnings projections and similar forward-looking data and officers' quotations) (each, an "Earnings 8-K"), in form and substance reasonably satisfactory to the Sales Agent, and, prior to its filing, obtain the written consent of the Sales Agent to such filing (which consent shall not be unreasonably withheld), (ii) provide the Sales Agent with the officers' certificates, opinions and letters of counsels and accountants' letter

specified in Sections 5(q) through 5(u), inclusive, hereof, (iii) afford the Sales Agent the opportunity to conduct a due diligence review in accordance with Section 5(v) hereof prior to filing such Earnings 8-K and (iv) file (rather than furnish) such Earnings 8-K with the Commission. For purposes of clarity, the parties hereto agree that (A) the delivery of any officers' certificates, opinions or letters of counsel or accountants' letter pursuant to this Section 4(g) shall not relieve the Company from any of its obligations under this Agreement with respect to any Quarterly Report on Form 10-Q or Annual Report on Form 10-K, as the case may be, including, without limitation, the obligation to deliver officers' certificates, opinions and letters of counsel and accountants' letters as provided in Sections 5(q) through 5(u), inclusive, hereof, and (B) this Section 4(g) shall in no way affect or limit the operation of Section 4(d) hereof, which shall have independent application.

(g) The Company acknowledges and agrees that (A) there can be no assurance that the Sales Agent will be successful in selling the Shares, (B) the Sales Agent will incur no liability or obligation to the Company or any other person or entity if it does not sell Shares for any reason other than a failure by the Sales Agent to use its commercially reasonable efforts consistent with its normal trading and sales practices and applicable law and regulations to sell such Shares in accordance with the terms of this Agreement, and (C) the Sales Agent shall be under no obligation to purchase Shares on a principal basis pursuant to this Agreement, except as otherwise specifically agreed by the Sales Agent and the Company.

SECTION 5. Covenants of the Company. The Company agrees with the Sales Agent:

(a) During the period in which a prospectus relating to the Shares is required to be delivered under the Act (whether physically, deemed to be delivered pursuant to Rule 153 or through compliance with Rule 172 under the Act or any similar rule), to notify the Sales Agent promptly of the time when any subsequent amendment to the Registration Statement has become effective or any subsequent supplement to the Basic Prospectus, the Prospectus or any Permitted Free Writing Prospectus has been filed; to prepare and file with the Commission, promptly upon the Sales Agent's request, any amendments or supplements to the Registration Statement, the Basic Prospectus, the Prospectus or any Permitted Free Writing Prospectus that, in the Sales Agent's reasonable opinion, may be necessary or advisable in connection with the offering of the Shares by the Sales Agent; and to cause each amendment or supplement to the Basic Prospectus or the Prospectus to be filed with the Commission as required pursuant to the applicable paragraph of Rule 424(b) of the Act or, in the case of any Incorporated Document, to be filed with the Commission as required pursuant to the Exchange Act, within the time period prescribed.

(b) To promptly advise the Sales Agent, confirming such advice in writing, of any suspension of the Sales Agent's obligations under Rule 15c2-8 under the Exchange Act or any request by the Commission for amendments or supplements to the Registration Statement, the Basic Prospectus, the Prospectus or any Permitted Free Writing Prospectus or for additional information with respect thereto, or of notice of examination, institution of proceedings for, or the entry of a stop order suspending the effectiveness of the Registration Statement and, if the Commission should enter a stop order suspending the effectiveness of the Registration Statement, to use its best efforts to obtain the lifting or removal of such order as soon as possible; to promptly advise the Sales Agent of any proposal to amend or supplement the Registration Statement, the Basic Prospectus or the Prospectus, and to provide the Sales Agent and its counsel copies of any such documents for review and comment a reasonable amount of time prior to any proposed filing and to file no such amendment or supplement (other than any prospectus supplement relating to the offering of other securities (including, without limitation, the Common Stock)) to which the Sales Agent shall have objected in writing.

(c) To make available to the Sales Agent, as soon as practicable after this Agreement becomes effective, and thereafter from time to time to furnish to the Sales Agent, as many copies of the Prospectus (or of the Prospectus as amended or supplemented if the Company shall have made any amendments or supplements thereto after the effective date of the Registration Statement) as the Sales Agent may request for the purposes contemplated by the Act; in case the Sales Agent is required to deliver (whether physically, deemed to be delivered pursuant to Rule 153 or through compliance with Rule 172 under the Act or any similar rule), in connection with the sale of the Shares, a prospectus after the nine-month period referred to in Section 10(a)(3) of the Act, or after the time a post-effective amendment to the Registration Statement is required pursuant to Item 512(a) of Regulation S-K under the Act, the Company will prepare, at its expense, promptly upon request such amendment or amendments to the Registration Statement and the Prospectus as may be necessary to permit compliance with the requirements of Section 10(a)(3) of the Act or Item 512(a) of Regulation S-K under the Act, as the case may be.

(d) Subject to Section 5(b) hereof, to file promptly all reports and documents and any preliminary or definitive proxy or information statement required to be filed by the Company with the Commission in order to comply with the Exchange Act for so long as a prospectus is required by the Act to be delivered (whether physically, deemed to be delivered pursuant to Rule 153 or through compliance with Rule 172 under the Act or any similar rule) in connection with any sale of Shares; and to provide the Sales Agent, for its review and comment, with a copy of such reports and statements and other documents to be filed by the Company pursuant to Section 13, 14 or 15(d) of the Exchange Act during such period a reasonable amount of time prior to any proposed filing, and to file no such report, statement or document to which the Sales Agent shall have objected in writing; and to promptly notify the Sales Agent of such filing.

(e) To pay the fees applicable to the Registration Statement in connection with the offering of the Shares within the time required by Rule 456(b)(1) (i) under the Act (without reliance on the proviso to Rule 456(b)(1)(i) under the Act) and in compliance with Rule 456(b) and Rule 457(r) under the Act.

(f) If at any time when Shares remain unsold by the Sales Agent the Company receives from the Commission a notice pursuant to Rule 401(g)(2) under the Act or otherwise ceases to be eligible to use the automatic shelf registration statement form, the Company will (a) promptly notify the Sales Agent, (b) promptly file a new registration statement or post-effective amendment on the proper form relating to the Shares, in a form satisfactory to the Sales Agent, (c) use its best efforts to cause such registration statement or post-effective amendment to be declared effective as soon as practicable (if such filing is not otherwise effective immediately pursuant to Rule 462 under the Act) and (d) promptly notify the Sales Agent of such effectiveness. The Company will take all other action necessary or appropriate to permit the public offering and sale of the Shares to continue as contemplated in the Registration Statement that was the subject of the notice under Rule 401(g)(2) under the Act or for which the Company has otherwise become ineligible. References herein to the Registration Statement relating to the Shares shall include such new registration statement or post-effective amendment, as the case may be.

(g) If immediately prior to the third anniversary (the "Renewal Deadline") of the initial effective date of the Registration Statement, any of the Shares remain unsold by the Sales Agent, the Company will, prior to the Renewal Deadline file, if it has not already done so and is eligible to do so, a new automatic shelf registration statement relating to the Shares, in a form satisfactory to the Sales Agent. If the Company is not eligible to file an automatic shelf registration statement, the Company will, prior to the Renewal Deadline, if it has not already done so, file a new shelf registration statement relating to the Shares, in a form satisfactory to the

Sales Agent, and will use its best efforts to cause such registration statement to be declared effective within 180 days after the Renewal Deadline. The Company will take all other action necessary or appropriate to permit the public offering and sale of the Shares to continue as contemplated in the expired registration statement. References herein to the Registration Statement shall include such new automatic shelf registration statement or such new shelf registration statement, as the case may be.

(h) To promptly notify the Sales Agent of the happening of any event that could require the making of any change in the Prospectus then being used so that the Prospectus would not include an untrue statement of material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they are made, not misleading, and, during any period during which a prospectus is required to be delivered (whether physically, deemed to be delivered pursuant to Rule 153 or through compliance with Rule 172 under the Act or any similar rule) in connection with any sale of Shares, subject to Section 5(b), to prepare and furnish, at the Company's expense, to the Sales Agent promptly such amendments or supplements to such Prospectus as may be necessary to reflect any such change.

(i) To furnish such information as may be required and otherwise to cooperate in qualifying the Shares for offering and sale under the securities or blue sky laws of such states or other jurisdictions as the Sales Agent may designate and to maintain such qualifications in effect so long as required for the distribution of the Shares; provided, however, that the Company shall not be required to qualify as a foreign corporation or to consent to the service of process under the laws of any such jurisdiction (except service of process with respect to the offering and sale of the Shares); and to promptly advise the Sales Agent of the receipt by the Company of any notification with respect to the suspension of the qualification of the Shares for offer or sale in any jurisdiction or the initiation or threatening of any proceeding for such purpose.

(j) To make generally available to its security holders, and to deliver to the Sales Agent, an earnings statement of the Company (which will satisfy the provisions of Section 11(a) of the Act) covering a period of twelve months beginning after the effective date of the Registration Statement (as defined in Rule 158(c) of the Act) as soon as is reasonably practicable after the termination of such twelve-month period but not later than eighteen months after the effective date of the Registration Statement (as such date is defined in Rule 158(c) under the Act).

(k) To apply the net proceeds from the sale of the Shares in the manner set forth under the caption "Use of Proceeds" in the Prospectus Supplement or, if not so specified, in the Prospectus, and if not so specified, in the Basic Prospectus.

(l) Until the settlement of sale of all Common Stock being offered pursuant to this Agreement, at any time that sales of the Common Stock have been made but not settled or at any time the Company has outstanding with the Sales Agent any instructions to sell the Common Stock but such instructions have not been fulfilled or cancelled, the Company will not sell, offer to sell, contract or agree to sell, hypothecate, pledge, grant any option to sell or otherwise dispose of or agree to dispose of, directly or indirectly, any shares of the Common Stock or securities convertible into or exchangeable or exercisable for the Common Stock or warrants or other rights to purchase the Common Stock or any other securities of the Company that are substantially similar to the Common Stock or permit the registration under the Act of any shares of the Common Stock, including pursuant to another Distribution Agreement, in each case without giving the Sales Agent at least three business days' prior written notice specifying the nature of the proposed sale and the date of such proposed sale. Notwithstanding the foregoing, the Company may (i) register the offer and sale of the Shares through the Sales Agent pursuant to

this Agreement; (ii) issue Common Stock, restricted stock, options or other units or awards pursuant to the Company's long term stock incentive plans as currently in effect (or file a Form S-8 related to such plans) or pursuant to the exercise of employee stock options or other awards; (iii) issue Common Stock pursuant to the DRSPP or any successor dividend reinvestment or share purchase plan (or the filing of a Form S-3 related to such a plan) and (iv) offer or issue any series of preferred stock that is not convertible into shares of Common Stock other than in connection with a "change of control." For the avoidance of doubt, the Company will not be prohibited from issuing Common Stock upon the election by a holder of Preferred Stock to convert Preferred Stock into Common Stock. In the event that notice of a proposed sale is provided by the Company pursuant to this Section 5(l), the Sales Agent may suspend activity under this program for such period of time as may be requested by the Company or as may be deemed appropriate by the Sales Agent.

(m) Not, at any time at or after the execution of this Agreement, to offer or sell any Shares by means of any "prospectus" (within the meaning of the Act), or use any "prospectus" (within the meaning of the Act) in connection with the offer or sale of the Shares, in each case other than the Prospectus.

(n) The Company will not, and will cause its subsidiaries not to, take, directly or indirectly, any action designed, or which will constitute, or has constituted, or might reasonably be expected to cause or result in the stabilization or manipulation of the price of any security of the Company to facilitate the sale or resale of the Shares.

(o) To use its best efforts to cause the Common Stock to be listed on the NYSE and to maintain such listing.

(p) To advise the Sales Agent immediately after it shall have received notice or obtain knowledge thereof, of any information or fact that would alter or affect any opinion, certificate, letter and other document provided to the Sales Agent pursuant to Section 8 herein.

(q) Upon commencement of the offering of the Shares under this Agreement, and within four trading days of each time that (i) the Registration Statement or the Prospectus shall be amended or supplemented (other than pursuant to subclause (ii) below and other than a prospectus supplement filed pursuant to Rule 424(b) under the Act relating solely to the offering of securities other than the Shares), (ii) there is filed with the Commission any document incorporated by reference into the Prospectus (other than a Current Report on Form 8-K, unless the Sales Agent shall otherwise reasonably request), or (iii) otherwise as the Sales Agent may reasonably request (the date of commencement of the offering of the Shares under this Agreement and each date referred to in subclauses (i), (ii) and (iii) above, each a "Representation Date"), the Company shall furnish or cause to be furnished to the Sales Agent forthwith a certificate dated as of such delivery date, in form satisfactory to the Sales Agent to the effect that the statements contained in the certificate referred to in Section 8(e)(i) of this Agreement which were last furnished to the Sales Agent are true and correct as of such delivery date, as though made at and as of such date (except that such statements shall be deemed to relate to the Registration Statement and the Prospectus as amended and supplemented to such date) or, in lieu of such certificate, a certificate of the same tenor as the certificate referred to in said Section 8(e)(i), modified as necessary to relate to the Registration Statement and the Prospectus as amended and supplemented to the time of delivery of such certificate. The requirement to provide a certificate under this Section 5(q) shall be waived for any Representation Date occurring at a time at which no Placement Notice is pending, which waiver shall continue until the earlier to occur of the date the Company delivers a Placement Notice hereunder or under any Alternative Agreement (which for such calendar quarter shall be considered a Representation Date) and the next occurring Representation Date. Notwithstanding the foregoing, if the

Company subsequently decides to sell Shares through the Sales Agent or any Alternative Agent following a Representation Date when the Company relied on such waiver and did not provide the Agents with a certificate under this Section 5(q), then before the Company delivers the Placement Notice or the Sales Agent or any Alternative Agent sells any Shares, the Company shall provide the Sales Agent with such certificate, dated the date of the Placement Notice.

(r) On or prior to four trading days after each Representation Date with respect to which the Company is obligated to deliver a certificate under Section 8(e) for which no waiver is applicable, the Company shall furnish or cause to be furnished forthwith to the Sales Agent written opinions of (i) Davis Polk & Wardwell LLP, special counsel for the Company (including negative assurance), (ii) Hunton Andrews Kurth LLP, tax counsel for the Company, (iii) Venable LLP, Maryland counsel for the Company and (iv) Anthony C. Green, Chief Corporate Officer, Chief Legal Officer and Secretary for the Company or other counsels satisfactory to the Sales Agent, dated and delivered as of such delivery date, in form and substance satisfactory to the Sales Agent, of the same tenor as the opinions referred to in Section 8(c) of this Agreement, but modified as necessary to relate to the Registration Statement and the Prospectus as amended and supplemented to the time of delivery of such opinions.

(s) On or prior to four trading days after each Representation Date with respect to which the Company is obligated to deliver a certificate under Section 8(e) for which no waiver is applicable, the Company shall furnish or cause to be furnished to the Sales Agent forthwith a certificate of the Secretary of the Company, dated and delivered as of such delivery date, in form and substance satisfactory to the Sales Agent.

(t) On or prior to four trading days after each Representation Date with respect to which the Company is obligated to deliver a certificate under Section 8(e) for which no waiver is applicable, Cravath, Swaine & Moore LLP, counsel to the Sales Agent, shall deliver a written opinion, dated and delivered as of such delivery date, in form and substance satisfactory to the Sales Agent.

(u) On or prior to four trading days after each Representation Date with respect to which the Company is obligated to deliver a certificate under Section 8(e) for which no waiver is applicable, the Company shall cause the Accountants or other independent accountants satisfactory to the Sales Agent, forthwith to furnish to the Sales Agent a letter, dated as of such delivery date, in form and substance satisfactory to the Sales Agent, of the same tenor as the letter referred to in Section 8(d) of this Agreement but modified to relate to the Registration Statement and the Prospectus, as amended and supplemented to the date of such letter. Notwithstanding anything else contained herein to the contrary, other than as set forth in this Section 5(u) and Section 8(d) of this Agreement the Company shall be under no additional obligations to cause the Accountants to provide a letter to the Sales Agent, provided however, so long as this Agreement remains in effect, to the extent the Sales Agent reasonably believes it needs such a letter at some time other than as required under this Section 5(u) and Section 8(d), the Sales Agent may suspend the offering of the Shares in accordance with Section 4(a)(ii) of this Agreement, if such letter is not delivered.

(v) At each Representation Date with respect to which the Company is obligated to deliver a certificate under Section 8(e) for which no waiver is applicable, to conduct a due diligence session, in form and substance, satisfactory to the Sales Agent, which shall include representatives of the management and the accountants of the Company.

(w) That the Company consents to the Sales Agent trading in the Common Stock for the Sales Agent's own account and for the account of its clients at the same time as sales of the Shares occur pursuant to this Agreement.

(x) If to the knowledge of the Company, any condition set forth in Section 8(a) or Section 8(h) of this Agreement shall not have been satisfied on the applicable Settlement Date, to offer to any person who has agreed to purchase the Shares from the Company as the result of an offer to purchase solicited by the Sales Agent the right to refuse to purchase and pay for such Shares.

(y) To disclose in its quarterly reports on Form 10-Q and in its annual report on Form 10-K the number of the Shares sold through or to the Sales Agent under this Agreement, the Net Proceeds to the Company and the compensation paid by the Company with respect to sales of the Shares pursuant to this Agreement during the relevant quarter.

(z) To ensure that prior to instructing the Sales Agent to sell Shares the Company shall have obtained all necessary corporate authority for the offer and sale of such Shares.

(aa) That each acceptance by the Company of an offer to purchase the Shares hereunder shall be deemed to be an affirmation to the Sales Agent that the representations and warranties of the Company contained in or made pursuant to this Agreement are true and correct as of the date of such acceptance as though made at and as of such date, and an undertaking that such representations and warranties will be true and correct as of the Settlement Date for the Shares relating to such acceptance, as though made at and as of such date (except that such representations and warranties shall be deemed to relate to the Registration Statement and the Prospectus as amended and supplemented relating to such Shares).

(ab) The Company has been organized and operated in conformity with the requirements for qualification and taxation of the Company as a REIT under the Code, and the Company's proposed methods of operation will enable the Company to continue to meet the requirements for qualification and taxation as a REIT under the Code.

(ac) The Company has retained the Accountants as its qualified accountants and qualified tax experts (i) to test procedures and conduct annual compliance reviews designed to determine compliance with the REIT provisions of the Code and the Company's exempt status under the Investment Company Act and (ii) to otherwise assist the Company in monitoring appropriate accounting systems and procedures designed to determine compliance with the REIT provisions of the Code and the Company's exempt status under the Investment Company Act.

SECTION 6. Reserved.

SECTION 7. Payment of Expenses. The Company agrees with the Sales Agent that whether or not the transactions contemplated hereunder are consummated or this Agreement is terminated, to pay all of its expenses incident to the performance of its obligations hereunder, including, but not limited to, such costs, expenses, fees and taxes in connection with (i) the preparation and filing of the Registration Statement, the Basic Prospectus, the Prospectus Supplement, the Prospectus, each Permitted Free Writing Prospectus and any amendments or supplements thereto, and the printing and furnishing of copies of each thereof to the Sales Agent (including costs of mailing and shipment), (ii) the registration, issue, sale and delivery of the Shares including any stock or transfer taxes and stamp or similar duties payable upon the sale, issuance or delivery of the Shares, (iii) the producing, word processing and/or printing of this Agreement, any Powers of Attorney and any closing documents (including compilations thereof) and the reproduction and/or printing and furnishing of copies of each thereof to the Sales Agent (including costs of mailing and shipment), (iv) the qualification of the Shares for offering and sale under state laws and the determination of their eligibility for investment under state law as aforesaid (including the reasonable legal fees and filing fees and other disbursements of counsel for the Sales Agent) and the printing and furnishing of copies of any blue sky surveys to the

Sales Agent, (v) the listing of the Shares on any securities exchange or qualification of the Shares for quotation on the NYSE and any registration thereof under the Exchange Act and (vi) any filing for review of the public offering of the Shares by FINRA, including the reasonable legal fees and disbursements of counsel for the Sales Agent relating to FINRA matters. The Sales Agent will pay all of its other out-of-pocket costs and expenses incurred in connection with entering into this Agreement and the transactions contemplated by this Agreement, including, without limitation, travel, reproduction, printing and similar expenses.

SECTION 8. Conditions of Sales Agent's Obligations. The obligations of the Sales Agent hereunder are subject to (i) the accuracy of the representations and warranties on the part of the Company on the date hereof, any applicable date referred to in Section 5(q) of this Agreement and as of each Settlement Date, (ii) the performance by the Company of its obligations hereunder and (iii) to the following additional conditions precedent.

(a) (i) No stop order with respect to the effectiveness of the Registration Statement shall have been issued under the Act or proceedings initiated under Section 8(d) or 8(e) of the Act, and no order directed at or in relation to any document incorporated by reference therein and no order preventing or suspending the use of the Prospectus has been issued by the Commission, the Commission shall not have notified the Company of any objection to the use of the form of the Registration Statement or any post-effective amendment thereto, and no suspension of the qualification of the Shares for offering or sale in any jurisdiction, or to the knowledge of the Company or the Sales Agent of the initiation or threatening of any proceedings for any of such purposes, has occurred; (ii) the Registration Statement and all amendments thereto, or modifications thereof, if any, shall not contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading; (iii) none of the Basic Prospectus or the Prospectus, and no amendment or supplement thereto, or modification thereof, if any, shall include an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary in order to make the statements therein, in the light of the circumstances under which they are made, not misleading; (iv) no Prospectus, together with any combination of one or more of the Permitted Free Writing Prospectuses, if any, and no amendment or supplement thereto, shall include an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they are made, not misleading; and (v) none of the Permitted Free Writing Prospectuses, if any, shall include an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they are made, not misleading.

(b) Subsequent to the respective dates as of which information is given in the Registration Statement, the Basic Prospectus, the Prospectus and the Permitted Free Writing Prospectuses, if any, (i) no material and unfavorable change, financial or otherwise (other than as referred to in the Registration Statement and the Prospectus), in the business, condition, net worth or prospects of the Company and its subsidiaries, taken as a whole, in the judgment of the Sales Agent, shall occur or become known and (ii) no transaction which is material and unfavorable to the Company or any of its subsidiaries, taken as a whole (other than as referred to in the Registration Statement and Prospectus), in the judgment of the Sales Agent, shall have been entered into by the Company or any of its subsidiaries.

(c) The Company shall furnish to the Sales Agent, at every date specified in Section 5(r) of this Agreement for which no waiver is applicable, the opinions of Davis Polk & Wardwell LLP, Hunton Andrew Kurth LLP, Venable LLP and the Chief Legal Officer of the Company addressed to the Sales Agent, and dated as of such date, and in form satisfactory to the Sales Agent, in the form set forth in Exhibits A-1, A-2, A-3 and A-4 hereto.

(d) At the dates specified in Section 5(u) of this Agreement, the Sales Agent shall have received from the Accountants letters dated the date of delivery thereof and addressed to the Sales Agent in form and substance satisfactory to the Sales Agent.

(e) (i) The Company shall deliver to the Sales Agent, on or prior to four trading days after each Representation Date specified in Section 5(q) of this Agreement, a certificate of two of its executive officers to the effect that (i) the representations and warranties of the Company as set forth in this Agreement are true and correct as of such delivery date, (ii) the Company has performed such of its obligations under this Agreement as are to be performed at or before each such delivery date and (iii) the conditions set forth in paragraphs (a) and (b) of this Section 8 have been met. The certificate shall also state that the Shares have been duly and validly authorized by the Company, that all corporate action required to be taken for the issuance and sale of the Shares has been validly and sufficiently taken, and that the Company's Board of Directors or any other body with authority has not revoked, rescinded or otherwise modified or withdrawn such authorization or corporate action.

(f) The Sales Agent shall have received, at every date specified in Section 5(t) of this Agreement, the favorable opinion of Cravath, Swaine & Moore LLP, counsel to the Sales Agent, dated as of such date, and in form and substance satisfactory to the Sales Agent.

(g) The Sales Agent shall have received, at every date specified in Section 5(s) of this Agreement, a certificate of the Secretary of the Company, dated as of such date, and in form and substance satisfactory to the Sales Agent.

(h) All filings with the Commission required by Rule 424 under the Act to have been filed by the Settlement Date shall have been made within the applicable time period prescribed for such filing by Rule 424.

(i) The Shares shall have been approved for listing on the NYSE, subject only to notice of issuance at or prior to the Settlement Date.

For purposes of clarity and without limitation to any other provision of this Section 8 or elsewhere in this Agreement, the Company and the Sales Agent agree that the Sales Agent's obligations, if any, to solicit purchases of Shares on an agency basis or otherwise take any action pursuant to a Placement Notice shall, unless otherwise agreed in writing by the Sales Agent, be suspended during the period from and including a Representation Date for which certificates are required to be delivered pursuant to Section 5(q) through and including the time the Sales Agent shall have received the documents described in Sections 8(c) through 8(g), inclusive.

SECTION 9. Indemnification and Contribution.

(a) The Company agrees to indemnify, defend and hold harmless the Sales Agent and its affiliates, its and their directors, officers, employees and agents and any person who controls the Sales Agent within the meaning of Section 15 of the Act or Section 20 of the Exchange Act, and the successors and assigns of all of the foregoing persons, from and against any loss, damage, expense, liability or claim (including the reasonable cost of investigation) which the Sales Agent or any such person may incur under the Act, the Exchange Act, the common law or otherwise, insofar as such loss, damage, expense, liability or claim arises out of or is based upon (i) any untrue statement or alleged untrue statement of a material fact contained in the Registration Statement (or in the Registration Statement as amended by any post-effective amendment thereof by the Company) or arises out of or is based upon any omission or alleged omission to state a material fact required to be stated therein or necessary to make the statements

therein not misleading, except insofar as any such loss, damage, expense, liability or claim arises out of or is based upon any untrue statement or alleged untrue statement of a material fact contained in, and in conformity with information furnished in writing by or on behalf of the Sales Agent to the Company expressly for use in, the Registration Statement or arises out of or is based upon any omission or alleged omission to state a material fact in the Registration Statement in connection with such information, which material fact was not contained in such information and which material fact was required to be stated in such Registration Statement or was necessary to make such information not misleading or (ii) any untrue statement or alleged untrue statement of a material fact included in any Prospectus (the term Prospectus for the purpose of this Section 9 being deemed to include the Basic Prospectus, the Prospectus Supplement, the Prospectus and any amendments or supplements to the foregoing), in any Permitted Free Writing Prospectus, in any "issuer information" (as defined in Rule 433 under the Act) of the Company or in any Prospectus together with any combination of one or more of the Permitted Free Writing Prospectuses, if any, or arises out of or is based upon any omission or alleged omission to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading, except, with respect to such Prospectus or Permitted Free Writing Prospectus, insofar as any such loss, damage, expense, liability or claim arises out of or is based upon any untrue statement or alleged untrue statement of a material fact contained in, and in conformity with information furnished in writing by or on behalf of the Sales Agent to the Company expressly for use in, such Prospectus or Permitted Free Writing Prospectus or arises out of or is based upon any omission or alleged omission to state a material fact in such Prospectus or Permitted Free Writing Prospectus in connection with such information, which material fact was not contained in such information and which material fact was necessary in order to make the statements in such information, in the light of the circumstances under which they were made, not misleading.

If any action, suit or proceeding (together, a "Proceeding") is brought against the Sales Agent or any such person in respect of which indemnity may be sought against the Company pursuant to the foregoing paragraph, the Sales Agent or such person shall promptly notify the indemnifying party in writing of the institution of such Proceeding and the Company shall assume the defense of such Proceeding, including the employment of counsel reasonably satisfactory to such indemnified party and payment of all fees and expenses; provided, however, that the omission to so notify the Company shall not relieve the Company from any liability which the Company may have to the Sales Agent or any such person or otherwise except to the extent the Company was materially prejudiced by such omission. The Sales Agent or such person shall have the right to employ its or their own counsel in any such case, but the fees and expenses of such counsel shall be at the expense of the Sales Agent or of such person unless the employment of such counsel shall have been authorized in writing by the Company in connection with the defense of such Proceeding or the Company shall not have, within a reasonable period of time in light of the circumstances, employed counsel to have charge of the defense of such Proceeding or such indemnified party or parties shall have reasonably concluded that there may be defenses available to it or them which are different from, additional to or in conflict with those available to the Company (in which case the Company shall not have the right to direct the defense of such Proceeding on behalf of the indemnified party or parties), in any of which events such fees and expenses shall be borne by the Company, and paid as incurred (it being understood, however, that the Company shall not be liable for the expenses of more than one separate counsel (in addition to any local counsel) in any one Proceeding or series of related Proceedings in the same jurisdiction representing the indemnified parties who are parties to such Proceeding). The Company shall not be liable for any settlement of any Proceeding effected

without its written consent but if settled with the written consent of the Company, the Company agrees to indemnify and hold harmless the Sales Agent and any such person from and against any loss or liability by reason of such settlement. Notwithstanding the foregoing sentence, if at any time an indemnified party shall have requested the Company to reimburse the indemnified party for fees and expenses of counsel as contemplated by the second sentence of this paragraph, then the Company agrees that it shall be liable for any settlement of any Proceeding effected without its written consent if (i) such settlement is entered into more than 60 business days after receipt by the Company of the aforesaid request, (ii) the Company shall not have reimbursed the indemnified party in accordance with such request prior to the date of such settlement and (iii) such indemnified party shall have given the indemnifying party at least 30 days' prior notice of its intention to settle. The Company shall not, without the prior written consent of the indemnified party, effect any settlement of any pending or threatened Proceeding in respect of which any indemnified party is or may be a party and indemnity could have been sought hereunder by such indemnified party, unless such settlement includes an unconditional release of such indemnified party from all liability on claims that are the subject matter of such Proceeding and does not include an admission of fault or culpability or a failure to act, by or on behalf of such indemnified party.

(b) The Sales Agent agrees to indemnify, defend and hold harmless the Company, and each of its directors and each of the Company's officers, who signed the Registration Statement, and each person, if any, who controls the Company within the meaning of Section 15 of the Act or Section 20 of the Exchange Act, and the successors and assigns of all of the foregoing persons, from and against any loss, damage, expense, liability or claim (including the reasonable cost of investigation) which, jointly or severally, the Company or any such person may incur under the Act, the Exchange Act, the common law or otherwise, insofar as such loss, damage, expense, liability or claim arises out of or is based upon (i) any untrue statement or alleged untrue statement of a material fact contained in and, in conformity with information furnished in writing by or on behalf of the Sales Agent to the Company expressly for use with reference to the Sales Agent in the Registration Statement (or in the Registration Statement as amended by any post-effective amendment thereof by the Company), or arises out of or is based upon any omission or alleged omission to state a material fact in such Registration Statement in connection with such information, which material fact was not contained in such information and which material fact was required to be stated in such Registration Statement or was necessary to make such information not misleading or (ii) any untrue statement or alleged untrue statement of a material fact contained in, and in conformity with information furnished in writing by or on behalf of the Sales Agent to the Company expressly for use in, the Prospectus Supplement or a Permitted Free Writing Prospectus, or arises out of or is based upon any omission or alleged omission to state a material fact in the Prospectus Supplement or a Permitted Free Writing Prospectus in connection with such information, which material fact was not contained in such information and which material fact was necessary in order to make the statements in such information, in the light of the circumstances under which they were made, not misleading.

If any Proceeding is brought against the Company or any such person in respect of which indemnity may be sought against the Sales Agent pursuant to the foregoing paragraph, the Company or such person shall promptly notify the Sales Agent in writing of the institution of such Proceeding and the Sales Agent shall assume the defense of such Proceeding, including the employment of counsel reasonably satisfactory to such indemnified party and payment of all fees and expenses; *provided*, *however*, that the omission to so notify the Sales Agent shall not relieve the Sales Agent from any liability which the Sales Agent may have to the Company or

any such person or otherwise. The Company or such person shall have the right to employ its own counsel in any such case, but the fees and expenses of such counsel shall be at the expense of the Company such person unless the employment of such counsel shall have been authorized in writing by the Sales Agent in connection with the defense of such Proceeding or the Sales Agent shall not have, within a reasonable period of time in light of the circumstances, employed counsel to have charge of the defense of such Proceeding or such indemnified party or parties shall have reasonably concluded that there may be defenses available to it or them which are different from or additional to or in conflict with those available to the Sales Agent (in which case the Sales Agent shall not have the right to direct the defense of such Proceeding on behalf of the indemnified party or parties, but the Sales Agent may employ counsel and participate in the defense thereof but the fees and expenses of such counsel shall be at the expense of the Sales Agent), in any of which events such fees and expenses shall be borne by the Sales Agent and paid as incurred (it being understood, however, that the Sales Agent shall not be liable for the expenses of more than one separate counsel (in addition to any local counsel) in any one Proceeding or series of related Proceedings in the same jurisdiction representing the indemnified parties who are parties to such Proceeding). The Sales Agent shall not be liable for any settlement of any such Proceeding effected without the written consent of the Sales Agent but if settled with the written consent of the Sales Agent, the Sales Agent agrees to indemnify and hold harmless the Company and any such person from and against any loss or liability by reason of such settlement. Notwithstanding the foregoing sentence, if at any time an indemnified party shall have requested the Sales Agent to reimburse the indemnified party for fees and expenses of counsel as contemplated by the second sentence of this paragraph, then the Sales Agent agrees that it shall be liable for any settlement of any Proceeding effected without its written consent if (i) such settlement is entered into more than 60 business days after receipt by the Sales Agent of the aforesaid request, (ii) the Sales Agent shall not have reimbursed the indemnified party in accordance with such request prior to the date of such settlement and (iii) such indemnified party shall have given the Sales Agent at least 30 days' prior notice of its intention to settle. The Sales Agent shall not, without the prior written consent of the indemnified party, effect any settlement of any pending or threatened Proceeding in respect of which any indemnified party is a party and indemnity could have been sought hereunder by such indemnified party, unless such settlement includes an unconditional release of such indemnified party from all liability on claims that are the subject matter of such Proceeding.

(c) If the indemnification provided for in this Section 9 is unavailable to an indemnified party under subsections (a) and (b) of this Section 9 or insufficient to hold an indemnified party harmless in respect of any losses, damages, expenses, liabilities or claims referred to therein, then each applicable indemnifying party shall contribute to the amount paid or payable by such indemnified party as a result of such losses, damages, expenses, liabilities or claims (i) in such proportion as is appropriate to reflect the relative benefits received by the Company, on the one hand, and the Sales Agent, on the other hand, from the offering of the Shares or (ii) if the allocation provided by clause (i) above is not permitted by applicable law, in such proportion as is appropriate to reflect not only the relative benefits referred to in clause (i) above but also the relative fault of the Company, on the one hand, and of the Sales Agent, on the other, in connection with the statements or omissions which resulted in such losses, damages, expenses, liabilities or claims, as well as any other relevant equitable considerations. The relative benefits received by the Company, on the one hand, and the Sales Agent, on the other, shall be deemed to be in the same respective proportions as the total proceeds from the offering

(net of underwriting discounts and commissions but before deducting expenses) received by the Company, and the total underwriting discounts and commissions received by the Sales Agent, bear to the aggregate public offering price of the Shares. The relative fault of the Company, on the one hand, and of the Sales Agent, on the other, shall be determined by reference to, among other things, whether the untrue statement or alleged untrue statement of a material fact or omission or alleged omission relates to information supplied by the Company or by the Sales Agent and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission. The amount paid or payable by a party as a result of the losses, damages, expenses, liabilities and claims referred to in this subsection shall be deemed to include any legal or other fees or expenses reasonably incurred by such party in connection with investigating, preparing to defend or defending any Proceeding.

(d) The Company and the Sales Agent agree that it would not be just and equitable if contributions pursuant to this Section 9 were determined by pro rata allocation or by any other method of allocation which does not take account of the equitable considerations referred to in subsection (c) above. Notwithstanding the provisions of this Section 9, the Sales Agent shall not be required to contribute any amount in excess of commissions received by it under this Agreement. No person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation.

(e) The Company and the Sales Agent agree promptly to notify each other of the commencement of any Proceeding against it and, in the case of the Company, against any of the Company's officers or directors in connection with the issuance and sale of the Shares, or in connection with the Registration Statement, the Basic Prospectus, the Prospectus or any Permitted Free Writing Prospectus.

SECTION 10. Representations and Agreements to Survive Delivery. The indemnity and contribution agreements contained in Section 9 and the covenants, warranties and representations of the Company contained in this Agreement or in certificates delivered pursuant hereto shall remain in full force and effect regardless of any investigation made by or on behalf of the Sales Agent, its partners, directors or officers or any person (including each partner, officer or director of such person) who controls the Sales Agent within the meaning of Section 15 of the Act or Section 20 of the Exchange Act, or by or on behalf of the Company, its directors or officers or any person who controls the Company within the meaning of Section 15 of the Act or Section 20 of the Exchange Act, and shall survive any termination of this Agreement or the issuance and delivery of the Shares.

SECTION 11. Termination.

(a) The Company shall have the right, by giving written notice as hereinafter specified, to terminate the provisions of this Agreement relating to the solicitation of offers to purchase the Shares in its sole discretion at any time. Any such termination shall be without liability of any party to any other party except that (i) if any of the Shares have been sold through the Sales Agent for the Company, then Section 5(j) and Section 5(w) shall remain in full force and effect, (ii) with respect to any pending sale, through the Sales Agent for the Company, the obligations of the Company, including in respect of compensation of the Sales Agent, shall remain in full force and effect notwithstanding the termination and (iii) the provisions of Sections 7, 9, 10, 12, 13, 14, 18 and 20 of this Agreement shall remain in full force and effect notwithstanding such termination.

(b) The Sales Agent shall have the right, by giving written notice as hereinafter specified, to terminate the provisions of this Agreement relating to the solicitation of offers to

purchase the Shares in its sole discretion at any time. Any such termination shall be without liability of any party to any other party except that (i) if any of the Shares have been sold through the Sales Agent for the Company, then Section 5(j) and Section 5(w) shall remain in full force and effect and (ii) the provisions of Sections 7, 9, 10, 12, 13, 14, 18 and 20 of this Agreement shall remain in full force and effect notwithstanding such termination.

(c) This Agreement shall remain in full force and effect unless terminated pursuant to Sections 11(a) or 11(b) above or otherwise by mutual agreement of the parties; and shall automatically terminate on May 8, 2030; *provided* that any such termination by mutual agreement shall in all cases be deemed to provide that Sections 7, 9 and 10 shall remain in full force and effect.

(d) Any termination of this Agreement shall be effective on the date specified in such notice of termination; *provided* that such termination shall not be effective until the close of business on the date of receipt of such notice by the Sales Agent or the Company, as the case may be. If such termination shall occur prior to the Settlement Date for any sale of the Shares, such sale shall settle in accordance with the provisions of Section 4(a)(vi) of this Agreement.

SECTION 12. Notices. Except as otherwise herein provided, all statements, requests, notices and agreements under this Agreement shall be in writing and delivered by hand, overnight courier, mail or facsimile and, if to the Sales Agent, shall be sufficient in all respects if delivered or sent to BofA Securities, Inc., One Bryant Park, New York, New York 10036, Attention: ATM Execution, Email: dg.atm_execution@bofa.com, and a copy for information purposes to Andrew J. Pitts, Esq. and Ryan J. Patrone, Esq. at Cravath, Swaine & Moore LLP, Two Manhattan West, 375 Ninth Avenue, New York, New York 10001 and, if to the Company, it shall be sufficient in all respects if delivered or sent to the Company at the offices of the Company at 1211 Avenue of the Americas, New York, New York 10036, Attention: David L. Finkelstein with a copy for information purposes to Davis Polk & Wardwell LLP at 450 Lexington Avenue New York, New York 10017, Attention: Shane Tintle, facsimile number: (212) 450-4000, Email: shane.tintle@davispolk.com. Each party to this Agreement may change such address for notices by sending to the parties to this Agreement written notice of a new address for such purpose.

SECTION 13. Parties at Interest. The Agreement herein set forth has been and is made solely for the benefit of the Sales Agent, the Company and, to the extent provided in Section 9 of this Agreement, the controlling persons, directors and officers referred to in such section, and their respective successors, assigns, heirs, personal representatives and executors and administrators. No other person, partnership, association or corporation (including a purchaser, as such purchaser, from the Sales Agent) shall acquire or have any right under or by virtue of this Agreement.

SECTION 14. No Fiduciary Relationship. The Company hereby acknowledges that the Sales Agent is acting solely as sales agent and/or principal in connection with the purchase and sale of the Company's securities. The Company further acknowledges that the Sales Agent is acting pursuant to a contractual relationship created solely by this Agreement entered into on an arm's length basis, and in no event do the parties intend that the Sales Agent act or be responsible as a fiduciary to the Company or its management, stockholders or creditors or any other person in connection with any activity that the Sales Agent may undertake or have undertaken in furtherance of the purchase and sale of the Company's securities, either before or after the date hereof. The Sales Agent hereby expressly disclaims any fiduciary or similar obligations to the Company, either in connection with the transactions contemplated by this Agreement or any matters leading up to such transactions, and the Company hereby confirms its understanding and agreement to that effect. The Company and the Sales Agent agree that they

are each responsible for making their own independent judgments with respect to any such transactions and that any opinions or views expressed by the Sales Agent to the Company regarding such transactions, including, but not limited to, any opinions or views with respect to the price or market for the Company's securities, do not constitute advice or recommendations to the Company, nor shall the expression of such opinions or views constitute any solicitation of any action by the Sales Agent. The Company hereby (a) waives and releases, to the fullest extent permitted by law, any claims that the Company may have against the Sales Agent with respect to any breach or alleged breach of any fiduciary or similar duty to the Company in connection with the transactions contemplated by this Agreement or any matters leading up to such transactions and (b) agrees that none of the activities of the Sales Agent in connection with the transactions contemplated herein constitutes a recommendation, investment advice or solicitation of any action by the Sales Agent with respect to any entity or natural person. The Company has consulted its own legal, accounting, financial, regulatory and tax advisors to the extent deemed appropriate.

SECTION 15. Press Releases and Disclosure. The Company may issue a press release in compliance with Rule 134 under the Act describing the material terms of the transactions contemplated hereby as soon as practicable following the date hereof, and may file with the Commission a Current Report on Form 8-K describing the material terms of the transaction contemplated hereby, and the Company shall consult with the Sales Agent prior to making such disclosures, and the parties shall use all reasonable efforts, acting in good faith, to agree upon a text for such disclosures that is reasonably satisfactory to all parties. No party hereto shall issue thereafter any press release or like public statement (including, without limitation, any disclosure required in reports filed with the Commission pursuant to the Exchange Act) related to this Agreement or any of the transactions contemplated hereby without the prior written approval of the other parties hereto, except as may be necessary or appropriate in the opinion of the party seeking to make disclosure to comply with the requirements of applicable law or stock exchange rules. If any such press release or like public statement is so required, the party making such disclosure shall consult with the other party prior to making such disclosure, and the parties shall use all reasonable efforts, acting in good faith, to agree upon a text for such disclosure that is reasonably satisfactory to all parties.

SECTION 16. Adjustments for Stock Splits. The parties acknowledge and agree that all share related numbers contained in this Agreement shall be adjusted to take into account any stock split effected with respect to the Shares.

SECTION 17. Entire Agreement. This Agreement constitutes the entire agreement and supersedes all other prior and contemporaneous agreements and undertakings, both written and oral, among the parties hereto with regard to the subject matter hereof. The Company and the Sales Agent hereby confirm and agree that the Distribution Agency Agreement, dated September 20, 2024 (as amended, supplemented or otherwise modified from time to time, the "Prior Sales Agreement"), between the Company and the Sales Agent is hereby deemed to be terminated, effective as of May 8, 2025, pursuant to Section 11(a) thereof and, except as provided in Section 11 thereof, is of no further force and effect.

SECTION 18. Counterparts; Electronic Signatures. This Agreement may be signed by the parties in one or more counterparts which together shall constitute one and the same agreement among the parties. Delivery of this Agreement by one party to the other may be made by facsimile, electronic mail (including any electronic signature complying with the New York Electronic Signatures and Records Act (N.Y. State Tech. §§ 301-309), as amended from time to time, or other applicable law) or other transmission method, and the parties hereto agree that any counterpart so delivered shall be deemed to have been duly and validly delivered and be valid and effective for all purposes.

SECTION 19. Law; Construction. This Agreement and any claim, counterclaim or dispute of any kind or nature whatsoever arising out of or in any way relating to this Agreement ("Claim"), directly or indirectly, shall be governed by, and construed in accordance with, the internal laws of the State of New York.

SECTION 20. Headings. The Section headings in this Agreement have been inserted as a matter of convenience of reference and are not a part of this Agreement.

SECTION 21. Submission to Jurisdiction. Except as set forth below, no Claim may be commenced, prosecuted or continued in any court other than the courts of the State of New York located in the City and County of New York or in the United States District Court for the Southern District of New York, which courts shall have jurisdiction over the adjudication of such matters, and the Company consents to the non-exclusive jurisdiction of such courts and personal service with respect thereto. The Company hereby consents to personal jurisdiction, service and venue in any court in which any Claim arising out of or in any way relating to this Agreement is brought by any third party against the Sales Agent or any indemnified party. Each of the Sales Agent and the Company (on its behalf and, to the extent permitted by applicable law, on behalf of its stockholders and affiliates) waives all right to trial by jury in any action, proceeding or counterclaim (whether based upon contract, tort or otherwise) in any way arising out of or relating to this Agreement. The Company agrees that a final judgment in any such action, proceeding or counterclaim brought in any such court shall be conclusive and binding upon the Company and may be enforced in any other courts in the jurisdiction of which the Company is or may be subject, by suit upon such judgment.

SECTION 22. Successors and Assigns. This Agreement shall be binding upon the Sales Agent, the Company and their successors and assigns and any successor or assign of any substantial portion of the Company's and the Sales Agent's respective businesses and/or assets.

SECTION 23. Recognition of the U.S. Special Resolution Regimes. In the event that the Sales Agent that is a Covered Entity becomes subject to a proceeding under a U.S. Special Resolution Regime, the transfer from the Sales Agent of this Agreement, and any interest and obligation in or under this Agreement, will be effective to the same extent as the transfer would be effective under the U.S. Special Resolution Regime if this Agreement, and any such interest and obligation, were governed by the laws of the United States or a state of the United States.

In the event that the Sales Agent that is a Covered Entity or a BHC Act Affiliate of such Sales Agent becomes subject to a proceeding under a U.S. Special Resolution Regime, Default Rights under this Agreement that may be exercised against such Sales Agent are permitted to be exercised to no greater extent than such Default Rights could be exercised under the U.S. Special Resolution Regime if this Agreement were governed by the laws of the United States or a state of the United States.

For purposes of this Section 23, a "BHC Act Affiliate" has the meaning assigned to the term "affiliate" in, and shall be interpreted in accordance with, 12 U.S.C. § 1841(k). "Covered Entity" means any of the following: (i) a "covered entity" as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 252.82(b); (ii) a "covered bank" as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 47.3(b); or (iii) a "covered FSI" as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 382.2(b). "Default Right" has the meaning assigned to that term in, and shall be interpreted in accordance with, 12 C.F.R. §§ 252.81, 47.2 or 382.1, as applicable. "U.S. Special Resolution Regime" means each of (i) the

Federal Deposit Insurance Act and the regulations promulgated thereunder and (ii) Title II of the Dodd-Frank Wall Street Reform and Consumer Protection Act and the regulations promulgated thereunder.

If the foregoing correctly sets forth the understanding among the Company and the Sales Agent, please so indicate in the space provided below for that purpose, whereupon this Agreement and your acceptance shall constitute a binding agreement among the Company and the Sales Agent. Alternatively, the execution of this Agreement by the Company and its acceptance by or on behalf of the Sales Agent may be evidenced by an exchange of telegraphic or other written communications.

Very truly yours,

ANNALY CAPITAL MANAGEMENT, INC.

By: /s/ David L. Finkelstein
Name: David L. Finkelstein
Title: Chief Executive Officer and
Co-Chief Investment Officer

[***Signature Page to Distribution Agency Agreement***]

ACCEPTED as of the date
first above written

BOFA SECURITIES, INC.

By: /s/ Ryan Willingham
Name: Ryan Willingham
Title: Managing Director

Schedule A
Permitted Free Writing Prospectuses

None.

Schedule B

Authorized Company Representatives

David Finkelstein, Chief Executive Officer and Co-Chief Investment Officer
Telephone: (212) 205-7256
Fax: (212) 696-0100
Email: dfinkelstein@annaly.com

Steve Campbell, President and Chief Operating Officer
Telephone: (212) 413-1885
Fax: (212) 696-0100
Email: scampbell@annaly.com

Serena Wolfe, Chief Financial Officer
Telephone: (212) 626-2308
Fax: (212) 696-0100
Email: swolfe@annaly.com

Anthony Green, Chief Corporate Officer, Chief Legal Officer and Secretary
Telephone: (646) 728-7668
Fax: (212) 696-0100
Email: agreen@annaly.com

Exhibit A-1

Opinion of Davis Polk & Wardwell LLP

See attached.

Exhibit A-2

Opinion of Hunton Andrew Kurth LLP

See attached.

Exhibit A-3

Opinion of Venable LLP

See attached.

Exhibit A-4

Opinion of the Company's Chief Legal Officer

See attached.

ANNALY CAPITAL MANAGEMENT, INC.

Shares of Common Stock
(par value $0.01 per share)

DISTRIBUTION AGENCY AGREEMENT

May 8, 2025

BTIG, LLC
65 East 55th Street,
New York, NY 10022
Ladies and Gentlemen:

Annaly Capital Management, Inc., a Maryland corporation (the "Company"), agrees with BTIG, LLC (the "Sales Agent"), to issue and sell from time to time through the Sales Agent, as sales agent and/or principal, shares of its common stock, par value $0.01 per share (the "Common Stock"), on the terms set forth in this agreement (this "Agreement").

The Company is concurrently entering into separate distribution agency agreements (the "Alternative Agreements"), each dated of even date herewith, with Barclays Capital Inc., BNP Paribas Securities Corp., BofA Securities, Inc., Citizens JMP Securities, LLC, Goldman Sachs & Co. LLC, J.P. Morgan Securities LLC, Keefe, Bruyette & Woods, Inc., Morgan Stanley & Co, LLC, Piper Sandler & Co., RBC Capital Markets, LLC, UBS Securities LLC and Wells Fargo Securities, LLC (each, an "Alternative Agent," and together with the Sales Agent, the "Agents"), to issue and sell from time to time through each Alternative Agent, as sales agent and/or principal, shares of the Company's Common Stock (the "Shares") on the terms set forth in the Alternative Agreements. This Agreement and the Alternative Agreements are collectively referred to herein as the "Distribution Agreements."

SECTION 1. Description of Securities. The Company proposes to issue and sell through or to the Sales Agent, as sales agent and/or principal, the Shares on the terms set forth in Section 4 of this Agreement. The Company agrees that whenever it determines to sell the Shares directly to the Sales Agent as principal, it will enter into a separate agreement (each, a "Terms Agreement"), in form and substance satisfactory to the Sales Agent, relating to such sale in accordance with Section 4 of this Agreement.

SECTION 2. Representations and Warranties of the Company. The Company represents and warrants to and agrees with the Sales Agent that:

(a) An "automatic shelf registration statement" (the "registration statement") as defined in Rule 405 under the Securities Act of 1933, as amended, and the rules and regulations thereunder (collectively called the "Act"), on Form S-3 (File No. 333-282261) in respect of the Shares, including a form of prospectus, has been prepared and filed by the Company not earlier than three years prior to the date hereof, in conformity with the requirements of the Act, and the rules and regulations of the Securities and Exchange Commission (the "Commission")

thereunder (the "Rules and Regulations"). The registration statement contains certain information concerning the offering and sale of the Common Stock, including the Shares, and contains additional information concerning the Company and its business; the Commission has not issued an order preventing or suspending the use of the Basic Prospectus (as defined below), the Prospectus Supplement (as defined below), the Prospectus (as defined below) or any Permitted Free Writing Prospectus (as defined below), or the effectiveness of the Registration Statement (as defined below), and no proceeding for that purpose or pursuant to Section 8A of the Act has been instituted or, to the Company's knowledge, threatened by the Commission. Except where the context otherwise requires, "Registration Statement," as used herein, means the registration statement, as amended at the time of such registration statement's effectiveness for purposes of Section 11 of the Act, as such section applies to the Sales Agent, as well as any new registration statement, post-effective amendment or new automatic shelf registration statement as may have been filed pursuant to Section 5(f) or (g) of this Agreement, including (1) all documents filed as a part thereof or incorporated or deemed to be incorporated by reference therein, (2) any information contained or incorporated by reference in a prospectus filed with the Commission pursuant to Rule 424(b) under the Act, to the extent such information is deemed, pursuant to Rule 430B or Rule 430C under the Act, to be part of the registration statement at the time of such registration statement's effectiveness for purposes of Section 11 of the Act, as such section applies to the Sales Agent, and (3) any registration statement filed to register the offer and sale of Shares pursuant to Rule 462(b) under the Act. Except where the context otherwise requires, "Basic Prospectus," as used herein, means the prospectus filed as part of each Registration Statement, together with any amendments or supplements thereto as of the date of this Agreement. Except where the context otherwise requires, "Prospectus Supplement," as used herein, means the final prospectus supplement, relating to the Shares, filed by the Company with the Commission pursuant to Rule 424(b) under the Act on or before the second business day after the date hereof (or such earlier time as may be required under the Act), or if after such date, the most recently filed final prospectus supplement relating to the Shares, in the form furnished by the Company to the Sales Agent in connection with the offering of the Shares. Except where the context otherwise requires, "Prospectus," as used herein, means the Prospectus Supplement together with the Basic Prospectus attached to or used with the Prospectus Supplement. "Permitted Free Writing Prospectuses," as used herein, means the documents listed on Schedule A attached hereto. Any reference herein to the registration statement, the Registration Statement, the Basic Prospectus, the Prospectus Supplement, the Prospectus or any Permitted Free Writing Prospectus shall be deemed to refer to and include the documents, if any, incorporated by reference, or deemed to be incorporated by reference, therein (the "Incorporated Documents"), including, unless the context otherwise requires, the documents, if any, filed as exhibits to such Incorporated Documents. Any reference herein to the terms "amend," "amendment" or "supplement" with respect to the Registration Statement, the Basic Prospectus, the Prospectus Supplement, the Prospectus or any Permitted Free Writing Prospectus shall be deemed to refer to and include the filing of any document under the Securities Exchange Act of 1934, as amended, and the rules and regulations thereunder (collectively, the "Exchange Act") on or after the initial effective date of the Registration Statement, or the date of the Basic Prospectus, the Prospectus Supplement, the Prospectus or such Permitted Free Writing Prospectus, as the case may be, and deemed to be incorporated therein by reference.

(b) The Registration Statement complied when it became effective, complies as of the date hereof and, as amended or supplemented, at each deemed effective date with respect to the Sales Agent pursuant to Rule 430(B)(f)(2) of the Act, at each Settlement Date (as defined in Section 4(a)(vi) hereof), and at all times during which a prospectus is required by the Act to be delivered (whether physically, deemed to be delivered pursuant to Rule 153 or through compliance with Rule 172 under the Act or any similar rule) in connection with any sale of Shares, will comply, in all material respects, with the requirements of the Act, and the Registration Statement did not and will not, at or during such times, contain an untrue statement

of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading; the conditions to the use of Form S-3 in connection with the offering and sale of the Shares as contemplated hereby have been satisfied; the Registration Statement meets, and the offering and sale of the Shares as contemplated hereby complies with, the requirements of Rule 415 under the Act (including, without limitation, Rule 415(a)(5)); the Basic Prospectus complied or will comply, at the time it was or will be filed with the Commission, complies as of the date hereof (if filed with the Commission on or prior to the date hereof) and, as of the time of each sale of Shares pursuant to this Agreement (each, a "Time of Sale"), at each Settlement Date and at all times during which a prospectus is required by the Act to be delivered (whether physically, deemed to be delivered pursuant to Rule 153 or through compliance with Rule 172 under the Act or any similar rule) in connection with any sale of Shares, will comply, in all material respects, with the requirements of the Act; at no time during the period that begins on the earlier of the date of the Basic Prospectus and the date the Basic Prospectus was filed with the Commission and ends on each Settlement Date did or will the Basic Prospectus, as then amended or supplemented, include an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; the Prospectus will comply, as of the date that it is filed with the Commission, the date of the Prospectus Supplement, each Time of Sale, each Settlement Date, and at all times during which a prospectus is required by the Act to be delivered (whether physically, deemed to be delivered pursuant to Rule 153 or through compliance with Rule 172 under the Act or any similar rule) in connection with any sale of Shares, in all material respects, with the requirements of the Act (including, without limitation, Section 10(a) of the Act); at no time during the period that begins on the date of the Prospectus Supplement and ends at the later of each Settlement Date and the end of the period during which a prospectus is required by the Act to be delivered (whether physically, deemed to be delivered pursuant to Rule 153 or through compliance with Rule 172 under the Act or any similar rule) in connection with any sale of Shares did or will the Prospectus, as then amended or supplemented, either alone or together with any combination of one or more of the then issued Permitted Free Writing Prospectuses, if any, include an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; at no time during the period that begins on the date of such Permitted Free Writing Prospectus and ends at each Settlement Date did or will any Permitted Free Writing Prospectus include an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided, however, that the Company makes no representation or warranty with respect to any statement contained in the Registration Statement, the Basic Prospectus, the Prospectus or any Permitted Free Writing Prospectus in reliance upon and in conformity with information concerning the Sales Agent and furnished in writing by or on behalf of the Sales Agent expressly for use in the Registration Statement, the Basic Prospectus, the Prospectus or such Permitted Free Writing Prospectus; each Incorporated Document, at the time such document was filed with the Commission or at the time such document became effective, as applicable, complied, in all material respects, with the requirements of the Exchange Act and did not include an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(c) (i) At the time of filing of the Registration Statement, (ii) at the time of the most recent amendment thereto for the purposes of complying with Section 10(a)(3) of the Act or otherwise (whether such amendment was by post-effective amendment, incorporated report filed pursuant to Section 13 or 15(d) of the Exchange Act or form of prospectus), (iii) at the time the Company or any person acting on its behalf (within the meaning, for this clause only, of Rule 163(c) of the Act) made any offer relating to the Shares in reliance on the exemption of Rule 163 of the Act and (iv) at the date hereof, the Company is a "well-known seasoned issuer"

as defined in Rule 405 of the Act ("Rule 405"), including not having been and not being an "ineligible issuer" as defined by Rule 405. The Registration Statement is an "automatic shelf registration statement," as defined in Rule 405, and the Shares, since their registration on the Registration Statement, have been and remain eligible for registration by the Company on a Rule 405 "automatic shelf registration statement." The Company has not received from the Commission any notice pursuant to Rule 401(g)(2) of the Act objecting to the use of the automatic shelf registration statement form.

(d) Prior to the execution of this Agreement, the Company has not, directly or indirectly, offered or sold any Shares by means of any "prospectus" (within the meaning of the Act) or used any "prospectus" (within the meaning of the Act) in connection with the offer or sale of the Shares; the Company has not, directly or indirectly, prepared, used or referred to any Permitted Free Writing Prospectus except in compliance with Rule 163 or with Rules 164 and 433 under the Act; assuming that any such Permitted Free Writing Prospectus is so sent or given after the Registration Statement was filed with the Commission (and after such Permitted Free Writing Prospectus was, if required pursuant to Rule 433(d) under the Act, filed with the Commission), the sending or giving, by the Sales Agent, of any Permitted Free Writing Prospectus will satisfy the provisions of Rule 164 or Rule 433 (without reliance on subsections (b), (c) and (d) of Rule 164); the conditions set forth in one or more of subclauses (i) through (iv), inclusive, of Rule 433(b)(1) under the Act are satisfied, and the registration statement relating to the offering of the Shares contemplated hereby, as initially filed with the Commission, includes a prospectus that, other than by reason of Rule 433 or Rule 431 under the Act, satisfies the requirements of Section 10 of the Act; neither the Company nor the Sales Agent is disqualified, by reason of subsection (f) or (g) of Rule 164 under the Act, from using, in connection with the offer and sale of the Shares, "free writing prospectuses" (as defined in Rule 405 under the Act) pursuant to Rules 164 and 433 under the Act; the Company is not an "ineligible issuer" (as defined in Rule 405 under the Act) as of the eligibility determination date for purposes of Rules 164 and 433 under the Act with respect to the offering of the Shares contemplated by the Registration Statement; the parties hereto agree and understand that the content of any and all "road shows" (as defined in Rule 433 under the Act) related to the offering of the Shares contemplated hereby is solely the property of the Company.

(e) The Company has an authorized and outstanding capitalization as set forth in the consolidated balance sheet included or incorporated by reference in the Registration Statement, the Prospectus or any Permitted Free Writing Prospectus or as of the Company's then most recently completed quarter or fiscal year, contained in the Company's quarterly report on Form 10-Q or the Company's annual report on Form 10-K, as applicable, at the indicated date, and there has been no material change in such information since the Company's then most recently completed quarter or fiscal year (subject to the issuance of shares of Common Stock upon exercise of stock options and warrants disclosed as outstanding in the Registration Statement (excluding the exhibits thereto) and the Prospectus and the grant of options under existing stock option plans described in the Registration Statement (excluding the exhibits thereto), the Basic Prospectus and the Prospectus).

(f) The consolidated financial statements of the Company, together with the related schedules and notes thereto, set forth or included or incorporated by reference in the Registration Statement, the Prospectus or any Permitted Free Writing Prospectus are accurate in all material respects and fairly present the financial condition of the Company on a consolidated basis as of the dates indicated and the results of operations, changes in financial position, stockholders' equity and cash flows for the periods therein specified are in conformity with generally accepted accounting principles consistently applied throughout the periods involved (except as otherwise stated therein). The selected financial and statistical data included or incorporated by reference in the Registration Statement and the Prospectus present fairly the information shown therein

and, to the extent based upon or derived from the financial statements, have been compiled on a basis consistent with the financial statements presented therein. No other financial statements are required to be set forth or to be incorporated by reference in the Registration Statement or the Prospectus under the Act. The interactive data in eXtensible Business Reporting Language included or incorporated by reference in the Registration Statement, the Prospectus or any Permitted Free Writing Prospectus fairly present the information called for in all material respects and have been prepared in accordance with the Commission's rules and guidelines applicable thereto.

(g) The Prospectus and any Permitted Free Writing Prospectus delivered to the Sales Agent for use in connection with this offering will be, identical to the versions of the Prospectus and any Permitted Free Writing Prospectus, respectively, created to be transmitted to the Commission for filing via EDGAR, except to the extent permitted by Regulation S-T.

(h) The Company and each of its subsidiaries has been duly formed or, if a corporation, incorporated and is validly existing as a limited liability company, limited partnership or corporation in good standing under the laws of the state of its formation or incorporation, as applicable, is duly qualified to do business and is in good standing as a foreign limited liability company, limited partnership or corporation, as applicable, in each jurisdiction in which its ownership or lease of property or assets or the conduct of its business requires such qualification, except where the failure to so qualify would not have a material adverse effect on the business, assets, properties, prospects, financial condition or results of operation of the Company and its subsidiaries taken as a whole (a "Company Material Adverse Effect"), and has full limited liability company, limited partnership or corporate, as applicable, power and authority necessary to own, hold, lease and/or operate its assets and properties, to conduct the business in which it is engaged and as described in the Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any, and to enter into and perform its obligations under this Agreement and to consummate the transactions contemplated hereby, and the Company and its subsidiary Arcola Securities, Inc. ("Arcola") are each in compliance in all material respects with the laws, orders, rules, regulations and directives issued or administered by such jurisdictions.

(i) The Company has no "significant subsidiaries" (as such term is defined in Rule 1-02 of Regulation S-X promulgated under the Securities Act), and has no other subsidiaries except as (i) set forth in Exhibit 21.1 to the Company's most recently filed annual report on Form 10-K, (ii) otherwise disclosed by the Company in the Registration Statement, the Prospectus or the Permitted Free Writing Prospectus, if any, or (iii) would not, individually or in the aggregate, be material to the Company. Complete and correct copies of the charter and of the bylaws of the Company and all amendments thereto have been delivered to the Sales Agent (or otherwise made available on EDGAR) and, except as set forth in the exhibits to, or incorporated by reference into, the Registration Statement, no changes therein will be made subsequent to the date hereof and prior to each Time of Sale and each Settlement Date.

(j) The Company is not in breach of, or in default under (nor has any event occurred which with notice, lapse of time or both would result in any breach of or constitute a default under), (i) its charter or bylaws or (ii) any obligation, agreement, covenant or condition contained in any contract, license, repurchase agreement, indenture, mortgage, deed of trust, bank loan or credit agreement, note, lease or other evidence of indebtedness, or any lease, contract or other agreement or instrument to which the Company is a party or by which it or any of its assets or properties may be bound or affected, the effect of which breach or default under this clause (ii) could have a Company Material Adverse Effect. The execution, delivery and performance of this Agreement, the issuance and sale of the Shares and the consummation of the transactions contemplated hereby will not conflict with, or result in any breach of, constitute a default under

or a Repayment Event (as defined below) under (nor constitute any event which with notice, lapse of time or both would result in any breach of, constitute a default under or a Repayment Event under), (i) any provision of the charter or bylaws of the Company, (ii) any provision of any contract, license, repurchase agreement, indenture, mortgage, deed of trust, bank loan or credit agreement, note, lease or other evidence of indebtedness, or any lease, contract or other agreement or instrument to which the Company is a party or by which the Company or any of its assets or properties may be bound or affected, the effect of which could have a Company Material Adverse Effect or (iii) under any federal, state, local or foreign law, regulation or rule or any decree, judgment or order applicable to the Company. As used herein, a "Repayment Event" means any event or condition which gives the holder of any note, debenture or other evidence of indebtedness (or any person acting on such holder's behalf) the right to require the repurchase, redemption or repayment of all or a portion of such indebtedness by the Company or any subsidiary.

(k) All of the issued and outstanding shares of capital stock, including the Common Stock, of the Company have been duly and validly authorized and issued and are fully paid and non-assessable, have been issued in compliance with all federal and state securities laws and were not issued in violation of any preemptive right, resale right, right of first refusal or similar right.

(l) This Agreement has been duly authorized, executed and delivered by the Company.

(m) Reserved.

(n) The capital stock of the Company, including the Shares, conforms and will conform in all material respects to the description thereof contained in the Registration Statement, the Prospectus or any Permitted Free Writing Prospectus and such description conforms to the rights set forth in the instruments defining the same. If certificated, the global certificates representing the Shares are in due and proper form and the holders of the Shares will not be subject to personal liability by reason of being such holders.

(o) The Shares have been duly and validly authorized by the Company for issuance and sale pursuant to this Agreement and, when issued and delivered against payment therefor as provided herein, will be duly and validly issued and fully paid and non-assessable, free and clear of any pledge, lien, encumbrance, security interest or other claim, and will be registered pursuant to Section 12 of the Exchange Act.

(p) No approval, authorization, consent or order of or filing with any national, state or local governmental or regulatory commission, board, body, authority or agency is required in connection with the issuance and sale of the Shares or the consummation by the Company of the transaction contemplated hereby other than (i) registration of the Shares under the Act, (ii) any necessary qualification under the securities or blue sky laws of the various jurisdictions in which the Shares are being offered by the Sales Agent and (iii) such approvals in connection with the approval of the listing of the Shares on the New York Stock Exchange LLC (the "NYSE").

(q) No person, as such term is defined in Rule 1-02 of Regulation S-X promulgated under the Act (each, a "Person"), has the right, contractual or otherwise, to cause the Company to issue to it any shares of capital stock or other securities of the Company upon the issue and sale of the Shares to the Sales Agent hereunder, nor does any Person have preemptive rights, co-sale rights, rights of first refusal or other rights to purchase or subscribe for any of the Shares or any securities or obligations convertible into or exchangeable for, or any contracts or commitments to

issue or sell any of, the Shares or any options, rights or convertible securities or obligations, other than those that have been expressly waived prior to the date hereof.

(r) Ernst & Young LLP (the "Accountants"), whose report on the consolidated financial statements of the Company is filed with the Commission as part of the Registration Statement and the Prospectus, are and, during the periods covered by their reports, were independent public accountants as required by the Act.

(s) Each of the Company and its subsidiaries has all necessary licenses, authorizations, consents and approvals and has made all necessary filings required under any federal, state, local or foreign law, regulation or rule, and has obtained all necessary permits, authorizations, consents and approvals from other Persons, in order to conduct its business as described in the Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any, except as such as could not have a Company Material Adverse Effect. Neither the Company nor any of its subsidiaries is required by any applicable law to obtain accreditation or certification from any governmental agency or authority in order to provide the products and services which it currently provides or which it proposes to provide as set forth in the Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any, except as such could not have a Company Material Adverse Effect. Neither the Company nor any of its subsidiaries is in violation of, or in default under, any such license, permit, authorization, consent or approval or any federal, state, local or foreign law, regulation or rule or any decree, order or judgment applicable to the Company or any of its subsidiaries, the effect of which could have a Company Material Adverse Effect.

(t) The descriptions in the Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any, of the legal or governmental proceedings, contracts, leases and other legal documents therein described present fairly in all material respects the information required to be shown, and there are no legal or governmental proceedings, contracts, leases or other documents of a character required to be described in the Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any, or to be filed as exhibits to the Registration Statement which are not described or filed as required. All agreements between the Company and third parties expressly referenced in the Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any, are legal, valid and binding obligations of the Company, enforceable in accordance with their respective terms, except to the extent enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws affecting creditors' rights generally and by general equitable principles and except to the extent that any indemnification provision thereof may be limited by public policy considerations in respect thereof.

(u) Except as set forth in the Registration Statement, the Prospectus or a Permitted Free Writing Prospectus, there are no actions, suits, claims, investigations, inquiries or proceedings pending or, to the best of the Company's knowledge, threatened to which the Company or any of the subsidiaries or any of their respective officers or directors is a party or of which any of its properties or other assets is subject at law or in equity, or before or by any federal, state, local or foreign governmental or regulatory commission, board, body, authority or agency which could result in a judgment, decree or order having a Company Material Adverse Effect.

(v) Except as otherwise may be disclosed therein, subsequent to the respective dates as of which information is given in the Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any, there has not been (i) any Company Material Adverse Effect, or any development which would reasonably be expected to cause a Company Material Adverse Effect, in the business, properties or assets described or referred to in the Registration Statement,

the Prospectus and the Permitted Free Writing Prospectuses, if any, or the results of operations, condition (financial or otherwise), net worth, business, prospects or operations of the Company and its subsidiaries, taken as a whole, (ii) any transaction which is material to the Company and its subsidiaries, taken as a whole, except transactions in the ordinary course of business, (iii) any obligation, direct or contingent, which is material to the Company and its subsidiaries, taken as a whole, incurred by the Company or any subsidiary, except obligations incurred in the ordinary course of business, (iv) any change in the capital stock or, except in the ordinary course of business, outstanding indebtedness of the Company or any subsidiary or (v) except for regular quarterly dividends on the outstanding shares of preferred stock (collectively, the "Preferred Stock") and the Common Stock, in amounts per share that are consistent with past practice and the descriptions thereof in the Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any, any dividend or distribution of any kind declared, paid or made by the Company on any class of its capital stock. There are no contingent obligations that are material to the Company and its subsidiaries, taken as a whole, which are not disclosed in the Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any.

(w) Except as set forth in the Registration Statement, the Prospectus or a Permitted Free Writing Prospectus, there are no Persons with registration or other similar rights to have any equity or debt securities, including securities which are convertible into or exchangeable for equity securities, registered pursuant to the Registration Statement or otherwise registered by the Company under the Act.

(x) The Company (i) does not have any issued and outstanding preferred stock, other than the shares of Preferred Stock, in such number and series, as are described in the Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any, (ii) has not failed to pay any dividend or sinking fund installment on preferred stock and (iii) has not defaulted on any installment on indebtedness for borrowed money or on any rental on one or more long term leases, which defaults would have a Company Material Adverse Effect on the financial position of the Company and its subsidiaries, taken as a whole. The Company has not filed a report pursuant to Section 13(a) or 15(d) of the Exchange Act since the filing of its last annual report on Form 10-K, indicating that it (i) has failed to pay any dividend or sinking fund installment on the Preferred Stock or (ii) has defaulted on any installment on indebtedness for borrowed money or on any rental on one or more long term leases, which defaults would have a Company Material Adverse Effect.

(y) Neither the Company nor any of its officers, directors and controlling Persons have, directly or indirectly, (i) taken any action designed to cause or to result in, or that has constituted or which might reasonably be expected to constitute, the stabilization or manipulation of the price of the Common Stock to facilitate the sale of the Shares, or (ii) (except pursuant to this Agreement, shares of the Company's Common Stock issued pursuant to the Company's dividend reinvestment and share purchase plan (the "DRSPP"), as may have been incurred in connection with the Company's publicly disclosed repurchase of Common Stock and the retirement of the Company's long-term indebtedness) (A) sold, bid for, purchased, or paid anyone any compensation for soliciting purchases of, the Shares or, (B) other than as disclosed in the Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any, during the one hundred eighty (180) day period preceding the date of this Agreement, paid or agreed to pay to any Person any compensation for soliciting another to purchase any other securities of the Company.

(z) The Company has applied to have the Shares listed on the NYSE, and the Shares will have been approved for listing on the NYSE as of the time of purchase, subject only to official notice of issuance.

(aa) Neither the Company nor any of its affiliates, except for Arcola, (i) is required to register as a "broker" or "dealer" in accordance with the provisions of the Exchange Act or (ii) directly or indirectly through one or more intermediaries, controls or has any other association with (within the meaning of Article I of the Bylaws of the Financial Industry Regulatory Authority, Inc. ("FINRA")) any member firm of FINRA.

(ab) Any certificate signed by any officer of the Company delivered to the Sales Agent or to counsel for the Sales Agent pursuant to or in connection with this Agreement shall be deemed a representation and warranty by the Company to the Sales Agent as to the matters covered thereby.

(ac) As of the date of this Agreement, the Company has no plan or intention to materially alter its capital investment policy or investment allocation strategy, both as described in the Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any, and is in compliance with its stated capital investment policy and investment allocation strategy. Each of the Company and its subsidiaries has good and marketable title to all of the properties and assets owned by them, in each case free and clear of any security interests, liens, encumbrances, equities, claims and other defects (except for any security interest, lien, encumbrance or claim that may otherwise exist under any applicable repurchase agreement or loan agreement), except such as do not have a Company Material Adverse Effect and do not interfere with the use made or proposed to be made of such property or asset by the Company or any subsidiary, and except as described in or contemplated by the Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any. The Company owns no real property that is material, on an individual basis, to the Company. Any real property and buildings held under lease by the Company or any subsidiary are held under valid, existing and enforceable leases, with such exceptions as are disclosed in the Prospectus or are not material and do not interfere with the use made or proposed to be made of such property and buildings by the Company.

(ad) The Company has filed all federal and material state and foreign income and franchise tax returns required to be filed on or prior to the date hereof and has paid taxes shown as due thereon (or that are otherwise due and payable), other than taxes which are being contested in good faith and for which adequate reserves have been established in accordance with generally accepted accounting principles. The Company has no knowledge, after due inquiry, of any tax deficiency which has been asserted or threatened against the Company. To the knowledge of the Company, there are no tax returns of the Company that are currently being audited by federal, state or local taxing authorities or agencies which would have a Company Material Adverse Effect.

(ae) The Company owns or possesses adequate license or other rights to use all patents, trademarks, service marks, trade names, copyrights, software and design licenses, trade secrets, manufacturing processes, other intangible property rights and know-how (collectively, "Intangibles") necessary to entitle the Company to conduct its business as described in the Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any, and the Company has not received notice of infringement of or conflict with (and the Company knows of no such infringement of or conflict with) asserted rights of others with respect to any Intangibles which could have a Company Material Adverse Effect.

(af) The Company maintains a system of internal accounting controls sufficient to provide reasonable assurance that (i) transactions are executed in accordance with management's general or specific authorizations, (ii) transactions are recorded as necessary to permit preparation of financial statements in conformity with generally accepted accounting principles as applied in the United States and to maintain asset accountability, (iii) access to assets is

permitted only in accordance with management's general or specific authorization, (iv) the recorded accountability for assets is compared with the existing assets at reasonable intervals and appropriate action is taken with respect to any differences and (v) the interactive data in eXtensible Business Reporting Language incorporated by reference in the Registration Statement, the Prospectus and any Permitted Free Writing Prospectus fairly present the information called for in all material respects and is prepared in accordance with the Commission's rules and guidelines applicable thereto.

(ag) The Company has established and maintains disclosure controls and procedures (as such term is defined in Rule 13a-14 and 15d-14 under the Exchange Act); such disclosure controls and procedures are designed to ensure that material information relating to the Company is made known to the Company's Chief Executive Officer and its Chief Financial Officer, and such disclosure controls and procedures are effective to perform the functions for which they were established; any significant material weaknesses in internal controls have been identified for the Company's Chief Executive Officer and its Chief Financial Officer; and since the date of the most recent evaluation of such disclosure controls and procedures, there have been no significant changes in internal controls or in other factors that could significantly affect internal controls.

(ah) The Company is insured by insurers of recognized financial responsibility against such losses and risks and in such amounts as are prudent and customary in the business in which it is engaged. The Company has no reason to believe that it will not be able to renew its existing insurance coverage as and when such coverage expires or to obtain similar coverage from similar insurers as may be necessary to continue its business at a cost that would not have a Company Material Adverse Effect.

(ai) Except as set forth in the Registration Statement, the Prospectus or a Permitted Free Writing Prospectus, the Company is not in violation, and has not received notice of any violation with respect to, any applicable environmental, safety or similar law applicable to the business of the Company. The Company has received all permits, licenses or other approvals required of them under applicable federal and state occupational safety and health and environmental laws and regulations to conduct its business, and the Company is in compliance with all terms and conditions of any such permit, license or approval, except any such violation of law or regulation, failure to receive required permits, licenses or other approvals or failure to comply with the terms and conditions of such permits, licenses or approvals which could not, singly or in the aggregate, have a Company Material Adverse Effect.

(aj) Neither the Company nor any of its subsidiaries has incurred any liability for any finder's fees or similar payments in connection with the transactions herein contemplated, except as may otherwise exist with respect to the Sales Agent pursuant to this Agreement.

(ak) Except as set forth in the Registration Statement, the Prospectus or a Permitted Free Writing Prospectus, there are no existing or threatened labor disputes with the employees of the Company which are likely to have individually or in the aggregate a Company Material Adverse Effect.

(al) No relationship, direct or indirect, exists between or among the Company or any of its subsidiaries, on the one hand, and the directors, officers and stockholders of the Company, on the other hand, which is required by the Act to be described in the Registration Statement and the Prospectus that is not so described.

(am) The Company, since its date of inception, has been, and upon the sale of the Shares will continue to be, organized and operated in conformity with the requirements for

qualification and taxation as a "real estate investment trust" (a "REIT") under Sections 856 through 860 of the Internal Revenue Code of 1986, as amended and the regulations and published interpretations thereunder (collectively, the "Code"), for all taxable years commencing with its taxable year ended December 31, 1997. The proposed method of operation of the Company as described in Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any, will enable the Company to continue to meet the requirements for qualification and taxation as a REIT under the Code, and no actions have been taken (or not taken which are required to be taken) which would cause such qualification to be lost. The Company intends to continue to operate in a manner which would permit it to qualify as a REIT under the Code. The Company has no intention of changing its operations or engaging in activities which would cause it to fail to qualify, or make economically undesirable its continued qualification, as a REIT.

(an) Neither the Company nor any subsidiary is and, after giving effect to the offering and sale of the Shares, will be required to register as an "investment company" or an entity "controlled" by an "investment company," as such terms are defined in the Investment Company Act of 1940, as amended (the "Investment Company Act").

(ao) To the Company's knowledge, no relationship, direct or indirect, exists between or among the Company or any subsidiary, on the one hand, and the officers, 10% stockholders or directors of the Company or any subsidiary, on the other hand, which is required by the rules of FINRA to be described in the Registration Statement and the Prospectus which is not so described.

(ap) The Company has not, directly or indirectly, including through any subsidiary, extended credit, arranged to extend credit, or renewed any extension of credit, in the form of a personal loan, to or for any director or executive officer of the Company, or to or for any family member or affiliate of any director or executive officer of the Company.

(aq) Neither the Company nor any of the subsidiaries nor, to the Company's knowledge, any employee or agent of the Company or the subsidiaries has made any payment of funds of the Company or the subsidiaries or received or retained any funds in violation of any law, rule or regulation, which payment, receipt or retention of funds is of a character required to be disclosed in the Registration Statement or the Prospectus.

(ar) The Company is in compliance with all applicable provisions of the Sarbanes-Oxley Act of 2002 and the rules and regulations promulgated thereunder.

(as) The Common Stock is an "actively traded security" excepted from the requirements of Rule 101 of Regulation M under the Exchange Act by subsection (c)(1) of such rule.

(at) Other than any Terms Agreement or the Alternative Agreements, the Company has not entered into any other sales agency or distribution agreements or similar arrangements with any agent or other representative in respect of the Shares and the equity shelf program established by the Distribution Agreements, the terms of which have not been properly and duly waived.

(au) The operations of the Company and its subsidiaries are and have been conducted at all times in material compliance with all applicable financial recordkeeping and reporting requirements, including those of the Bank Secrecy Act, as amended by Title III of the Uniting and Strengthening America by Providing Appropriate Tools Required to intercept and Obstruct Terrorism Act of 2001 (USA PATRIOT Act), as amended, and the applicable anti-money

laundering statutes of jurisdictions where the Company and its subsidiaries conduct business, the rules and regulations thereunder and any related or similar rules, regulations or guidelines, issued, administered or enforced by any governmental agency (collectively, the "Anti-Money Laundering Laws"), and no action, suit or proceeding by or before any court or governmental agency, authority or body or any arbitrator involving the Company or any of its subsidiaries with respect to Anti-Money Laundering Laws is pending or, to the best knowledge of the Company, threatened.

(av) (A) Neither the Company nor any of its subsidiaries, nor any director, officer or employee thereof, nor, to the Company's knowledge, any agent, affiliate or representative of the Company or any of them, is an individual or entity ("Covered Person") that is, or is owned or controlled by a Covered Person that is:

(i) the subject of any sanctions administered or enforced by the U.S. Department of Treasury's Office of Foreign Assets Control ("OFAC"), the United Nations Security Council, the European Union, His Majesty's Treasury or other relevant sanctions authority (collectively, "Sanctions"); nor

(ii) located, organized or resident in a country or territory that is the subject of Sanctions (including, without limitation, the so-called Donetsk People's Republic, the so-called Luhansk People's Republic, the Kherson, the non-government controlled areas of the Kherson and Zaporizhzhia regions of Ukraine, and any other Covered Region of Ukraine identified pursuant to Executive Order 14065, the Crimea region of Ukraine, Cuba, Iran, North Korea, Syria and Venezuelan State-owned entities).

(A) The Company will not use the proceeds of the offering, or lend, contribute or otherwise make available such proceeds to any subsidiary, joint venture partner or other Covered Person:

(i) to fund or facilitate any activities or business of or with any Covered Person or in any country or territory that, at the time of such funding or facilitation, is the subject of Sanctions; or

(ii) in any other manner that will result in a violation of Sanctions by any Covered Person (including any Covered Person participating in the offering, whether as underwriter, advisor, investor or otherwise).

(B) The Company and its subsidiaries have not knowingly engaged in, are not now knowingly engaged in, and will not engage in, any dealings or transactions with any Covered Person, or in any country or territory, that at the time of the dealing or transaction is or was the subject of Sanctions.

(C) Neither the Company nor any of its subsidiaries, nor any director, officer or, to the Company's knowledge, employee thereof, nor, to the Company's knowledge, any agent, affiliate or representative of the Company or any of them: (i) has used any corporate funds for any unlawful contribution, gift, entertainment or other unlawful expense relating to political activity; (ii) has made any direct or indirect unlawful contribution or payment to any official of, or candidate for, or any employee of, any federal, state or foreign office from corporate funds; (iii) has made any bribe, unlawful rebate, payoff, influence payment, kickback or other unlawful payment; or (iv) is aware of or has taken any action, directly or indirectly, that would result in a violation by such persons of the OECD Convention on Bribery of Foreign Public Officials in International

Business Transactions, the Foreign Corrupt Practices Act of 1977, as amended, and the rules and regulations thereunder (collectively, the "FCPA") or any similar law or regulation to which the Company, any of its subsidiaries, any director, officer, agent, employee, affiliate or other person associated with or acting on behalf of the Company or any of its subsidiaries is subject. The Company, its subsidiaries and their affiliates have each conducted its businesses in compliance with the FCPA and any applicable similar law or regulation and have instituted and maintain policies and procedures designed to ensure, and which are reasonably expected to continue to ensure, continued compliance therewith.

SECTION 3. Reserved.

SECTION 4. Sale and Delivery of Securities. (a) On the basis of the representations, warranties and agreements herein contained, but subject to the terms and conditions herein set forth, the Company agrees to issue and sell through the Sales Agent, as sales agent, and the Sales Agent agrees to use its commercially reasonable efforts to sell, as sales agent for the Company, the Shares on the following terms.

(i) The Shares are to be sold on a daily basis or otherwise as shall be agreed to by the Company and the Sales Agent on any day that (A) is a trading day for the NYSE (other than a day on which the NYSE is scheduled to close prior to its regular weekday closing time), (B) the Company has instructed the Sales Agent by telephone (confirmed promptly by electronic mail) (or as otherwise agreed to by the Company and the Sales Agent) from any of the individuals listed as authorized representatives of the Company on Schedule B hereto (the "Authorized Company Representatives") to make such sales and (C) the Company has satisfied its obligations under Section 8 of this Agreement. The Company will designate the maximum amount of the Shares to be sold by the Sales Agent daily as agreed to by the Sales Agent and in any event not in excess of the amount available for issuance under the currently effective Registration Statement relating to the sale of up to $2,000,000,000 of Shares as described in the prospectus supplement dated May 8, 2025, or any Registration Statement filed pursuant to Section 5(g), or in a number in excess of the number of Shares authorized from time to time to be issued and sold under this Agreement by the Company's board of directors, or a duly authorized committee thereof, and notified to the Sales Agent in writing (a "Placement Notice").

Subject to the terms and conditions hereof, the Sales Agent shall use its commercially reasonable efforts to offer and sell all of the Shares designated; provided, however, that the Sales Agent shall have no obligation to offer or sell any Shares, and the Company acknowledges and agrees that the Sales Agent shall have no such obligation, in the event an offer or sale of the Shares on behalf of the Company may in the judgment of the Sales Agent constitute the sale of a "block" under Rule 10b-18(a)(5) under the Exchange Act or a "distribution" within the meaning of Rule 100 of Regulation M under the Exchange Act or the Sales Agent reasonably believes it may be deemed an "underwriter" under the Act in a transaction that is other than by means of ordinary brokers' transactions between members of the NYSE that qualify for delivery of a Prospectus to the NYSE in accordance with Rule 153 under the Act (such transactions are hereinafter referred to as "At-the-Market Offerings").

(ii) Notwithstanding the foregoing, the Company, through any of the Authorized Company Representatives, may instruct the Sales Agent by telephone

(confirmed promptly by electronic mail) (or as otherwise agreed to by the Company and the Sales Agent) not to sell the Shares if such sales cannot be effected at or above the price designated by the Company in any such instruction. In addition, the Company or the Sales Agent may, upon notice to the other party hereto by telephone (confirmed promptly by electronic mail) (or as otherwise agreed to by the Company and the Sales Agent), suspend the offering of the Shares; provided, however, that such suspension shall not affect or impair the parties' respective obligations with respect to the Shares sold hereunder prior to the giving of such notice.

(iii) The Sales Agent hereby covenants and agrees not to make any sales of the Shares on behalf of the Company, pursuant to this Section 4(a), other than (A) by means of At-the-Market Offerings and (B) such other sales of the Shares on behalf of the Company in its capacity as agent of the Company as shall be agreed by the Company and the Sales Agent.

(iv) The compensation to the Sales Agent, as an agent of the Company, for sales of the Shares shall be up to 1.25% of the gross sales price of the Shares sold pursuant to this Section 4(a) or such lower amount as otherwise mutually agreed upon by the Company and the Sales Agent from time to time. The remaining proceeds, after further deduction for any transaction fees imposed by any governmental or self-regulatory organization in respect of such sales, shall constitute the net proceeds to the Company for such Shares (the "Net Proceeds").

(v) The Sales Agent shall provide written confirmation to the Company following the close of trading on the NYSE each day in which the Shares are sold under this Section 4(a) setting forth the amount of the Shares sold on such day, the Net Proceeds to the Company and the compensation payable by the Company to the Sales Agent with respect to such sales.

(vi) Settlement for sales of the Shares pursuant to this Section 4(a) will occur on the first business day following the date on which such sales are made or such other date as may be agreed by the Company and the Sales Agent (each such date, a "Settlement Date"). On each Settlement Date, the Shares sold through the Sales Agent for settlement on such date shall be issued and delivered by the Company to the Sales Agent against payment of the Net Proceeds for the sale of such Shares. Settlement for all such Shares shall be effected by free delivery of the Shares by the Company or its transfer agent to the Sales Agent's account, or to the account of the Sales Agent's designee, at The Depository Trust Company through its Deposit and Withdrawal at Custodian System ("DWAC") or by such other means of delivery as may be mutually agreed upon by the parties hereto, which in all cases shall be freely tradable, transferable, registered shares in good deliverable form, in return for payments in same day funds delivered to the account designated by the Company. If the Company, or its transfer agent (if applicable), shall default on its obligation to deliver the Shares on any Settlement Date, the Company shall (A) indemnify and hold the Sales Agent harmless against any loss, claim or damage arising from or as a result of such default by the Company and (B) pay the Sales Agent any commission to which it would otherwise be entitled absent such default. The Authorized Company Representatives shall be the contact persons for the Company for all matters related to the settlement of the transfer of the Shares through DWAC for purposes of this Section 4(a)(vi).

(vii) At each Time of Sale, Settlement Date and Representation Date (as defined in Section 5(q)), the Company shall be deemed to have affirmed each of their respective representations and warranties contained in this Agreement. Any obligation of

the Sales Agent to use its commercially reasonable efforts to sell the Shares on behalf of the Company shall be subject to the continuing accuracy of the representations and warranties of the Company herein, to the performance by the Company of its obligations hereunder and to the continuing satisfaction of the additional conditions specified in Section 8 of this Agreement.

(a) (i) If the Company wishes to issue and sell the Shares other than as set forth in Section 4(a) of this Agreement (each, a "Placement"), it will notify the Sales Agent of the proposed terms of such Placement. If the Sales Agent, acting as principal, wishes to accept such proposed terms (which it may decline to do for any reason in its sole discretion) or, following discussions with the Company, wishes to accept amended terms, the Sales Agent and the Company will enter into a Terms Agreement setting forth the terms of such Placement. In the event of a conflict between the terms of this Agreement and the terms of any Terms Agreement, the terms of such Terms Agreement will control.

(b) (i) Under no circumstances shall the aggregate number of Shares sold pursuant to this Agreement exceed the number of Shares authorized from time to time to be issued and sold under this Agreement by the Company's board of directors, or a duly authorized committee thereof, and notified to the Sales Agent in writing.

(i) If either party has reason to believe that the exemptive provisions set forth in Rule 101(c)(1) of Regulation M under the Exchange Act are not satisfied with respect to the Shares, it shall promptly notify the other party and sales of the Shares under this Agreement shall be suspended until that or other exemptive provisions have been satisfied in the judgment of each party.

(c) Each sale of the Shares to or through the Sales Agent shall be made in accordance with the terms of this Agreement or, if applicable, a Terms Agreement.

(d) Any offer, solicitation or sale of the Shares shall be effected by or through only one of the Agents on any single trading day.

(e) Subject to the limitations set forth herein and as may be mutually agreed upon by the Company and the Sales Agent, sales pursuant to this Agreement may not be requested by the Company and need not be made by the Sales Agent during any period in which the Company is or could be deemed to be, in possession of material non-public information.

(f) Notwithstanding any other provision of this Agreement, the Company shall not offer, sell or deliver, or request the offer or sale, of any Shares pursuant to this Agreement at any time during the period from and including the time the Company issues a press release containing, or shall otherwise publicly announce, its earnings, revenues or other operating results for a fiscal period or periods (each, an "Earnings Announcement") through and including the Representation Date that occurs in connection with the Company filing a Quarterly Report on Form 10-Q or an Annual Report on Form 10-K (a "Filing Time") that includes consolidated financial statements as of and for the same fiscal period or periods, as the case may be, covered by such Earnings Announcement, unless the Company shall first (i) prepare and deliver to the Sales Agent (with a copy to counsel for the Sales Agent) a Current Report on Form 8-K that includes substantially the same financial and related information that was included in such Earnings Announcement (other than any earnings projections and similar forward-looking data and officers' quotations) (each, an "Earnings 8-K"), in form and substance reasonably satisfactory to the Sales Agent, and, prior to its filing, obtain the written consent of the Sales Agent to such filing (which consent shall not be unreasonably withheld), (ii) provide the Sales Agent with the officers' certificates, opinions and letters of counsels and accountants' letter

specified in Sections 5(q) through 5(u), inclusive, hereof, (iii) afford the Sales Agent the opportunity to conduct a due diligence review in accordance with Section 5(v) hereof prior to filing such Earnings 8-K and (iv) file (rather than furnish) such Earnings 8-K with the Commission. For purposes of clarity, the parties hereto agree that (A) the delivery of any officers' certificates, opinions or letters of counsel or accountants' letter pursuant to this Section 4(g) shall not relieve the Company from any of its obligations under this Agreement with respect to any Quarterly Report on Form 10-Q or Annual Report on Form 10-K, as the case may be, including, without limitation, the obligation to deliver officers' certificates, opinions and letters of counsel and accountants' letters as provided in Sections 5(q) through 5(u), inclusive, hereof, and (B) this Section 4(g) shall in no way affect or limit the operation of Section 4(d) hereof, which shall have independent application.

(g) The Company acknowledges and agrees that (A) there can be no assurance that the Sales Agent will be successful in selling the Shares, (B) the Sales Agent will incur no liability or obligation to the Company or any other person or entity if it does not sell Shares for any reason other than a failure by the Sales Agent to use its commercially reasonable efforts consistent with its normal trading and sales practices and applicable law and regulations to sell such Shares in accordance with the terms of this Agreement, and (C) the Sales Agent shall be under no obligation to purchase Shares on a principal basis pursuant to this Agreement, except as otherwise specifically agreed by the Sales Agent and the Company.

SECTION 5. Covenants of the Company. The Company agrees with the Sales Agent:

(a) During the period in which a prospectus relating to the Shares is required to be delivered under the Act (whether physically, deemed to be delivered pursuant to Rule 153 or through compliance with Rule 172 under the Act or any similar rule), to notify the Sales Agent promptly of the time when any subsequent amendment to the Registration Statement has become effective or any subsequent supplement to the Basic Prospectus, the Prospectus or any Permitted Free Writing Prospectus has been filed; to prepare and file with the Commission, promptly upon the Sales Agent's request, any amendments or supplements to the Registration Statement, the Basic Prospectus, the Prospectus or any Permitted Free Writing Prospectus that, in the Sales Agent's reasonable opinion, may be necessary or advisable in connection with the offering of the Shares by the Sales Agent; and to cause each amendment or supplement to the Basic Prospectus or the Prospectus to be filed with the Commission as required pursuant to the applicable paragraph of Rule 424(b) of the Act or, in the case of any Incorporated Document, to be filed with the Commission as required pursuant to the Exchange Act, within the time period prescribed.

(b) To promptly advise the Sales Agent, confirming such advice in writing, of any suspension of the Sales Agent's obligations under Rule 15c2-8 under the Exchange Act or any request by the Commission for amendments or supplements to the Registration Statement, the Basic Prospectus, the Prospectus or any Permitted Free Writing Prospectus or for additional information with respect thereto, or of notice of examination, institution of proceedings for, or the entry of a stop order suspending the effectiveness of the Registration Statement and, if the Commission should enter a stop order suspending the effectiveness of the Registration Statement, to use its best efforts to obtain the lifting or removal of such order as soon as possible; to promptly advise the Sales Agent of any proposal to amend or supplement the Registration Statement, the Basic Prospectus or the Prospectus, and to provide the Sales Agent and its counsel copies of any such documents for review and comment a reasonable amount of time prior to any proposed filing and to file no such amendment or supplement (other than any prospectus supplement relating to the offering of other securities (including, without limitation, the Common Stock)) to which the Sales Agent shall have objected in writing.

(c) To make available to the Sales Agent, as soon as practicable after this Agreement becomes effective, and thereafter from time to time to furnish to the Sales Agent, as many copies of the Prospectus (or of the Prospectus as amended or supplemented if the Company shall have made any amendments or supplements thereto after the effective date of the Registration Statement) as the Sales Agent may request for the purposes contemplated by the Act; in case the Sales Agent is required to deliver (whether physically, deemed to be delivered pursuant to Rule 153 or through compliance with Rule 172 under the Act or any similar rule), in connection with the sale of the Shares, a prospectus after the nine-month period referred to in Section 10(a)(3) of the Act, or after the time a post-effective amendment to the Registration Statement is required pursuant to Item 512(a) of Regulation S-K under the Act, the Company will prepare, at its expense, promptly upon request such amendment or amendments to the Registration Statement and the Prospectus as may be necessary to permit compliance with the requirements of Section 10(a)(3) of the Act or Item 512(a) of Regulation S-K under the Act, as the case may be.

(d) Subject to Section 5(b) hereof, to file promptly all reports and documents and any preliminary or definitive proxy or information statement required to be filed by the Company with the Commission in order to comply with the Exchange Act for so long as a prospectus is required by the Act to be delivered (whether physically, deemed to be delivered pursuant to Rule 153 or through compliance with Rule 172 under the Act or any similar rule) in connection with any sale of Shares; and to provide the Sales Agent, for its review and comment, with a copy of such reports and statements and other documents to be filed by the Company pursuant to Section 13, 14 or 15(d) of the Exchange Act during such period a reasonable amount of time prior to any proposed filing, and to file no such report, statement or document to which the Sales Agent shall have objected in writing; and to promptly notify the Sales Agent of such filing.

(e) To pay the fees applicable to the Registration Statement in connection with the offering of the Shares within the time required by Rule 456(b)(1) (i) under the Act (without reliance on the proviso to Rule 456(b)(1)(i) under the Act) and in compliance with Rule 456(b) and Rule 457(r) under the Act.

(f) If at any time when Shares remain unsold by the Sales Agent the Company receives from the Commission a notice pursuant to Rule 401(g)(2) under the Act or otherwise ceases to be eligible to use the automatic shelf registration statement form, the Company will (a) promptly notify the Sales Agent, (b) promptly file a new registration statement or post-effective amendment on the proper form relating to the Shares, in a form satisfactory to the Sales Agent, (c) use its best efforts to cause such registration statement or post-effective amendment to be declared effective as soon as practicable (if such filing is not otherwise effective immediately pursuant to Rule 462 under the Act) and (d) promptly notify the Sales Agent of such effectiveness. The Company will take all other action necessary or appropriate to permit the public offering and sale of the Shares to continue as contemplated in the Registration Statement that was the subject of the notice under Rule 401(g)(2) under the Act or for which the Company has otherwise become ineligible. References herein to the Registration Statement relating to the Shares shall include such new registration statement or post-effective amendment, as the case may be.

(g) If immediately prior to the third anniversary (the "Renewal Deadline") of the initial effective date of the Registration Statement, any of the Shares remain unsold by the Sales Agent, the Company will, prior to the Renewal Deadline file, if it has not already done so and is eligible to do so, a new automatic shelf registration statement relating to the Shares, in a form satisfactory to the Sales Agent. If the Company is not eligible to file an automatic shelf registration statement, the Company will, prior to the Renewal Deadline, if it has not already done so, file a new shelf registration statement relating to the Shares, in a form satisfactory to the

Sales Agent, and will use its best efforts to cause such registration statement to be declared effective within 180 days after the Renewal Deadline. The Company will take all other action necessary or appropriate to permit the public offering and sale of the Shares to continue as contemplated in the expired registration statement. References herein to the Registration Statement shall include such new automatic shelf registration statement or such new shelf registration statement, as the case may be.

(h) To promptly notify the Sales Agent of the happening of any event that could require the making of any change in the Prospectus then being used so that the Prospectus would not include an untrue statement of material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they are made, not misleading, and, during any period during which a prospectus is required to be delivered (whether physically, deemed to be delivered pursuant to Rule 153 or through compliance with Rule 172 under the Act or any similar rule) in connection with any sale of Shares, subject to Section 5(b), to prepare and furnish, at the Company's expense, to the Sales Agent promptly such amendments or supplements to such Prospectus as may be necessary to reflect any such change.

(i) To furnish such information as may be required and otherwise to cooperate in qualifying the Shares for offering and sale under the securities or blue sky laws of such states or other jurisdictions as the Sales Agent may designate and to maintain such qualifications in effect so long as required for the distribution of the Shares; provided, however, that the Company shall not be required to qualify as a foreign corporation or to consent to the service of process under the laws of any such jurisdiction (except service of process with respect to the offering and sale of the Shares); and to promptly advise the Sales Agent of the receipt by the Company of any notification with respect to the suspension of the qualification of the Shares for offer or sale in any jurisdiction or the initiation or threatening of any proceeding for such purpose.

(j) To make generally available to its security holders, and to deliver to the Sales Agent, an earnings statement of the Company (which will satisfy the provisions of Section 11(a) of the Act) covering a period of twelve months beginning after the effective date of the Registration Statement (as defined in Rule 158(c) of the Act) as soon as is reasonably practicable after the termination of such twelve-month period but not later than eighteen months after the effective date of the Registration Statement (as such date is defined in Rule 158(c) under the Act).

(k) To apply the net proceeds from the sale of the Shares in the manner set forth under the caption "Use of Proceeds" in the Prospectus Supplement or, if not so specified, in the Prospectus, and if not so specified, in the Basic Prospectus.

(l) Until the settlement of sale of all Common Stock being offered pursuant to this Agreement, at any time that sales of the Common Stock have been made but not settled or at any time the Company has outstanding with the Sales Agent any instructions to sell the Common Stock but such instructions have not been fulfilled or cancelled, the Company will not sell, offer to sell, contract or agree to sell, hypothecate, pledge, grant any option to sell or otherwise dispose of or agree to dispose of, directly or indirectly, any shares of the Common Stock or securities convertible into or exchangeable or exercisable for the Common Stock or warrants or other rights to purchase the Common Stock or any other securities of the Company that are substantially similar to the Common Stock or permit the registration under the Act of any shares of the Common Stock, including pursuant to another Distribution Agreement, in each case without giving the Sales Agent at least three business days' prior written notice specifying the nature of the proposed sale and the date of such proposed sale. Notwithstanding the foregoing, the Company may (i) register the offer and sale of the Shares through the Sales Agent pursuant to

this Agreement; (ii) issue Common Stock, restricted stock, options or other units or awards pursuant to the Company's long term stock incentive plans as currently in effect (or file a Form S-8 related to such plans) or pursuant to the exercise of employee stock options or other awards; (iii) issue Common Stock pursuant to the DRSPP or any successor dividend reinvestment or share purchase plan (or the filing of a Form S-3 related to such a plan) and (iv) offer or issue any series of preferred stock that is not convertible into shares of Common Stock other than in connection with a "change of control." For the avoidance of doubt, the Company will not be prohibited from issuing Common Stock upon the election by a holder of Preferred Stock to convert Preferred Stock into Common Stock. In the event that notice of a proposed sale is provided by the Company pursuant to this Section 5(l), the Sales Agent may suspend activity under this program for such period of time as may be requested by the Company or as may be deemed appropriate by the Sales Agent.

(m) Not, at any time at or after the execution of this Agreement, to offer or sell any Shares by means of any "prospectus" (within the meaning of the Act), or use any "prospectus" (within the meaning of the Act) in connection with the offer or sale of the Shares, in each case other than the Prospectus.

(n) The Company will not, and will cause its subsidiaries not to, take, directly or indirectly, any action designed, or which will constitute, or has constituted, or might reasonably be expected to cause or result in the stabilization or manipulation of the price of any security of the Company to facilitate the sale or resale of the Shares.

(o) To use its best efforts to cause the Common Stock to be listed on the NYSE and to maintain such listing.

(p) To advise the Sales Agent immediately after it shall have received notice or obtain knowledge thereof, of any information or fact that would alter or affect any opinion, certificate, letter and other document provided to the Sales Agent pursuant to Section 8 herein.

(q) Upon commencement of the offering of the Shares under this Agreement, and within four trading days of each time that (i) the Registration Statement or the Prospectus shall be amended or supplemented (other than pursuant to subclause (ii) below and other than a prospectus supplement filed pursuant to Rule 424(b) under the Act relating solely to the offering of securities other than the Shares), (ii) there is filed with the Commission any document incorporated by reference into the Prospectus (other than a Current Report on Form 8-K, unless the Sales Agent shall otherwise reasonably request), or (iii) otherwise as the Sales Agent may reasonably request (the date of commencement of the offering of the Shares under this Agreement and each date referred to in subclauses (i), (ii) and (iii) above, each a "Representation Date"), the Company shall furnish or cause to be furnished to the Sales Agent forthwith a certificate dated as of such delivery date, in form satisfactory to the Sales Agent to the effect that the statements contained in the certificate referred to in Section 8(e)(i) of this Agreement which were last furnished to the Sales Agent are true and correct as of such delivery date, as though made at and as of such date (except that such statements shall be deemed to relate to the Registration Statement and the Prospectus as amended and supplemented to such date) or, in lieu of such certificate, a certificate of the same tenor as the certificate referred to in said Section 8(e)(i), modified as necessary to relate to the Registration Statement and the Prospectus as amended and supplemented to the time of delivery of such certificate. The requirement to provide a certificate under this Section 5(q) shall be waived for any Representation Date occurring at a time at which no Placement Notice is pending, which waiver shall continue until the earlier to occur of the date the Company delivers a Placement Notice hereunder or under any Alternative Agreement (which for such calendar quarter shall be considered a Representation Date) and the next occurring Representation Date. Notwithstanding the foregoing, if the

Company subsequently decides to sell Shares through the Sales Agent or any Alternative Agent following a Representation Date when the Company relied on such waiver and did not provide the Agents with a certificate under this Section 5(q), then before the Company delivers the Placement Notice or the Sales Agent or any Alternative Agent sells any Shares, the Company shall provide the Sales Agent with such certificate, dated the date of the Placement Notice.

(r) On or prior to four trading days after each Representation Date with respect to which the Company is obligated to deliver a certificate under Section 8(e) for which no waiver is applicable, the Company shall furnish or cause to be furnished forthwith to the Sales Agent written opinions of (i) Davis Polk & Wardwell LLP, special counsel for the Company (including negative assurance), (ii) Hunton Andrews Kurth LLP, tax counsel for the Company, (iii) Venable LLP, Maryland counsel for the Company and (iv) Anthony C. Green, Chief Corporate Officer, Chief Legal Officer and Secretary for the Company or other counsels satisfactory to the Sales Agent, dated and delivered as of such delivery date, in form and substance satisfactory to the Sales Agent, of the same tenor as the opinions referred to in Section 8(c) of this Agreement, but modified as necessary to relate to the Registration Statement and the Prospectus as amended and supplemented to the time of delivery of such opinions.

(s) On or prior to four trading days after each Representation Date with respect to which the Company is obligated to deliver a certificate under Section 8(e) for which no waiver is applicable, the Company shall furnish or cause to be furnished to the Sales Agent forthwith a certificate of the Secretary of the Company, dated and delivered as of such delivery date, in form and substance satisfactory to the Sales Agent.

(t) On or prior to four trading days after each Representation Date with respect to which the Company is obligated to deliver a certificate under Section 8(e) for which no waiver is applicable, Cravath, Swaine & Moore LLP, counsel to the Sales Agent, shall deliver a written opinion, dated and delivered as of such delivery date, in form and substance satisfactory to the Sales Agent.

(u) On or prior to four trading days after each Representation Date with respect to which the Company is obligated to deliver a certificate under Section 8(e) for which no waiver is applicable, the Company shall cause the Accountants or other independent accountants satisfactory to the Sales Agent, forthwith to furnish to the Sales Agent a letter, dated as of such delivery date, in form and substance satisfactory to the Sales Agent, of the same tenor as the letter referred to in Section 8(d) of this Agreement but modified to relate to the Registration Statement and the Prospectus, as amended and supplemented to the date of such letter. Notwithstanding anything else contained herein to the contrary, other than as set forth in this Section 5(u) and Section 8(d) of this Agreement the Company shall be under no additional obligations to cause the Accountants to provide a letter to the Sales Agent, provided however, so long as this Agreement remains in effect, to the extent the Sales Agent reasonably believes it needs such a letter at some time other than as required under this Section 5(u) and Section 8(d), the Sales Agent may suspend the offering of the Shares in accordance with Section 4(a)(ii) of this Agreement, if such letter is not delivered.

(v) At each Representation Date with respect to which the Company is obligated to deliver a certificate under Section 8(e) for which no waiver is applicable, to conduct a due diligence session, in form and substance, satisfactory to the Sales Agent, which shall include representatives of the management and the accountants of the Company.

(w) That the Company consents to the Sales Agent trading in the Common Stock for the Sales Agent's own account and for the account of its clients at the same time as sales of the Shares occur pursuant to this Agreement.

(x) If to the knowledge of the Company, any condition set forth in Section 8(a) or Section 8(h) of this Agreement shall not have been satisfied on the applicable Settlement Date, to offer to any person who has agreed to purchase the Shares from the Company as the result of an offer to purchase solicited by the Sales Agent the right to refuse to purchase and pay for such Shares.

(y) To disclose in its quarterly reports on Form 10-Q and in its annual report on Form 10-K the number of the Shares sold through or to the Sales Agent under this Agreement, the Net Proceeds to the Company and the compensation paid by the Company with respect to sales of the Shares pursuant to this Agreement during the relevant quarter.

(z) To ensure that prior to instructing the Sales Agent to sell Shares the Company shall have obtained all necessary corporate authority for the offer and sale of such Shares.

(aa) That each acceptance by the Company of an offer to purchase the Shares hereunder shall be deemed to be an affirmation to the Sales Agent that the representations and warranties of the Company contained in or made pursuant to this Agreement are true and correct as of the date of such acceptance as though made at and as of such date, and an undertaking that such representations and warranties will be true and correct as of the Settlement Date for the Shares relating to such acceptance, as though made at and as of such date (except that such representations and warranties shall be deemed to relate to the Registration Statement and the Prospectus as amended and supplemented relating to such Shares).

(ab) The Company has been organized and operated in conformity with the requirements for qualification and taxation of the Company as a REIT under the Code, and the Company's proposed methods of operation will enable the Company to continue to meet the requirements for qualification and taxation as a REIT under the Code.

(ac) The Company has retained the Accountants as its qualified accountants and qualified tax experts (i) to test procedures and conduct annual compliance reviews designed to determine compliance with the REIT provisions of the Code and the Company's exempt status under the Investment Company Act and (ii) to otherwise assist the Company in monitoring appropriate accounting systems and procedures designed to determine compliance with the REIT provisions of the Code and the Company's exempt status under the Investment Company Act.

SECTION 6. Reserved.

SECTION 7. Payment of Expenses. The Company agrees with the Sales Agent that whether or not the transactions contemplated hereunder are consummated or this Agreement is terminated, to pay all of its expenses incident to the performance of its obligations hereunder, including, but not limited to, such costs, expenses, fees and taxes in connection with (i) the preparation and filing of the Registration Statement, the Basic Prospectus, the Prospectus Supplement, the Prospectus, each Permitted Free Writing Prospectus and any amendments or supplements thereto, and the printing and furnishing of copies of each thereof to the Sales Agent (including costs of mailing and shipment), (ii) the registration, issue, sale and delivery of the Shares including any stock or transfer taxes and stamp or similar duties payable upon the sale, issuance or delivery of the Shares, (iii) the producing, word processing and/or printing of this Agreement, any Powers of Attorney and any closing documents (including compilations thereof) and the reproduction and/or printing and furnishing of copies of each thereof to the Sales Agent (including costs of mailing and shipment), (iv) the qualification of the Shares for offering and sale under state laws and the determination of their eligibility for investment under state law as aforesaid (including the reasonable legal fees and filing fees and other disbursements of counsel for the Sales Agent) and the printing and furnishing of copies of any blue sky surveys to the

Sales Agent, (v) the listing of the Shares on any securities exchange or qualification of the Shares for quotation on the NYSE and any registration thereof under the Exchange Act and (vi) any filing for review of the public offering of the Shares by FINRA, including the reasonable legal fees and disbursements of counsel for the Sales Agent relating to FINRA matters. The Sales Agent will pay all of its other out-of-pocket costs and expenses incurred in connection with entering into this Agreement and the transactions contemplated by this Agreement, including, without limitation, travel, reproduction, printing and similar expenses.

SECTION 8. Conditions of Sales Agent's Obligations. The obligations of the Sales Agent hereunder are subject to (i) the accuracy of the representations and warranties on the part of the Company on the date hereof, any applicable date referred to in Section 5(q) of this Agreement and as of each Settlement Date, (ii) the performance by the Company of its obligations hereunder and (iii) to the following additional conditions precedent.

(a) (i) No stop order with respect to the effectiveness of the Registration Statement shall have been issued under the Act or proceedings initiated under Section 8(d) or 8(e) of the Act, and no order directed at or in relation to any document incorporated by reference therein and no order preventing or suspending the use of the Prospectus has been issued by the Commission, the Commission shall not have notified the Company of any objection to the use of the form of the Registration Statement or any post-effective amendment thereto, and no suspension of the qualification of the Shares for offering or sale in any jurisdiction, or to the knowledge of the Company or the Sales Agent of the initiation or threatening of any proceedings for any of such purposes, has occurred; (ii) the Registration Statement and all amendments thereto, or modifications thereof, if any, shall not contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading; (iii) none of the Basic Prospectus or the Prospectus, and no amendment or supplement thereto, or modification thereof, if any, shall include an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary in order to make the statements therein, in the light of the circumstances under which they are made, not misleading; (iv) no Prospectus, together with any combination of one or more of the Permitted Free Writing Prospectuses, if any, and no amendment or supplement thereto, shall include an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they are made, not misleading; and (v) none of the Permitted Free Writing Prospectuses, if any, shall include an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they are made, not misleading.

(b) Subsequent to the respective dates as of which information is given in the Registration Statement, the Basic Prospectus, the Prospectus and the Permitted Free Writing Prospectuses, if any, (i) no material and unfavorable change, financial or otherwise (other than as referred to in the Registration Statement and the Prospectus), in the business, condition, net worth or prospects of the Company and its subsidiaries, taken as a whole, in the judgment of the Sales Agent, shall occur or become known and (ii) no transaction which is material and unfavorable to the Company or any of its subsidiaries, taken as a whole (other than as referred to in the Registration Statement and Prospectus), in the judgment of the Sales Agent, shall have been entered into by the Company or any of its subsidiaries.

(c) The Company shall furnish to the Sales Agent, at every date specified in Section 5(r) of this Agreement for which no waiver is applicable, the opinions of Davis Polk & Wardwell LLP, Hunton Andrew Kurth LLP, Venable LLP and the Chief Legal Officer of the Company addressed to the Sales Agent, and dated as of such date, and in form satisfactory to the Sales Agent, in the form set forth in Exhibits A-1, A-2, A-3 and A-4 hereto.

(d) At the dates specified in Section 5(u) of this Agreement, the Sales Agent shall have received from the Accountants letters dated the date of delivery thereof and addressed to the Sales Agent in form and substance satisfactory to the Sales Agent.

(e) (i) The Company shall deliver to the Sales Agent, on or prior to four trading days after each Representation Date specified in Section 5(q) of this Agreement, a certificate of two of its executive officers to the effect that (i) the representations and warranties of the Company as set forth in this Agreement are true and correct as of such delivery date, (ii) the Company has performed such of its obligations under this Agreement as are to be performed at or before each such delivery date and (iii) the conditions set forth in paragraphs (a) and (b) of this Section 8 have been met. The certificate shall also state that the Shares have been duly and validly authorized by the Company, that all corporate action required to be taken for the issuance and sale of the Shares has been validly and sufficiently taken, and that the Company's Board of Directors or any other body with authority has not revoked, rescinded or otherwise modified or withdrawn such authorization or corporate action.

(f) The Sales Agent shall have received, at every date specified in Section 5(t) of this Agreement, the favorable opinion of Cravath, Swaine & Moore LLP, counsel to the Sales Agent, dated as of such date, and in form and substance satisfactory to the Sales Agent.

(g) The Sales Agent shall have received, at every date specified in Section 5(s) of this Agreement, a certificate of the Secretary of the Company, dated as of such date, and in form and substance satisfactory to the Sales Agent.

(h) All filings with the Commission required by Rule 424 under the Act to have been filed by the Settlement Date shall have been made within the applicable time period prescribed for such filing by Rule 424.

(i) The Shares shall have been approved for listing on the NYSE, subject only to notice of issuance at or prior to the Settlement Date.

For purposes of clarity and without limitation to any other provision of this Section 8 or elsewhere in this Agreement, the Company and the Sales Agent agree that the Sales Agent's obligations, if any, to solicit purchases of Shares on an agency basis or otherwise take any action pursuant to a Placement Notice shall, unless otherwise agreed in writing by the Sales Agent, be suspended during the period from and including a Representation Date for which certificates are required to be delivered pursuant to Section 5(q) through and including the time the Sales Agent shall have received the documents described in Sections 8(c) through 8(g), inclusive.

SECTION 9. Indemnification and Contribution.

(a) The Company agrees to indemnify, defend and hold harmless the Sales Agent and its affiliates, its and their directors, officers, employees and agents and any person who controls the Sales Agent within the meaning of Section 15 of the Act or Section 20 of the Exchange Act, and the successors and assigns of all of the foregoing persons, from and against any loss, damage, expense, liability or claim (including the reasonable cost of investigation) which the Sales Agent or any such person may incur under the Act, the Exchange Act, the common law or otherwise, insofar as such loss, damage, expense, liability or claim arises out of or is based upon (i) any untrue statement or alleged untrue statement of a material fact contained in the Registration Statement (or in the Registration Statement as amended by any post-effective amendment thereof by the Company) or arises out of or is based upon any omission or alleged omission to state a material fact required to be stated therein or necessary to make the statements

therein not misleading, except insofar as any such loss, damage, expense, liability or claim arises out of or is based upon any untrue statement or alleged untrue statement of a material fact contained in, and in conformity with information furnished in writing by or on behalf of the Sales Agent to the Company expressly for use in, the Registration Statement or arises out of or is based upon any omission or alleged omission to state a material fact in the Registration Statement in connection with such information, which material fact was not contained in such information and which material fact was required to be stated in such Registration Statement or was necessary to make such information not misleading or (ii) any untrue statement or alleged untrue statement of a material fact included in any Prospectus (the term Prospectus for the purpose of this Section 9 being deemed to include the Basic Prospectus, the Prospectus Supplement, the Prospectus and any amendments or supplements to the foregoing), in any Permitted Free Writing Prospectus, in any "issuer information" (as defined in Rule 433 under the Act) of the Company or in any Prospectus together with any combination of one or more of the Permitted Free Writing Prospectuses, if any, or arises out of or is based upon any omission or alleged omission to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading, except, with respect to such Prospectus or Permitted Free Writing Prospectus, insofar as any such loss, damage, expense, liability or claim arises out of or is based upon any untrue statement or alleged untrue statement of a material fact contained in, and in conformity with information furnished in writing by or on behalf of the Sales Agent to the Company expressly for use in, such Prospectus or Permitted Free Writing Prospectus or arises out of or is based upon any omission or alleged omission to state a material fact in such Prospectus or Permitted Free Writing Prospectus in connection with such information, which material fact was not contained in such information and which material fact was necessary in order to make the statements in such information, in the light of the circumstances under which they were made, not misleading.

If any action, suit or proceeding (together, a "Proceeding") is brought against the Sales Agent or any such person in respect of which indemnity may be sought against the Company pursuant to the foregoing paragraph, the Sales Agent or such person shall promptly notify the indemnifying party in writing of the institution of such Proceeding and the Company shall assume the defense of such Proceeding, including the employment of counsel reasonably satisfactory to such indemnified party and payment of all fees and expenses; provided, however, that the omission to so notify the Company shall not relieve the Company from any liability which the Company may have to the Sales Agent or any such person or otherwise except to the extent the Company was materially prejudiced by such omission. The Sales Agent or such person shall have the right to employ its or their own counsel in any such case, but the fees and expenses of such counsel shall be at the expense of the Sales Agent or of such person unless the employment of such counsel shall have been authorized in writing by the Company in connection with the defense of such Proceeding or the Company shall not have, within a reasonable period of time in light of the circumstances, employed counsel to have charge of the defense of such Proceeding or such indemnified party or parties shall have reasonably concluded that there may be defenses available to it or them which are different from, additional to or in conflict with those available to the Company (in which case the Company shall not have the right to direct the defense of such Proceeding on behalf of the indemnified party or parties), in any of which events such fees and expenses shall be borne by the Company, and paid as incurred (it being understood, however, that the Company shall not be liable for the expenses of more than one separate counsel (in addition to any local counsel) in any one Proceeding or series of related Proceedings in the same jurisdiction representing the indemnified parties who are parties to such Proceeding). The Company shall not be liable for any settlement of any Proceeding effected

without its written consent but if settled with the written consent of the Company, the Company agrees to indemnify and hold harmless the Sales Agent and any such person from and against any loss or liability by reason of such settlement. Notwithstanding the foregoing sentence, if at any time an indemnified party shall have requested the Company to reimburse the indemnified party for fees and expenses of counsel as contemplated by the second sentence of this paragraph, then the Company agrees that it shall be liable for any settlement of any Proceeding effected without its written consent if (i) such settlement is entered into more than 60 business days after receipt by the Company of the aforesaid request, (ii) the Company shall not have reimbursed the indemnified party in accordance with such request prior to the date of such settlement and (iii) such indemnified party shall have given the indemnifying party at least 30 days' prior notice of its intention to settle. The Company shall not, without the prior written consent of the indemnified party, effect any settlement of any pending or threatened Proceeding in respect of which any indemnified party is or may be a party and indemnity could have been sought hereunder by such indemnified party, unless such settlement includes an unconditional release of such indemnified party from all liability on claims that are the subject matter of such Proceeding and does not include an admission of fault or culpability or a failure to act, by or on behalf of such indemnified party.

(b) The Sales Agent agrees to indemnify, defend and hold harmless the Company, and each of its directors and each of the Company's officers, who signed the Registration Statement, and each person, if any, who controls the Company within the meaning of Section 15 of the Act or Section 20 of the Exchange Act, and the successors and assigns of all of the foregoing persons, from and against any loss, damage, expense, liability or claim (including the reasonable cost of investigation) which, jointly or severally, the Company or any such person may incur under the Act, the Exchange Act, the common law or otherwise, insofar as such loss, damage, expense, liability or claim arises out of or is based upon (i) any untrue statement or alleged untrue statement of a material fact contained in and, in conformity with information furnished in writing by or on behalf of the Sales Agent to the Company expressly for use with reference to the Sales Agent in the Registration Statement (or in the Registration Statement as amended by any post-effective amendment thereof by the Company), or arises out of or is based upon any omission or alleged omission to state a material fact in such Registration Statement in connection with such information, which material fact was not contained in such information and which material fact was required to be stated in such Registration Statement or was necessary to make such information not misleading or (ii) any untrue statement or alleged untrue statement of a material fact contained in, and in conformity with information furnished in writing by or on behalf of the Sales Agent to the Company expressly for use in, the Prospectus Supplement or a Permitted Free Writing Prospectus, or arises out of or is based upon any omission or alleged omission to state a material fact in the Prospectus Supplement or a Permitted Free Writing Prospectus in connection with such information, which material fact was not contained in such information and which material fact was necessary in order to make the statements in such information, in the light of the circumstances under which they were made, not misleading.

If any Proceeding is brought against the Company or any such person in respect of which indemnity may be sought against the Sales Agent pursuant to the foregoing paragraph, the Company or such person shall promptly notify the Sales Agent in writing of the institution of such Proceeding and the Sales Agent shall assume the defense of such Proceeding, including the employment of counsel reasonably satisfactory to such indemnified party and payment of all fees and expenses; *provided*, *however*, that the omission to so notify the Sales Agent shall not relieve the Sales Agent from any liability which the Sales Agent may have to the Company or

any such person or otherwise. The Company or such person shall have the right to employ its own counsel in any such case, but the fees and expenses of such counsel shall be at the expense of the Company such person unless the employment of such counsel shall have been authorized in writing by the Sales Agent in connection with the defense of such Proceeding or the Sales Agent shall not have, within a reasonable period of time in light of the circumstances, employed counsel to have charge of the defense of such Proceeding or such indemnified party or parties shall have reasonably concluded that there may be defenses available to it or them which are different from or additional to or in conflict with those available to the Sales Agent (in which case the Sales Agent shall not have the right to direct the defense of such Proceeding on behalf of the indemnified party or parties, but the Sales Agent may employ counsel and participate in the defense thereof but the fees and expenses of such counsel shall be at the expense of the Sales Agent), in any of which events such fees and expenses shall be borne by the Sales Agent and paid as incurred (it being understood, however, that the Sales Agent shall not be liable for the expenses of more than one separate counsel (in addition to any local counsel) in any one Proceeding or series of related Proceedings in the same jurisdiction representing the indemnified parties who are parties to such Proceeding). The Sales Agent shall not be liable for any settlement of any such Proceeding effected without the written consent of the Sales Agent but if settled with the written consent of the Sales Agent, the Sales Agent agrees to indemnify and hold harmless the Company and any such person from and against any loss or liability by reason of such settlement. Notwithstanding the foregoing sentence, if at any time an indemnified party shall have requested the Sales Agent to reimburse the indemnified party for fees and expenses of counsel as contemplated by the second sentence of this paragraph, then the Sales Agent agrees that it shall be liable for any settlement of any Proceeding effected without its written consent if (i) such settlement is entered into more than 60 business days after receipt by the Sales Agent of the aforesaid request, (ii) the Sales Agent shall not have reimbursed the indemnified party in accordance with such request prior to the date of such settlement and (iii) such indemnified party shall have given the Sales Agent at least 30 days' prior notice of its intention to settle. The Sales Agent shall not, without the prior written consent of the indemnified party, effect any settlement of any pending or threatened Proceeding in respect of which any indemnified party is a party and indemnity could have been sought hereunder by such indemnified party, unless such settlement includes an unconditional release of such indemnified party from all liability on claims that are the subject matter of such Proceeding.

(c) If the indemnification provided for in this Section 9 is unavailable to an indemnified party under subsections (a) and (b) of this Section 9 or insufficient to hold an indemnified party harmless in respect of any losses, damages, expenses, liabilities or claims referred to therein, then each applicable indemnifying party shall contribute to the amount paid or payable by such indemnified party as a result of such losses, damages, expenses, liabilities or claims (i) in such proportion as is appropriate to reflect the relative benefits received by the Company, on the one hand, and the Sales Agent, on the other hand, from the offering of the Shares or (ii) if the allocation provided by clause (i) above is not permitted by applicable law, in such proportion as is appropriate to reflect not only the relative benefits referred to in clause (i) above but also the relative fault of the Company, on the one hand, and of the Sales Agent, on the other, in connection with the statements or omissions which resulted in such losses, damages, expenses, liabilities or claims, as well as any other relevant equitable considerations. The relative benefits received by the Company, on the one hand, and the Sales Agent, on the other, shall be deemed to be in the same respective proportions as the total proceeds from the offering

(net of underwriting discounts and commissions but before deducting expenses) received by the Company, and the total underwriting discounts and commissions received by the Sales Agent, bear to the aggregate public offering price of the Shares. The relative fault of the Company, on the one hand, and of the Sales Agent, on the other, shall be determined by reference to, among other things, whether the untrue statement or alleged untrue statement of a material fact or omission or alleged omission relates to information supplied by the Company or by the Sales Agent and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission. The amount paid or payable by a party as a result of the losses, damages, expenses, liabilities and claims referred to in this subsection shall be deemed to include any legal or other fees or expenses reasonably incurred by such party in connection with investigating, preparing to defend or defending any Proceeding.

(d) The Company and the Sales Agent agree that it would not be just and equitable if contributions pursuant to this Section 9 were determined by pro rata allocation or by any other method of allocation which does not take account of the equitable considerations referred to in subsection (c) above. Notwithstanding the provisions of this Section 9, the Sales Agent shall not be required to contribute any amount in excess of commissions received by it under this Agreement. No person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation.

(e) The Company and the Sales Agent agree promptly to notify each other of the commencement of any Proceeding against it and, in the case of the Company, against any of the Company's officers or directors in connection with the issuance and sale of the Shares, or in connection with the Registration Statement, the Basic Prospectus, the Prospectus or any Permitted Free Writing Prospectus.

SECTION 10. Representations and Agreements to Survive Delivery. The indemnity and contribution agreements contained in Section 9 and the covenants, warranties and representations of the Company contained in this Agreement or in certificates delivered pursuant hereto shall remain in full force and effect regardless of any investigation made by or on behalf of the Sales Agent, its partners, directors or officers or any person (including each partner, officer or director of such person) who controls the Sales Agent within the meaning of Section 15 of the Act or Section 20 of the Exchange Act, or by or on behalf of the Company, its directors or officers or any person who controls the Company within the meaning of Section 15 of the Act or Section 20 of the Exchange Act, and shall survive any termination of this Agreement or the issuance and delivery of the Shares.

SECTION 11. Termination.

(a) The Company shall have the right, by giving written notice as hereinafter specified, to terminate the provisions of this Agreement relating to the solicitation of offers to purchase the Shares in its sole discretion at any time. Any such termination shall be without liability of any party to any other party except that (i) if any of the Shares have been sold through the Sales Agent for the Company, then Section 5(j) and Section 5(w) shall remain in full force and effect, (ii) with respect to any pending sale, through the Sales Agent for the Company, the obligations of the Company, including in respect of compensation of the Sales Agent, shall remain in full force and effect notwithstanding the termination and (iii) the provisions of Sections 7, 9, 10, 12, 13, 14, 18 and 20 of this Agreement shall remain in full force and effect notwithstanding such termination.

(b) The Sales Agent shall have the right, by giving written notice as hereinafter specified, to terminate the provisions of this Agreement relating to the solicitation of offers to

purchase the Shares in its sole discretion at any time. Any such termination shall be without liability of any party to any other party except that (i) if any of the Shares have been sold through the Sales Agent for the Company, then Section 5(j) and Section 5(w) shall remain in full force and effect and (ii) the provisions of Sections 7, 9, 10, 12, 13, 14, 18 and 20 of this Agreement shall remain in full force and effect notwithstanding such termination.

(c) This Agreement shall remain in full force and effect unless terminated pursuant to Sections 11(a) or 11(b) above or otherwise by mutual agreement of the parties; and shall automatically terminate on May 8, 2030; *provided* that any such termination by mutual agreement shall in all cases be deemed to provide that Sections 7, 9 and 10 shall remain in full force and effect.

(d) Any termination of this Agreement shall be effective on the date specified in such notice of termination; *provided* that such termination shall not be effective until the close of business on the date of receipt of such notice by the Sales Agent or the Company, as the case may be. If such termination shall occur prior to the Settlement Date for any sale of the Shares, such sale shall settle in accordance with the provisions of Section 4(a)(vi) of this Agreement.

SECTION 12. Notices. Except as otherwise herein provided, all statements, requests, notices and agreements under this Agreement shall be in writing and delivered by hand, overnight courier, mail or facsimile and, if to the Sales Agent, shall be sufficient in all respects if delivered or sent to BTIG, LLC, 65 East 55th Street, New York, NY 10022, Email: BTIGUSATMTrading@btig.com, with a copy (which shall not constitute notice) to: General Counsel and Chief Compliance Officer (IBLegal@btig.com, BTIGcompliance@btig.com), and a copy for information purposes to Andrew J. Pitts, Esq. and Ryan J. Patrone, Esq. at Cravath, Swaine & Moore LLP, Two Manhattan West, 375 Ninth Avenue, New York, New York 10001 and, if to the Company, it shall be sufficient in all respects if delivered or sent to the Company at the offices of the Company at 1211 Avenue of the Americas, New York, New York 10036, Attention: David L. Finkelstein with a copy for information purposes to Davis Polk & Wardwell LLP at 450 Lexington Avenue New York, New York 10017, Attention: Shane Tintle, facsimile number: (212) 450-4000, Email: shane.tintle@davispolk.com. Each party to this Agreement may change such address for notices by sending to the parties to this Agreement written notice of a new address for such purpose.

SECTION 13. Parties at Interest. The Agreement herein set forth has been and is made solely for the benefit of the Sales Agent, the Company and, to the extent provided in Section 9 of this Agreement, the controlling persons, directors and officers referred to in such section, and their respective successors, assigns, heirs, personal representatives and executors and administrators. No other person, partnership, association or corporation (including a purchaser, as such purchaser, from the Sales Agent) shall acquire or have any right under or by virtue of this Agreement.

SECTION 14. No Fiduciary Relationship. The Company hereby acknowledges that the Sales Agent is acting solely as sales agent and/or principal in connection with the purchase and sale of the Company's securities. The Company further acknowledges that the Sales Agent is acting pursuant to a contractual relationship created solely by this Agreement entered into on an arm's length basis, and in no event do the parties intend that the Sales Agent act or be responsible as a fiduciary to the Company or its management, stockholders or creditors or any other person in connection with any activity that the Sales Agent may undertake or have undertaken in furtherance of the purchase and sale of the Company's securities, either before or after the date hereof. The Sales Agent hereby expressly disclaims any fiduciary or similar obligations to the Company, either in connection with the transactions contemplated by this Agreement or any matters leading up to such transactions, and the Company hereby confirms its

understanding and agreement to that effect. The Company and the Sales Agent agree that they are each responsible for making their own independent judgments with respect to any such transactions and that any opinions or views expressed by the Sales Agent to the Company regarding such transactions, including, but not limited to, any opinions or views with respect to the price or market for the Company's securities, do not constitute advice or recommendations to the Company, nor shall the expression of such opinions or views constitute any solicitation of any action by the Sales Agent. The Company hereby (a) waives and releases, to the fullest extent permitted by law, any claims that the Company may have against the Sales Agent with respect to any breach or alleged breach of any fiduciary or similar duty to the Company in connection with the transactions contemplated by this Agreement or any matters leading up to such transactions and (b) agrees that none of the activities of the Sales Agent in connection with the transactions contemplated herein constitutes a recommendation, investment advice or solicitation of any action by the Sales Agent with respect to any entity or natural person. The Company has consulted its own legal, accounting, financial, regulatory and tax advisors to the extent deemed appropriate.

SECTION 15. Press Releases and Disclosure. The Company may issue a press release in compliance with Rule 134 under the Act describing the material terms of the transactions contemplated hereby as soon as practicable following the date hereof, and may file with the Commission a Current Report on Form 8-K describing the material terms of the transaction contemplated hereby, and the Company shall consult with the Sales Agent prior to making such disclosures, and the parties shall use all reasonable efforts, acting in good faith, to agree upon a text for such disclosures that is reasonably satisfactory to all parties. No party hereto shall issue thereafter any press release or like public statement (including, without limitation, any disclosure required in reports filed with the Commission pursuant to the Exchange Act) related to this Agreement or any of the transactions contemplated hereby without the prior written approval of the other parties hereto, except as may be necessary or appropriate in the opinion of the party seeking to make disclosure to comply with the requirements of applicable law or stock exchange rules. If any such press release or like public statement is so required, the party making such disclosure shall consult with the other party prior to making such disclosure, and the parties shall use all reasonable efforts, acting in good faith, to agree upon a text for such disclosure that is reasonably satisfactory to all parties.

SECTION 16. Adjustments for Stock Splits. The parties acknowledge and agree that all share related numbers contained in this Agreement shall be adjusted to take into account any stock split effected with respect to the Shares.

SECTION 17. Entire Agreement. This Agreement constitutes the entire agreement and supersedes all other prior and contemporaneous agreements and undertakings, both written and oral, among the parties hereto with regard to the subject matter hereof.

SECTION 18. Counterparts; Electronic Signatures. This Agreement may be signed by the parties in one or more counterparts which together shall constitute one and the same agreement among the parties. Delivery of this Agreement by one party to the other may be made by facsimile, electronic mail (including any electronic signature complying with the New York Electronic Signatures and Records Act (N.Y. State Tech. §§ 301-309), as amended from time to time, or other applicable law) or other transmission method, and the parties hereto agree that any counterpart so delivered shall be deemed to have been duly and validly delivered and be valid and effective for all purposes.

SECTION 19. Law; Construction. This Agreement and any claim, counterclaim or dispute of any kind or nature whatsoever arising out of or in any way relating to this Agreement

("Claim"), directly or indirectly, shall be governed by, and construed in accordance with, the internal laws of the State of New York.

SECTION 20. Headings. The Section headings in this Agreement have been inserted as a matter of convenience of reference and are not a part of this Agreement.

SECTION 21. Submission to Jurisdiction. Except as set forth below, no Claim may be commenced, prosecuted or continued in any court other than the courts of the State of New York located in the City and County of New York or in the United States District Court for the Southern District of New York, which courts shall have jurisdiction over the adjudication of such matters, and the Company consents to the non-exclusive jurisdiction of such courts and personal service with respect thereto. The Company hereby consents to personal jurisdiction, service and venue in any court in which any Claim arising out of or in any way relating to this Agreement is brought by any third party against the Sales Agent or any indemnified party. Each of the Sales Agent and the Company (on its behalf and, to the extent permitted by applicable law, on behalf of its stockholders and affiliates) waives all right to trial by jury in any action, proceeding or counterclaim (whether based upon contract, tort or otherwise) in any way arising out of or relating to this Agreement. The Company agrees that a final judgment in any such action, proceeding or counterclaim brought in any such court shall be conclusive and binding upon the Company and may be enforced in any other courts in the jurisdiction of which the Company is or may be subject, by suit upon such judgment.

SECTION 22. Successors and Assigns. This Agreement shall be binding upon the Sales Agent, the Company and their successors and assigns and any successor or assign of any substantial portion of the Company's and the Sales Agent's respective businesses and/or assets.

SECTION 23. Recognition of the U.S. Special Resolution Regimes. In the event that the Sales Agent that is a Covered Entity becomes subject to a proceeding under a U.S. Special Resolution Regime, the transfer from the Sales Agent of this Agreement, and any interest and obligation in or under this Agreement, will be effective to the same extent as the transfer would be effective under the U.S. Special Resolution Regime if this Agreement, and any such interest and obligation, were governed by the laws of the United States or a state of the United States.

In the event that the Sales Agent that is a Covered Entity or a BHC Act Affiliate of such Sales Agent becomes subject to a proceeding under a U.S. Special Resolution Regime, Default Rights under this Agreement that may be exercised against such Sales Agent are permitted to be exercised to no greater extent than such Default Rights could be exercised under the U.S. Special Resolution Regime if this Agreement were governed by the laws of the United States or a state of the United States.

For purposes of this Section 23, a "BHC Act Affiliate" has the meaning assigned to the term "affiliate" in, and shall be interpreted in accordance with, 12 U.S.C. § 1841(k). "Covered Entity" means any of the following: (i) a "covered entity" as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 252.82(b); (ii) a "covered bank" as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 47.3(b); or (iii) a "covered FSI" as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 382.2(b). "Default Right" has the meaning assigned to that term in, and shall be interpreted in accordance with, 12 C.F.R. §§ 252.81, 47.2 or 382.1, as applicable. "U.S. Special Resolution Regime" means each of (i) the Federal Deposit Insurance Act and the regulations promulgated thereunder and (ii) Title II of the

Dodd-Frank Wall Street Reform and Consumer Protection Act and the regulations promulgated thereunder.

If the foregoing correctly sets forth the understanding among the Company and the Sales Agent, please so indicate in the space provided below for that purpose, whereupon this Agreement and your acceptance shall constitute a binding agreement among the Company and the Sales Agent. Alternatively, the execution of this Agreement by the Company and its acceptance by or on behalf of the Sales Agent may be evidenced by an exchange of telegraphic or other written communications.

Very truly yours,

ANNALY CAPITAL MANAGEMENT, INC.

By: /s/ David L. Finkelstein
Name: David L. Finkelstein
Title: Chief Executive Officer and
Co-Chief Investment Officer

[***Signature Page to Distribution Agency Agreement***]

ACCEPTED as of the date
first above written

BTIG, LLC

By: /s/ Michael Passaro
Name: Michael Passaro
Title: Managing Director

Schedule A
Permitted Free Writing Prospectuses

None.

Schedule B

Authorized Company Representatives

David Finkelstein, Chief Executive Officer and Co-Chief Investment Officer
Telephone: (212) 205-7256
Fax: (212) 696-0100
Email: dfinkelstein@annaly.com

Steve Campbell, President and Chief Operating Officer
Telephone: (212) 413-1885
Fax: (212) 696-0100
Email: scampbell@annaly.com

Serena Wolfe, Chief Financial Officer
Telephone: (212) 626-2308
Fax: (212) 696-0100
Email: swolfe@annaly.com

Anthony Green, Chief Corporate Officer, Chief Legal Officer and Secretary
Telephone: (646) 728-7668
Fax: (212) 696-0100
Email: agreen@annaly.com

Exhibit A-1

Opinion of Davis Polk & Wardwell LLP

See attached.

Exhibit A-2

Opinion of Hunton Andrew Kurth LLP

See attached.

Exhibit A-3

Opinion of Venable LLP

See attached.

Exhibit A-4

Opinion of the Company's Chief Legal Officer

See attached.

ANNALY CAPITAL MANAGEMENT, INC.

Shares of Common Stock
(par value $0.01 per share)

DISTRIBUTION AGENCY AGREEMENT

May 8, 2025

Citizens JMP Securities, LLC
101 California Street
San Francisco, California 94111

Ladies and Gentlemen:

Annaly Capital Management, Inc., a Maryland corporation (the "Company"), agrees with Citizens JMP Securities, LLC (the "Sales Agent"), to issue and sell from time to time through the Sales Agent, as sales agent and/or principal, shares of its common stock, par value $0.01 per share (the "Common Stock"), on the terms set forth in this agreement (this "Agreement").

The Company is concurrently entering into separate distribution agency agreements (the "Alternative Agreements"), each dated of even date herewith, with Barclays Capital Inc., BNP Paribas Securities Corp., BofA Securities, Inc., BTIG, LLC, Goldman Sachs & Co. LLC, J.P. Morgan Securities LLC, Keefe, Bruyette & Woods, Inc., Morgan Stanley & Co, LLC, Piper Sandler & Co., RBC Capital Markets, LLC, UBS Securities LLC and Wells Fargo Securities, LLC (each, an "Alternative Agent," and together with the Sales Agent, the "Agents"), to issue and sell from time to time through each Alternative Agent, as sales agent and/or principal, shares of the Company's Common Stock (the "Shares") on the terms set forth in the Alternative Agreements. This Agreement and the Alternative Agreements are collectively referred to herein as the "Distribution Agreements."

SECTION 1. Description of Securities. The Company proposes to issue and sell through or to the Sales Agent, as sales agent and/or principal, the Shares on the terms set forth in Section 4 of this Agreement. The Company agrees that whenever it determines to sell the Shares directly to the Sales Agent as principal, it will enter into a separate agreement (each, a "Terms Agreement"), in form and substance satisfactory to the Sales Agent, relating to such sale in accordance with Section 4 of this Agreement.

SECTION 2. Representations and Warranties of the Company. The Company represents and warrants to and agrees with the Sales Agent that:

(a) An "automatic shelf registration statement" (the "registration statement") as defined in Rule 405 under the Securities Act of 1933, as amended, and the rules and regulations thereunder (collectively called the "Act"), on Form S-3 (File No. 333-282261) in respect of the Shares, including a form of prospectus, has been prepared and filed by the Company not earlier than three years prior to the date hereof, in conformity with the requirements of the Act, and the

rules and regulations of the Securities and Exchange Commission (the "Commission") thereunder (the "Rules and Regulations"). The registration statement contains certain information concerning the offering and sale of the Common Stock, including the Shares, and contains additional information concerning the Company and its business; the Commission has not issued an order preventing or suspending the use of the Basic Prospectus (as defined below), the Prospectus Supplement (as defined below), the Prospectus (as defined below) or any Permitted Free Writing Prospectus (as defined below), or the effectiveness of the Registration Statement (as defined below), and no proceeding for that purpose or pursuant to Section 8A of the Act has been instituted or, to the Company's knowledge, threatened by the Commission. Except where the context otherwise requires, "Registration Statement," as used herein, means the registration statement, as amended at the time of such registration statement's effectiveness for purposes of Section 11 of the Act, as such section applies to the Sales Agent, as well as any new registration statement, post-effective amendment or new automatic shelf registration statement as may have been filed pursuant to Section 5(f) or (g) of this Agreement, including (1) all documents filed as a part thereof or incorporated or deemed to be incorporated by reference therein, (2) any information contained or incorporated by reference in a prospectus filed with the Commission pursuant to Rule 424(b) under the Act, to the extent such information is deemed, pursuant to Rule 430B or Rule 430C under the Act, to be part of the registration statement at the time of such registration statement's effectiveness for purposes of Section 11 of the Act, as such section applies to the Sales Agent, and (3) any registration statement filed to register the offer and sale of Shares pursuant to Rule 462(b) under the Act. Except where the context otherwise requires, "Basic Prospectus," as used herein, means the prospectus filed as part of each Registration Statement, together with any amendments or supplements thereto as of the date of this Agreement. Except where the context otherwise requires, "Prospectus Supplement," as used herein, means the final prospectus supplement, relating to the Shares, filed by the Company with the Commission pursuant to Rule 424(b) under the Act on or before the second business day after the date hereof (or such earlier time as may be required under the Act), or if after such date, the most recently filed final prospectus supplement relating to the Shares, in the form furnished by the Company to the Sales Agent in connection with the offering of the Shares. Except where the context otherwise requires, "Prospectus," as used herein, means the Prospectus Supplement together with the Basic Prospectus attached to or used with the Prospectus Supplement. "Permitted Free Writing Prospectuses," as used herein, means the documents listed on Schedule A attached hereto. Any reference herein to the registration statement, the Registration Statement, the Basic Prospectus, the Prospectus Supplement, the Prospectus or any Permitted Free Writing Prospectus shall be deemed to refer to and include the documents, if any, incorporated by reference, or deemed to be incorporated by reference, therein (the "Incorporated Documents"), including, unless the context otherwise requires, the documents, if any, filed as exhibits to such Incorporated Documents. Any reference herein to the terms "amend," "amendment" or "supplement" with respect to the Registration Statement, the Basic Prospectus, the Prospectus Supplement, the Prospectus or any Permitted Free Writing Prospectus shall be deemed to refer to and include the filing of any document under the Securities Exchange Act of 1934, as amended, and the rules and regulations thereunder (collectively, the "Exchange Act") on or after the initial effective date of the Registration Statement, or the date of the Basic Prospectus, the Prospectus Supplement, the Prospectus or such Permitted Free Writing Prospectus, as the case may be, and deemed to be incorporated therein by reference.

(b) The Registration Statement complied when it became effective, complies as of the date hereof and, as amended or supplemented, at each deemed effective date with respect to the Sales Agent pursuant to Rule 430(B)(f)(2) of the Act, at each Settlement Date (as defined in Section 4(a)(vi) hereof), and at all times during which a prospectus is required by the Act to be delivered (whether physically, deemed to be delivered pursuant to Rule 153 or through compliance with Rule 172 under the Act or any similar rule) in connection with any sale of Shares, will comply, in all material respects, with the requirements of the Act, and the

Registration Statement did not and will not, at or during such times, contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading; the conditions to the use of Form S-3 in connection with the offering and sale of the Shares as contemplated hereby have been satisfied; the Registration Statement meets, and the offering and sale of the Shares as contemplated hereby complies with, the requirements of Rule 415 under the Act (including, without limitation, Rule 415(a)(5)); the Basic Prospectus complied or will comply, at the time it was or will be filed with the Commission, complies as of the date hereof (if filed with the Commission on or prior to the date hereof) and, as of the time of each sale of Shares pursuant to this Agreement (each, a "Time of Sale"), at each Settlement Date and at all times during which a prospectus is required by the Act to be delivered (whether physically, deemed to be delivered pursuant to Rule 153 or through compliance with Rule 172 under the Act or any similar rule) in connection with any sale of Shares, will comply, in all material respects, with the requirements of the Act; at no time during the period that begins on the earlier of the date of the Basic Prospectus and the date the Basic Prospectus was filed with the Commission and ends on each Settlement Date did or will the Basic Prospectus, as then amended or supplemented, include an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; the Prospectus will comply, as of the date that it is filed with the Commission, the date of the Prospectus Supplement, each Time of Sale, each Settlement Date, and at all times during which a prospectus is required by the Act to be delivered (whether physically, deemed to be delivered pursuant to Rule 153 or through compliance with Rule 172 under the Act or any similar rule) in connection with any sale of Shares, in all material respects, with the requirements of the Act (including, without limitation, Section 10(a) of the Act); at no time during the period that begins on the date of the Prospectus Supplement and ends at the later of each Settlement Date and the end of the period during which a prospectus is required by the Act to be delivered (whether physically, deemed to be delivered pursuant to Rule 153 or through compliance with Rule 172 under the Act or any similar rule) in connection with any sale of Shares did or will the Prospectus, as then amended or supplemented, either alone or together with any combination of one or more of the then issued Permitted Free Writing Prospectuses, if any, include an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; at no time during the period that begins on the date of such Permitted Free Writing Prospectus and ends at each Settlement Date did or will any Permitted Free Writing Prospectus include an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided, however, that the Company makes no representation or warranty with respect to any statement contained in the Registration Statement, the Basic Prospectus, the Prospectus or any Permitted Free Writing Prospectus in reliance upon and in conformity with information concerning the Sales Agent and furnished in writing by or on behalf of the Sales Agent expressly for use in the Registration Statement, the Basic Prospectus, the Prospectus or such Permitted Free Writing Prospectus; each Incorporated Document, at the time such document was filed with the Commission or at the time such document became effective, as applicable, complied, in all material respects, with the requirements of the Exchange Act and did not include an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(c) (i) At the time of filing of the Registration Statement, (ii) at the time of the most recent amendment thereto for the purposes of complying with Section 10(a)(3) of the Act or otherwise (whether such amendment was by post-effective amendment, incorporated report filed pursuant to Section 13 or 15(d) of the Exchange Act or form of prospectus), (iii) at the time the Company or any person acting on its behalf (within the meaning, for this clause only, of Rule 163(c) of the Act) made any offer relating to the Shares in reliance on the exemption of

Rule 163 of the Act and (iv) at the date hereof, the Company is a "well-known seasoned issuer" as defined in Rule 405 of the Act ("Rule 405"), including not having been and not being an "ineligible issuer" as defined by Rule 405. The Registration Statement is an "automatic shelf registration statement," as defined in Rule 405, and the Shares, since their registration on the Registration Statement, have been and remain eligible for registration by the Company on a Rule 405 "automatic shelf registration statement." The Company has not received from the Commission any notice pursuant to Rule 401(g)(2) of the Act objecting to the use of the automatic shelf registration statement form.

(d) Prior to the execution of this Agreement, the Company has not, directly or indirectly, offered or sold any Shares by means of any "prospectus" (within the meaning of the Act) or used any "prospectus" (within the meaning of the Act) in connection with the offer or sale of the Shares; the Company has not, directly or indirectly, prepared, used or referred to any Permitted Free Writing Prospectus except in compliance with Rule 163 or with Rules 164 and 433 under the Act; assuming that any such Permitted Free Writing Prospectus is so sent or given after the Registration Statement was filed with the Commission (and after such Permitted Free Writing Prospectus was, if required pursuant to Rule 433(d) under the Act, filed with the Commission), the sending or giving, by the Sales Agent, of any Permitted Free Writing Prospectus will satisfy the provisions of Rule 164 or Rule 433 (without reliance on subsections (b), (c) and (d) of Rule 164); the conditions set forth in one or more of subclauses (i) through (iv), inclusive, of Rule 433(b)(1) under the Act are satisfied, and the registration statement relating to the offering of the Shares contemplated hereby, as initially filed with the Commission, includes a prospectus that, other than by reason of Rule 433 or Rule 431 under the Act, satisfies the requirements of Section 10 of the Act; neither the Company nor the Sales Agent is disqualified, by reason of subsection (f) or (g) of Rule 164 under the Act, from using, in connection with the offer and sale of the Shares, "free writing prospectuses" (as defined in Rule 405 under the Act) pursuant to Rules 164 and 433 under the Act; the Company is not an "ineligible issuer" (as defined in Rule 405 under the Act) as of the eligibility determination date for purposes of Rules 164 and 433 under the Act with respect to the offering of the Shares contemplated by the Registration Statement; the parties hereto agree and understand that the content of any and all "road shows" (as defined in Rule 433 under the Act) related to the offering of the Shares contemplated hereby is solely the property of the Company.

(e) The Company has an authorized and outstanding capitalization as set forth in the consolidated balance sheet included or incorporated by reference in the Registration Statement, the Prospectus or any Permitted Free Writing Prospectus or as of the Company's then most recently completed quarter or fiscal year, contained in the Company's quarterly report on Form 10-Q or the Company's annual report on Form 10-K, as applicable, at the indicated date, and there has been no material change in such information since the Company's then most recently completed quarter or fiscal year (subject to the issuance of shares of Common Stock upon exercise of stock options and warrants disclosed as outstanding in the Registration Statement (excluding the exhibits thereto) and the Prospectus and the grant of options under existing stock option plans described in the Registration Statement (excluding the exhibits thereto), the Basic Prospectus and the Prospectus).

(f) The consolidated financial statements of the Company, together with the related schedules and notes thereto, set forth or included or incorporated by reference in the Registration Statement, the Prospectus or any Permitted Free Writing Prospectus are accurate in all material respects and fairly present the financial condition of the Company on a consolidated basis as of the dates indicated and the results of operations, changes in financial position, stockholders' equity and cash flows for the periods therein specified are in conformity with generally accepted accounting principles consistently applied throughout the periods involved (except as otherwise stated therein). The selected financial and statistical data included or incorporated by reference

in the Registration Statement and the Prospectus present fairly the information shown therein and, to the extent based upon or derived from the financial statements, have been compiled on a basis consistent with the financial statements presented therein. No other financial statements are required to be set forth or to be incorporated by reference in the Registration Statement or the Prospectus under the Act. The interactive data in eXtensible Business Reporting Language included or incorporated by reference in the Registration Statement, the Prospectus or any Permitted Free Writing Prospectus fairly present the information called for in all material respects and have been prepared in accordance with the Commission's rules and guidelines applicable thereto.

(g) The Prospectus and any Permitted Free Writing Prospectus delivered to the Sales Agent for use in connection with this offering will be, identical to the versions of the Prospectus and any Permitted Free Writing Prospectus, respectively, created to be transmitted to the Commission for filing via EDGAR, except to the extent permitted by Regulation S-T.

(h) The Company and each of its subsidiaries has been duly formed or, if a corporation, incorporated and is validly existing as a limited liability company, limited partnership or corporation in good standing under the laws of the state of its formation or incorporation, as applicable, is duly qualified to do business and is in good standing as a foreign limited liability company, limited partnership or corporation, as applicable, in each jurisdiction in which its ownership or lease of property or assets or the conduct of its business requires such qualification, except where the failure to so qualify would not have a material adverse effect on the business, assets, properties, prospects, financial condition or results of operation of the Company and its subsidiaries taken as a whole (a "Company Material Adverse Effect"), and has full limited liability company, limited partnership or corporate, as applicable, power and authority necessary to own, hold, lease and/or operate its assets and properties, to conduct the business in which it is engaged and as described in the Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any, and to enter into and perform its obligations under this Agreement and to consummate the transactions contemplated hereby, and the Company and its subsidiary Arcola Securities, Inc. ("Arcola") are each in compliance in all material respects with the laws, orders, rules, regulations and directives issued or administered by such jurisdictions.

(i) The Company has no "significant subsidiaries" (as such term is defined in Rule 1-02 of Regulation S-X promulgated under the Securities Act), and has no other subsidiaries except as (i) set forth in Exhibit 21.1 to the Company's most recently filed annual report on Form 10-K, (ii) otherwise disclosed by the Company in the Registration Statement, the Prospectus or the Permitted Free Writing Prospectus, if any, or (iii) would not, individually or in the aggregate, be material to the Company. Complete and correct copies of the charter and of the bylaws of the Company and all amendments thereto have been delivered to the Sales Agent (or otherwise made available on EDGAR) and, except as set forth in the exhibits to, or incorporated by reference into, the Registration Statement, no changes therein will be made subsequent to the date hereof and prior to each Time of Sale and each Settlement Date.

(j) The Company is not in breach of, or in default under (nor has any event occurred which with notice, lapse of time or both would result in any breach of or constitute a default under), (i) its charter or bylaws or (ii) any obligation, agreement, covenant or condition contained in any contract, license, repurchase agreement, indenture, mortgage, deed of trust, bank loan or credit agreement, note, lease or other evidence of indebtedness, or any lease, contract or other agreement or instrument to which the Company is a party or by which it or any of its assets or properties may be bound or affected, the effect of which breach or default under this clause (ii) could have a Company Material Adverse Effect. The execution, delivery and performance of this Agreement, the issuance and sale of the Shares and the consummation of the transactions

contemplated hereby will not conflict with, or result in any breach of, constitute a default under or a Repayment Event (as defined below) under (nor constitute any event which with notice, lapse of time or both would result in any breach of, constitute a default under or a Repayment Event under), (i) any provision of the charter or bylaws of the Company, (ii) any provision of any contract, license, repurchase agreement, indenture, mortgage, deed of trust, bank loan or credit agreement, note, lease or other evidence of indebtedness, or any lease, contract or other agreement or instrument to which the Company is a party or by which the Company or any of its assets or properties may be bound or affected, the effect of which could have a Company Material Adverse Effect or (iii) under any federal, state, local or foreign law, regulation or rule or any decree, judgment or order applicable to the Company. As used herein, a "Repayment Event" means any event or condition which gives the holder of any note, debenture or other evidence of indebtedness (or any person acting on such holder's behalf) the right to require the repurchase, redemption or repayment of all or a portion of such indebtedness by the Company or any subsidiary.

(k) All of the issued and outstanding shares of capital stock, including the Common Stock, of the Company have been duly and validly authorized and issued and are fully paid and non-assessable, have been issued in compliance with all federal and state securities laws and were not issued in violation of any preemptive right, resale right, right of first refusal or similar right.

(l) This Agreement has been duly authorized, executed and delivered by the Company.

(m) Reserved.

(n) The capital stock of the Company, including the Shares, conforms and will conform in all material respects to the description thereof contained in the Registration Statement, the Prospectus or any Permitted Free Writing Prospectus and such description conforms to the rights set forth in the instruments defining the same. If certificated, the global certificates representing the Shares are in due and proper form and the holders of the Shares will not be subject to personal liability by reason of being such holders.

(o) The Shares have been duly and validly authorized by the Company for issuance and sale pursuant to this Agreement and, when issued and delivered against payment therefor as provided herein, will be duly and validly issued and fully paid and non-assessable, free and clear of any pledge, lien, encumbrance, security interest or other claim, and will be registered pursuant to Section 12 of the Exchange Act.

(p) No approval, authorization, consent or order of or filing with any national, state or local governmental or regulatory commission, board, body, authority or agency is required in connection with the issuance and sale of the Shares or the consummation by the Company of the transaction contemplated hereby other than (i) registration of the Shares under the Act, (ii) any necessary qualification under the securities or blue sky laws of the various jurisdictions in which the Shares are being offered by the Sales Agent and (iii) such approvals in connection with the approval of the listing of the Shares on the New York Stock Exchange LLC (the "NYSE").

(q) No person, as such term is defined in Rule 1-02 of Regulation S-X promulgated under the Act (each, a "Person"), has the right, contractual or otherwise, to cause the Company to issue to it any shares of capital stock or other securities of the Company upon the issue and sale of the Shares to the Sales Agent hereunder, nor does any Person have preemptive rights, co-sale rights, rights of first refusal or other rights to purchase or subscribe for any of the Shares or any securities or obligations convertible into or exchangeable for, or any contracts or commitments to

issue or sell any of, the Shares or any options, rights or convertible securities or obligations, other than those that have been expressly waived prior to the date hereof.

(r) Ernst & Young LLP (the "Accountants"), whose report on the consolidated financial statements of the Company is filed with the Commission as part of the Registration Statement and the Prospectus, are and, during the periods covered by their reports, were independent public accountants as required by the Act.

(s) Each of the Company and its subsidiaries has all necessary licenses, authorizations, consents and approvals and has made all necessary filings required under any federal, state, local or foreign law, regulation or rule, and has obtained all necessary permits, authorizations, consents and approvals from other Persons, in order to conduct its business as described in the Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any, except as such as could not have a Company Material Adverse Effect. Neither the Company nor any of its subsidiaries is required by any applicable law to obtain accreditation or certification from any governmental agency or authority in order to provide the products and services which it currently provides or which it proposes to provide as set forth in the Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any, except as such could not have a Company Material Adverse Effect. Neither the Company nor any of its subsidiaries is in violation of, or in default under, any such license, permit, authorization, consent or approval or any federal, state, local or foreign law, regulation or rule or any decree, order or judgment applicable to the Company or any of its subsidiaries, the effect of which could have a Company Material Adverse Effect.

(t) The descriptions in the Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any, of the legal or governmental proceedings, contracts, leases and other legal documents therein described present fairly in all material respects the information required to be shown, and there are no legal or governmental proceedings, contracts, leases or other documents of a character required to be described in the Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any, or to be filed as exhibits to the Registration Statement which are not described or filed as required. All agreements between the Company and third parties expressly referenced in the Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any, are legal, valid and binding obligations of the Company, enforceable in accordance with their respective terms, except to the extent enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws affecting creditors' rights generally and by general equitable principles and except to the extent that any indemnification provision thereof may be limited by public policy considerations in respect thereof.

(u) Except as set forth in the Registration Statement, the Prospectus or a Permitted Free Writing Prospectus, there are no actions, suits, claims, investigations, inquiries or proceedings pending or, to the best of the Company's knowledge, threatened to which the Company or any of the subsidiaries or any of their respective officers or directors is a party or of which any of its properties or other assets is subject at law or in equity, or before or by any federal, state, local or foreign governmental or regulatory commission, board, body, authority or agency which could result in a judgment, decree or order having a Company Material Adverse Effect.

(v) Except as otherwise may be disclosed therein, subsequent to the respective dates as of which information is given in the Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any, there has not been (i) any Company Material Adverse Effect, or any development which would reasonably be expected to cause a Company Material Adverse Effect, in the business, properties or assets described or referred to in the Registration Statement,

the Prospectus and the Permitted Free Writing Prospectuses, if any, or the results of operations, condition (financial or otherwise), net worth, business, prospects or operations of the Company and its subsidiaries, taken as a whole, (ii) any transaction which is material to the Company and its subsidiaries, taken as a whole, except transactions in the ordinary course of business, (iii) any obligation, direct or contingent, which is material to the Company and its subsidiaries, taken as a whole, incurred by the Company or any subsidiary, except obligations incurred in the ordinary course of business, (iv) any change in the capital stock or, except in the ordinary course of business, outstanding indebtedness of the Company or any subsidiary or (v) except for regular quarterly dividends on the outstanding shares of preferred stock (collectively, the "Preferred Stock") and the Common Stock, in amounts per share that are consistent with past practice and the descriptions thereof in the Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any, any dividend or distribution of any kind declared, paid or made by the Company on any class of its capital stock. There are no contingent obligations that are material to the Company and its subsidiaries, taken as a whole, which are not disclosed in the Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any.

(w) Except as set forth in the Registration Statement, the Prospectus or a Permitted Free Writing Prospectus, there are no Persons with registration or other similar rights to have any equity or debt securities, including securities which are convertible into or exchangeable for equity securities, registered pursuant to the Registration Statement or otherwise registered by the Company under the Act.

(x) The Company (i) does not have any issued and outstanding preferred stock, other than the shares of Preferred Stock, in such number and series, as are described in the Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any, (ii) has not failed to pay any dividend or sinking fund installment on preferred stock and (iii) has not defaulted on any installment on indebtedness for borrowed money or on any rental on one or more long term leases, which defaults would have a Company Material Adverse Effect on the financial position of the Company and its subsidiaries, taken as a whole. The Company has not filed a report pursuant to Section 13(a) or 15(d) of the Exchange Act since the filing of its last annual report on Form 10-K, indicating that it (i) has failed to pay any dividend or sinking fund installment on the Preferred Stock or (ii) has defaulted on any installment on indebtedness for borrowed money or on any rental on one or more long term leases, which defaults would have a Company Material Adverse Effect.

(y) Neither the Company nor any of its officers, directors and controlling Persons have, directly or indirectly, (i) taken any action designed to cause or to result in, or that has constituted or which might reasonably be expected to constitute, the stabilization or manipulation of the price of the Common Stock to facilitate the sale of the Shares, or (ii) (except pursuant to this Agreement, shares of the Company's Common Stock issued pursuant to the Company's dividend reinvestment and share purchase plan (the "DRSPP"), as may have been incurred in connection with the Company's publicly disclosed repurchase of Common Stock and the retirement of the Company's long-term indebtedness) (A) sold, bid for, purchased, or paid anyone any compensation for soliciting purchases of, the Shares or, (B) other than as disclosed in the Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any, during the one hundred eighty (180) day period preceding the date of this Agreement, paid or agreed to pay to any Person any compensation for soliciting another to purchase any other securities of the Company.

(z) The Company has applied to have the Shares listed on the NYSE, and the Shares will have been approved for listing on the NYSE as of the time of purchase, subject only to official notice of issuance.

(aa) Neither the Company nor any of its affiliates, except for Arcola, (i) is required to register as a "broker" or "dealer" in accordance with the provisions of the Exchange Act or (ii) directly or indirectly through one or more intermediaries, controls or has any other association with (within the meaning of Article I of the Bylaws of the Financial Industry Regulatory Authority, Inc. ("FINRA")) any member firm of FINRA.

(ab) Any certificate signed by any officer of the Company delivered to the Sales Agent or to counsel for the Sales Agent pursuant to or in connection with this Agreement shall be deemed a representation and warranty by the Company to the Sales Agent as to the matters covered thereby.

(ac) As of the date of this Agreement, the Company has no plan or intention to materially alter its capital investment policy or investment allocation strategy, both as described in the Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any, and is in compliance with its stated capital investment policy and investment allocation strategy. Each of the Company and its subsidiaries has good and marketable title to all of the properties and assets owned by them, in each case free and clear of any security interests, liens, encumbrances, equities, claims and other defects (except for any security interest, lien, encumbrance or claim that may otherwise exist under any applicable repurchase agreement or loan agreement), except such as do not have a Company Material Adverse Effect and do not interfere with the use made or proposed to be made of such property or asset by the Company or any subsidiary, and except as described in or contemplated by the Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any. The Company owns no real property that is material, on an individual basis, to the Company. Any real property and buildings held under lease by the Company or any subsidiary are held under valid, existing and enforceable leases, with such exceptions as are disclosed in the Prospectus or are not material and do not interfere with the use made or proposed to be made of such property and buildings by the Company.

(ad) The Company has filed all federal and material state and foreign income and franchise tax returns required to be filed on or prior to the date hereof and has paid taxes shown as due thereon (or that are otherwise due and payable), other than taxes which are being contested in good faith and for which adequate reserves have been established in accordance with generally accepted accounting principles. The Company has no knowledge, after due inquiry, of any tax deficiency which has been asserted or threatened against the Company. To the knowledge of the Company, there are no tax returns of the Company that are currently being audited by federal, state or local taxing authorities or agencies which would have a Company Material Adverse Effect.

(ae) The Company owns or possesses adequate license or other rights to use all patents, trademarks, service marks, trade names, copyrights, software and design licenses, trade secrets, manufacturing processes, other intangible property rights and know-how (collectively, "Intangibles") necessary to entitle the Company to conduct its business as described in the Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any, and the Company has not received notice of infringement of or conflict with (and the Company knows of no such infringement of or conflict with) asserted rights of others with respect to any Intangibles which could have a Company Material Adverse Effect.

(af) The Company maintains a system of internal accounting controls sufficient to provide reasonable assurance that (i) transactions are executed in accordance with management's general or specific authorizations, (ii) transactions are recorded as necessary to permit preparation of financial statements in conformity with generally accepted accounting principles as applied in the United States and to maintain asset accountability, (iii) access to assets is

permitted only in accordance with management's general or specific authorization, (iv) the recorded accountability for assets is compared with the existing assets at reasonable intervals and appropriate action is taken with respect to any differences and (v) the interactive data in eXtensible Business Reporting Language incorporated by reference in the Registration Statement, the Prospectus and any Permitted Free Writing Prospectus fairly present the information called for in all material respects and is prepared in accordance with the Commission's rules and guidelines applicable thereto.

(ag) The Company has established and maintains disclosure controls and procedures (as such term is defined in Rule 13a-14 and 15d-14 under the Exchange Act); such disclosure controls and procedures are designed to ensure that material information relating to the Company is made known to the Company's Chief Executive Officer and its Chief Financial Officer, and such disclosure controls and procedures are effective to perform the functions for which they were established; any significant material weaknesses in internal controls have been identified for the Company's Chief Executive Officer and its Chief Financial Officer; and since the date of the most recent evaluation of such disclosure controls and procedures, there have been no significant changes in internal controls or in other factors that could significantly affect internal controls.

(ah) The Company is insured by insurers of recognized financial responsibility against such losses and risks and in such amounts as are prudent and customary in the business in which it is engaged. The Company has no reason to believe that it will not be able to renew its existing insurance coverage as and when such coverage expires or to obtain similar coverage from similar insurers as may be necessary to continue its business at a cost that would not have a Company Material Adverse Effect.

(ai) Except as set forth in the Registration Statement, the Prospectus or a Permitted Free Writing Prospectus, the Company is not in violation, and has not received notice of any violation with respect to, any applicable environmental, safety or similar law applicable to the business of the Company. The Company has received all permits, licenses or other approvals required of them under applicable federal and state occupational safety and health and environmental laws and regulations to conduct its business, and the Company is in compliance with all terms and conditions of any such permit, license or approval, except any such violation of law or regulation, failure to receive required permits, licenses or other approvals or failure to comply with the terms and conditions of such permits, licenses or approvals which could not, singly or in the aggregate, have a Company Material Adverse Effect.

(aj) Neither the Company nor any of its subsidiaries has incurred any liability for any finder's fees or similar payments in connection with the transactions herein contemplated, except as may otherwise exist with respect to the Sales Agent pursuant to this Agreement.

(ak) Except as set forth in the Registration Statement, the Prospectus or a Permitted Free Writing Prospectus, there are no existing or threatened labor disputes with the employees of the Company which are likely to have individually or in the aggregate a Company Material Adverse Effect.

(al) No relationship, direct or indirect, exists between or among the Company or any of its subsidiaries, on the one hand, and the directors, officers and stockholders of the Company, on the other hand, which is required by the Act to be described in the Registration Statement and the Prospectus that is not so described.

(am) The Company, since its date of inception, has been, and upon the sale of the Shares will continue to be, organized and operated in conformity with the requirements for

qualification and taxation as a "real estate investment trust" (a "REIT") under Sections 856 through 860 of the Internal Revenue Code of 1986, as amended and the regulations and published interpretations thereunder (collectively, the "Code"), for all taxable years commencing with its taxable year ended December 31, 1997. The proposed method of operation of the Company as described in Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any, will enable the Company to continue to meet the requirements for qualification and taxation as a REIT under the Code, and no actions have been taken (or not taken which are required to be taken) which would cause such qualification to be lost. The Company intends to continue to operate in a manner which would permit it to qualify as a REIT under the Code. The Company has no intention of changing its operations or engaging in activities which would cause it to fail to qualify, or make economically undesirable its continued qualification, as a REIT.

(an) Neither the Company nor any subsidiary is and, after giving effect to the offering and sale of the Shares, will be required to register as an "investment company" or an entity "controlled" by an "investment company," as such terms are defined in the Investment Company Act of 1940, as amended (the "Investment Company Act").

(ao) To the Company's knowledge, no relationship, direct or indirect, exists between or among the Company or any subsidiary, on the one hand, and the officers, 10% stockholders or directors of the Company or any subsidiary, on the other hand, which is required by the rules of FINRA to be described in the Registration Statement and the Prospectus which is not so described.

(ap) The Company has not, directly or indirectly, including through any subsidiary, extended credit, arranged to extend credit, or renewed any extension of credit, in the form of a personal loan, to or for any director or executive officer of the Company, or to or for any family member or affiliate of any director or executive officer of the Company.

(aq) Neither the Company nor any of the subsidiaries nor, to the Company's knowledge, any employee or agent of the Company or the subsidiaries has made any payment of funds of the Company or the subsidiaries or received or retained any funds in violation of any law, rule or regulation, which payment, receipt or retention of funds is of a character required to be disclosed in the Registration Statement or the Prospectus.

(ar) The Company is in compliance with all applicable provisions of the Sarbanes-Oxley Act of 2002 and the rules and regulations promulgated thereunder.

(as) The Common Stock is an "actively traded security" excepted from the requirements of Rule 101 of Regulation M under the Exchange Act by subsection (c)(1) of such rule.

(at) Other than any Terms Agreement or the Alternative Agreements, the Company has not entered into any other sales agency or distribution agreements or similar arrangements with any agent or other representative in respect of the Shares and the equity shelf program established by the Distribution Agreements, the terms of which have not been properly and duly waived.

(au) The operations of the Company and its subsidiaries are and have been conducted at all times in material compliance with all applicable financial recordkeeping and reporting requirements, including those of the Bank Secrecy Act, as amended by Title III of the Uniting and Strengthening America by Providing Appropriate Tools Required to intercept and Obstruct Terrorism Act of 2001 (USA PATRIOT Act), as amended, and the applicable anti-money

laundering statutes of jurisdictions where the Company and its subsidiaries conduct business, the rules and regulations thereunder and any related or similar rules, regulations or guidelines, issued, administered or enforced by any governmental agency (collectively, the "Anti-Money Laundering Laws"), and no action, suit or proceeding by or before any court or governmental agency, authority or body or any arbitrator involving the Company or any of its subsidiaries with respect to Anti-Money Laundering Laws is pending or, to the best knowledge of the Company, threatened.

(av) (A) Neither the Company nor any of its subsidiaries, nor any director, officer or employee thereof, nor, to the Company's knowledge, any agent, affiliate or representative of the Company or any of them, is an individual or entity ("Covered Person") that is, or is owned or controlled by a Covered Person that is:

(i) the subject of any sanctions administered or enforced by the U.S. Department of Treasury's Office of Foreign Assets Control ("OFAC"), the United Nations Security Council, the European Union, His Majesty's Treasury or other relevant sanctions authority (collectively, "Sanctions"); nor

(ii) located, organized or resident in a country or territory that is the subject of Sanctions (including, without limitation, the so-called Donetsk People's Republic, the so-called Luhansk People's Republic, the Kherson, the non-government controlled areas of the Kherson and Zaporizhzhia regions of Ukraine, and any other Covered Region of Ukraine identified pursuant to Executive Order 14065, the Crimea region of Ukraine, Cuba, Iran, North Korea, Syria and Venezuelan State-owned entities).

(A) The Company will not use the proceeds of the offering, or lend, contribute or otherwise make available such proceeds to any subsidiary, joint venture partner or other Covered Person:

(i) to fund or facilitate any activities or business of or with any Covered Person or in any country or territory that, at the time of such funding or facilitation, is the subject of Sanctions; or

(ii) in any other manner that will result in a violation of Sanctions by any Covered Person (including any Covered Person participating in the offering, whether as underwriter, advisor, investor or otherwise).

(B) The Company and its subsidiaries have not knowingly engaged in, are not now knowingly engaged in, and will not engage in, any dealings or transactions with any Covered Person, or in any country or territory, that at the time of the dealing or transaction is or was the subject of Sanctions.

(C) Neither the Company nor any of its subsidiaries, nor any director, officer or, to the Company's knowledge, employee thereof, nor, to the Company's knowledge, any agent, affiliate or representative of the Company or any of them: (i) has used any corporate funds for any unlawful contribution, gift, entertainment or other unlawful expense relating to political activity; (ii) has made any direct or indirect unlawful contribution or payment to any official of, or candidate for, or any employee of, any federal, state or foreign office from corporate funds; (iii) has made any bribe, unlawful rebate, payoff, influence payment, kickback or other unlawful payment; or (iv) is aware of or has taken any action, directly or indirectly, that would result in a violation by such persons of the OECD Convention on Bribery of Foreign Public Officials in International

Business Transactions, the Foreign Corrupt Practices Act of 1977, as amended, and the rules and regulations thereunder (collectively, the "FCPA") or any similar law or regulation to which the Company, any of its subsidiaries, any director, officer, agent, employee, affiliate or other person associated with or acting on behalf of the Company or any of its subsidiaries is subject. The Company, its subsidiaries and their affiliates have each conducted its businesses in compliance with the FCPA and any applicable similar law or regulation and have instituted and maintain policies and procedures designed to ensure, and which are reasonably expected to continue to ensure, continued compliance therewith.

SECTION 3. Reserved.

SECTION 4. Sale and Delivery of Securities. (a) On the basis of the representations, warranties and agreements herein contained, but subject to the terms and conditions herein set forth, the Company agrees to issue and sell through the Sales Agent, as sales agent, and the Sales Agent agrees to use its commercially reasonable efforts to sell, as sales agent for the Company, the Shares on the following terms.

(i) The Shares are to be sold on a daily basis or otherwise as shall be agreed to by the Company and the Sales Agent on any day that (A) is a trading day for the NYSE (other than a day on which the NYSE is scheduled to close prior to its regular weekday closing time), (B) the Company has instructed the Sales Agent by telephone (confirmed promptly by electronic mail) (or as otherwise agreed to by the Company and the Sales Agent) from any of the individuals listed as authorized representatives of the Company on Schedule B hereto (the "Authorized Company Representatives") to make such sales and (C) the Company has satisfied its obligations under Section 8 of this Agreement. The Company will designate the maximum amount of the Shares to be sold by the Sales Agent daily as agreed to by the Sales Agent and in any event not in excess of the amount available for issuance under the currently effective Registration Statement relating to the sale of up to $2,000,000,000 of Shares as described in the prospectus supplement dated May 8, 2025, or any Registration Statement filed pursuant to Section 5(g), or in a number in excess of the number of Shares authorized from time to time to be issued and sold under this Agreement by the Company's board of directors, or a duly authorized committee thereof, and notified to the Sales Agent in writing (a "Placement Notice").

Subject to the terms and conditions hereof, the Sales Agent shall use its commercially reasonable efforts to offer and sell all of the Shares designated; provided, however, that the Sales Agent shall have no obligation to offer or sell any Shares, and the Company acknowledges and agrees that the Sales Agent shall have no such obligation, in the event an offer or sale of the Shares on behalf of the Company may in the judgment of the Sales Agent constitute the sale of a "block" under Rule 10b-18(a)(5) under the Exchange Act or a "distribution" within the meaning of Rule 100 of Regulation M under the Exchange Act or the Sales Agent reasonably believes it may be deemed an "underwriter" under the Act in a transaction that is other than by means of ordinary brokers' transactions between members of the NYSE that qualify for delivery of a Prospectus to the NYSE in accordance with Rule 153 under the Act (such transactions are hereinafter referred to as "At-the-Market Offerings").

(ii) Notwithstanding the foregoing, the Company, through any of the Authorized Company Representatives, may instruct the Sales Agent by telephone

(confirmed promptly by electronic mail) (or as otherwise agreed to by the Company and the Sales Agent) not to sell the Shares if such sales cannot be effected at or above the price designated by the Company in any such instruction. In addition, the Company or the Sales Agent may, upon notice to the other party hereto by telephone (confirmed promptly by electronic mail) (or as otherwise agreed to by the Company and the Sales Agent), suspend the offering of the Shares; provided, however, that such suspension shall not affect or impair the parties' respective obligations with respect to the Shares sold hereunder prior to the giving of such notice.

(iii) The Sales Agent hereby covenants and agrees not to make any sales of the Shares on behalf of the Company, pursuant to this Section 4(a), other than (A) by means of At-the-Market Offerings and (B) such other sales of the Shares on behalf of the Company in its capacity as agent of the Company as shall be agreed by the Company and the Sales Agent.

(iv) The compensation to the Sales Agent, as an agent of the Company, for sales of the Shares shall be up to 1.25% of the gross sales price of the Shares sold pursuant to this Section 4(a) or such lower amount as otherwise mutually agreed upon by the Company and the Sales Agent from time to time. The remaining proceeds, after further deduction for any transaction fees imposed by any governmental or self-regulatory organization in respect of such sales, shall constitute the net proceeds to the Company for such Shares (the "Net Proceeds").

(v) The Sales Agent shall provide written confirmation to the Company following the close of trading on the NYSE each day in which the Shares are sold under this Section 4(a) setting forth the amount of the Shares sold on such day, the Net Proceeds to the Company and the compensation payable by the Company to the Sales Agent with respect to such sales.

(vi) Settlement for sales of the Shares pursuant to this Section 4(a) will occur on the first business day following the date on which such sales are made or such other date as may be agreed by the Company and the Sales Agent (each such date, a "Settlement Date"). On each Settlement Date, the Shares sold through the Sales Agent for settlement on such date shall be issued and delivered by the Company to the Sales Agent against payment of the Net Proceeds for the sale of such Shares. Settlement for all such Shares shall be effected by free delivery of the Shares by the Company or its transfer agent to the Sales Agent's account, or to the account of the Sales Agent's designee, at The Depository Trust Company through its Deposit and Withdrawal at Custodian System ("DWAC") or by such other means of delivery as may be mutually agreed upon by the parties hereto, which in all cases shall be freely tradable, transferable, registered shares in good deliverable form, in return for payments in same day funds delivered to the account designated by the Company. If the Company, or its transfer agent (if applicable), shall default on its obligation to deliver the Shares on any Settlement Date, the Company shall (A) indemnify and hold the Sales Agent harmless against any loss, claim or damage arising from or as a result of such default by the Company and (B) pay the Sales Agent any commission to which it would otherwise be entitled absent such default. The Authorized Company Representatives shall be the contact persons for the Company for all matters related to the settlement of the transfer of the Shares through DWAC for purposes of this Section 4(a)(vi).

(vii) At each Time of Sale, Settlement Date and Representation Date (as defined in Section 5(q)), the Company shall be deemed to have affirmed each of their respective representations and warranties contained in this Agreement. Any obligation of

the Sales Agent to use its commercially reasonable efforts to sell the Shares on behalf of the Company shall be subject to the continuing accuracy of the representations and warranties of the Company herein, to the performance by the Company of its obligations hereunder and to the continuing satisfaction of the additional conditions specified in Section 8 of this Agreement.

(a) (i) If the Company wishes to issue and sell the Shares other than as set forth in Section 4(a) of this Agreement (each, a "Placement"), it will notify the Sales Agent of the proposed terms of such Placement. If the Sales Agent, acting as principal, wishes to accept such proposed terms (which it may decline to do for any reason in its sole discretion) or, following discussions with the Company, wishes to accept amended terms, the Sales Agent and the Company will enter into a Terms Agreement setting forth the terms of such Placement. In the event of a conflict between the terms of this Agreement and the terms of any Terms Agreement, the terms of such Terms Agreement will control.

(b) (i) Under no circumstances shall the aggregate number of Shares sold pursuant to this Agreement exceed the number of Shares authorized from time to time to be issued and sold under this Agreement by the Company's board of directors, or a duly authorized committee thereof, and notified to the Sales Agent in writing.

(i) If either party has reason to believe that the exemptive provisions set forth in Rule 101(c)(1) of Regulation M under the Exchange Act are not satisfied with respect to the Shares, it shall promptly notify the other party and sales of the Shares under this Agreement shall be suspended until that or other exemptive provisions have been satisfied in the judgment of each party.

(c) Each sale of the Shares to or through the Sales Agent shall be made in accordance with the terms of this Agreement or, if applicable, a Terms Agreement.

(d) Any offer, solicitation or sale of the Shares shall be effected by or through only one of the Agents on any single trading day.

(e) Subject to the limitations set forth herein and as may be mutually agreed upon by the Company and the Sales Agent, sales pursuant to this Agreement may not be requested by the Company and need not be made by the Sales Agent during any period in which the Company is or could be deemed to be, in possession of material non-public information.

(f) Notwithstanding any other provision of this Agreement, the Company shall not offer, sell or deliver, or request the offer or sale, of any Shares pursuant to this Agreement at any time during the period from and including the time the Company issues a press release containing, or shall otherwise publicly announce, its earnings, revenues or other operating results for a fiscal period or periods (each, an "Earnings Announcement") through and including the Representation Date that occurs in connection with the Company filing a Quarterly Report on Form 10-Q or an Annual Report on Form 10-K (a "Filing Time") that includes consolidated financial statements as of and for the same fiscal period or periods, as the case may be, covered by such Earnings Announcement, unless the Company shall first (i) prepare and deliver to the Sales Agent (with a copy to counsel for the Sales Agent) a Current Report on Form 8-K that includes substantially the same financial and related information that was included in such Earnings Announcement (other than any earnings projections and similar forward-looking data and officers' quotations) (each, an "Earnings 8-K"), in form and substance reasonably satisfactory to the Sales Agent, and, prior to its filing, obtain the written consent of the Sales Agent to such filing (which consent shall not be unreasonably withheld), (ii) provide the Sales Agent with the officers' certificates, opinions and letters of counsels and accountants' letter

specified in Sections 5(q) through 5(u), inclusive, hereof, (iii) afford the Sales Agent the opportunity to conduct a due diligence review in accordance with Section 5(v) hereof prior to filing such Earnings 8-K and (iv) file (rather than furnish) such Earnings 8-K with the Commission. For purposes of clarity, the parties hereto agree that (A) the delivery of any officers' certificates, opinions or letters of counsel or accountants' letter pursuant to this Section 4(g) shall not relieve the Company from any of its obligations under this Agreement with respect to any Quarterly Report on Form 10-Q or Annual Report on Form 10-K, as the case may be, including, without limitation, the obligation to deliver officers' certificates, opinions and letters of counsel and accountants' letters as provided in Sections 5(q) through 5(u), inclusive, hereof, and (B) this Section 4(g) shall in no way affect or limit the operation of Section 4(d) hereof, which shall have independent application.

(g) The Company acknowledges and agrees that (A) there can be no assurance that the Sales Agent will be successful in selling the Shares, (B) the Sales Agent will incur no liability or obligation to the Company or any other person or entity if it does not sell Shares for any reason other than a failure by the Sales Agent to use its commercially reasonable efforts consistent with its normal trading and sales practices and applicable law and regulations to sell such Shares in accordance with the terms of this Agreement, and (C) the Sales Agent shall be under no obligation to purchase Shares on a principal basis pursuant to this Agreement, except as otherwise specifically agreed by the Sales Agent and the Company.

SECTION 5. Covenants of the Company. The Company agrees with the Sales Agent:

(a) During the period in which a prospectus relating to the Shares is required to be delivered under the Act (whether physically, deemed to be delivered pursuant to Rule 153 or through compliance with Rule 172 under the Act or any similar rule), to notify the Sales Agent promptly of the time when any subsequent amendment to the Registration Statement has become effective or any subsequent supplement to the Basic Prospectus, the Prospectus or any Permitted Free Writing Prospectus has been filed; to prepare and file with the Commission, promptly upon the Sales Agent's request, any amendments or supplements to the Registration Statement, the Basic Prospectus, the Prospectus or any Permitted Free Writing Prospectus that, in the Sales Agent's reasonable opinion, may be necessary or advisable in connection with the offering of the Shares by the Sales Agent; and to cause each amendment or supplement to the Basic Prospectus or the Prospectus to be filed with the Commission as required pursuant to the applicable paragraph of Rule 424(b) of the Act or, in the case of any Incorporated Document, to be filed with the Commission as required pursuant to the Exchange Act, within the time period prescribed.

(b) To promptly advise the Sales Agent, confirming such advice in writing, of any suspension of the Sales Agent's obligations under Rule 15c2-8 under the Exchange Act or any request by the Commission for amendments or supplements to the Registration Statement, the Basic Prospectus, the Prospectus or any Permitted Free Writing Prospectus or for additional information with respect thereto, or of notice of examination, institution of proceedings for, or the entry of a stop order suspending the effectiveness of the Registration Statement and, if the Commission should enter a stop order suspending the effectiveness of the Registration Statement, to use its best efforts to obtain the lifting or removal of such order as soon as possible; to promptly advise the Sales Agent of any proposal to amend or supplement the Registration Statement, the Basic Prospectus or the Prospectus, and to provide the Sales Agent and its counsel copies of any such documents for review and comment a reasonable amount of time prior to any proposed filing and to file no such amendment or supplement (other than any prospectus supplement relating to the offering of other securities (including, without limitation, the Common Stock)) to which the Sales Agent shall have objected in writing.

(c) To make available to the Sales Agent, as soon as practicable after this Agreement becomes effective, and thereafter from time to time to furnish to the Sales Agent, as many copies of the Prospectus (or of the Prospectus as amended or supplemented if the Company shall have made any amendments or supplements thereto after the effective date of the Registration Statement) as the Sales Agent may request for the purposes contemplated by the Act; in case the Sales Agent is required to deliver (whether physically, deemed to be delivered pursuant to Rule 153 or through compliance with Rule 172 under the Act or any similar rule), in connection with the sale of the Shares, a prospectus after the nine-month period referred to in Section 10(a)(3) of the Act, or after the time a post-effective amendment to the Registration Statement is required pursuant to Item 512(a) of Regulation S-K under the Act, the Company will prepare, at its expense, promptly upon request such amendment or amendments to the Registration Statement and the Prospectus as may be necessary to permit compliance with the requirements of Section 10(a)(3) of the Act or Item 512(a) of Regulation S-K under the Act, as the case may be.

(d) Subject to Section 5(b) hereof, to file promptly all reports and documents and any preliminary or definitive proxy or information statement required to be filed by the Company with the Commission in order to comply with the Exchange Act for so long as a prospectus is required by the Act to be delivered (whether physically, deemed to be delivered pursuant to Rule 153 or through compliance with Rule 172 under the Act or any similar rule) in connection with any sale of Shares; and to provide the Sales Agent, for its review and comment, with a copy of such reports and statements and other documents to be filed by the Company pursuant to Section 13, 14 or 15(d) of the Exchange Act during such period a reasonable amount of time prior to any proposed filing, and to file no such report, statement or document to which the Sales Agent shall have objected in writing; and to promptly notify the Sales Agent of such filing.

(e) To pay the fees applicable to the Registration Statement in connection with the offering of the Shares within the time required by Rule 456(b)(1) (i) under the Act (without reliance on the proviso to Rule 456(b)(1)(i) under the Act) and in compliance with Rule 456(b) and Rule 457(r) under the Act.

(f) If at any time when Shares remain unsold by the Sales Agent the Company receives from the Commission a notice pursuant to Rule 401(g)(2) under the Act or otherwise ceases to be eligible to use the automatic shelf registration statement form, the Company will (a) promptly notify the Sales Agent, (b) promptly file a new registration statement or post-effective amendment on the proper form relating to the Shares, in a form satisfactory to the Sales Agent, (c) use its best efforts to cause such registration statement or post-effective amendment to be declared effective as soon as practicable (if such filing is not otherwise effective immediately pursuant to Rule 462 under the Act) and (d) promptly notify the Sales Agent of such effectiveness. The Company will take all other action necessary or appropriate to permit the public offering and sale of the Shares to continue as contemplated in the Registration Statement that was the subject of the notice under Rule 401(g)(2) under the Act or for which the Company has otherwise become ineligible. References herein to the Registration Statement relating to the Shares shall include such new registration statement or post-effective amendment, as the case may be.

(g) If immediately prior to the third anniversary (the "Renewal Deadline") of the initial effective date of the Registration Statement, any of the Shares remain unsold by the Sales Agent, the Company will, prior to the Renewal Deadline file, if it has not already done so and is eligible to do so, a new automatic shelf registration statement relating to the Shares, in a form satisfactory to the Sales Agent. If the Company is not eligible to file an automatic shelf registration statement, the Company will, prior to the Renewal Deadline, if it has not already done so, file a new shelf registration statement relating to the Shares, in a form satisfactory to the

Sales Agent, and will use its best efforts to cause such registration statement to be declared effective within 180 days after the Renewal Deadline. The Company will take all other action necessary or appropriate to permit the public offering and sale of the Shares to continue as contemplated in the expired registration statement. References herein to the Registration Statement shall include such new automatic shelf registration statement or such new shelf registration statement, as the case may be.

(h) To promptly notify the Sales Agent of the happening of any event that could require the making of any change in the Prospectus then being used so that the Prospectus would not include an untrue statement of material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they are made, not misleading, and, during any period during which a prospectus is required to be delivered (whether physically, deemed to be delivered pursuant to Rule 153 or through compliance with Rule 172 under the Act or any similar rule) in connection with any sale of Shares, subject to Section 5(b), to prepare and furnish, at the Company's expense, to the Sales Agent promptly such amendments or supplements to such Prospectus as may be necessary to reflect any such change.

(i) To furnish such information as may be required and otherwise to cooperate in qualifying the Shares for offering and sale under the securities or blue sky laws of such states or other jurisdictions as the Sales Agent may designate and to maintain such qualifications in effect so long as required for the distribution of the Shares; provided, however, that the Company shall not be required to qualify as a foreign corporation or to consent to the service of process under the laws of any such jurisdiction (except service of process with respect to the offering and sale of the Shares); and to promptly advise the Sales Agent of the receipt by the Company of any notification with respect to the suspension of the qualification of the Shares for offer or sale in any jurisdiction or the initiation or threatening of any proceeding for such purpose.

(j) To make generally available to its security holders, and to deliver to the Sales Agent, an earnings statement of the Company (which will satisfy the provisions of Section 11(a) of the Act) covering a period of twelve months beginning after the effective date of the Registration Statement (as defined in Rule 158(c) of the Act) as soon as is reasonably practicable after the termination of such twelve-month period but not later than eighteen months after the effective date of the Registration Statement (as such date is defined in Rule 158(c) under the Act).

(k) To apply the net proceeds from the sale of the Shares in the manner set forth under the caption "Use of Proceeds" in the Prospectus Supplement or, if not so specified, in the Prospectus, and if not so specified, in the Basic Prospectus.

(l) Until the settlement of sale of all Common Stock being offered pursuant to this Agreement, at any time that sales of the Common Stock have been made but not settled or at any time the Company has outstanding with the Sales Agent any instructions to sell the Common Stock but such instructions have not been fulfilled or cancelled, the Company will not sell, offer to sell, contract or agree to sell, hypothecate, pledge, grant any option to sell or otherwise dispose of or agree to dispose of, directly or indirectly, any shares of the Common Stock or securities convertible into or exchangeable or exercisable for the Common Stock or warrants or other rights to purchase the Common Stock or any other securities of the Company that are substantially similar to the Common Stock or permit the registration under the Act of any shares of the Common Stock, including pursuant to another Distribution Agreement, in each case without giving the Sales Agent at least three business days' prior written notice specifying the nature of the proposed sale and the date of such proposed sale. Notwithstanding the foregoing, the Company may (i) register the offer and sale of the Shares through the Sales Agent pursuant to

this Agreement; (ii) issue Common Stock, restricted stock, options or other units or awards pursuant to the Company's long term stock incentive plans as currently in effect (or file a Form S-8 related to such plans) or pursuant to the exercise of employee stock options or other awards; (iii) issue Common Stock pursuant to the DRSPP or any successor dividend reinvestment or share purchase plan (or the filing of a Form S-3 related to such a plan) and (iv) offer or issue any series of preferred stock that is not convertible into shares of Common Stock other than in connection with a "change of control." For the avoidance of doubt, the Company will not be prohibited from issuing Common Stock upon the election by a holder of Preferred Stock to convert Preferred Stock into Common Stock. In the event that notice of a proposed sale is provided by the Company pursuant to this Section 5(l), the Sales Agent may suspend activity under this program for such period of time as may be requested by the Company or as may be deemed appropriate by the Sales Agent.

(m) Not, at any time at or after the execution of this Agreement, to offer or sell any Shares by means of any "prospectus" (within the meaning of the Act), or use any "prospectus" (within the meaning of the Act) in connection with the offer or sale of the Shares, in each case other than the Prospectus.

(n) The Company will not, and will cause its subsidiaries not to, take, directly or indirectly, any action designed, or which will constitute, or has constituted, or might reasonably be expected to cause or result in the stabilization or manipulation of the price of any security of the Company to facilitate the sale or resale of the Shares.

(o) To use its best efforts to cause the Common Stock to be listed on the NYSE and to maintain such listing.

(p) To advise the Sales Agent immediately after it shall have received notice or obtain knowledge thereof, of any information or fact that would alter or affect any opinion, certificate, letter and other document provided to the Sales Agent pursuant to Section 8 herein.

(q) Upon commencement of the offering of the Shares under this Agreement, and within four trading days of each time that (i) the Registration Statement or the Prospectus shall be amended or supplemented (other than pursuant to subclause (ii) below and other than a prospectus supplement filed pursuant to Rule 424(b) under the Act relating solely to the offering of securities other than the Shares), (ii) there is filed with the Commission any document incorporated by reference into the Prospectus (other than a Current Report on Form 8-K, unless the Sales Agent shall otherwise reasonably request), or (iii) otherwise as the Sales Agent may reasonably request (the date of commencement of the offering of the Shares under this Agreement and each date referred to in subclauses (i), (ii) and (iii) above, each a "Representation Date"), the Company shall furnish or cause to be furnished to the Sales Agent forthwith a certificate dated as of such delivery date, in form satisfactory to the Sales Agent to the effect that the statements contained in the certificate referred to in Section 8(e)(i) of this Agreement which were last furnished to the Sales Agent are true and correct as of such delivery date, as though made at and as of such date (except that such statements shall be deemed to relate to the Registration Statement and the Prospectus as amended and supplemented to such date) or, in lieu of such certificate, a certificate of the same tenor as the certificate referred to in said Section 8(e)(i), modified as necessary to relate to the Registration Statement and the Prospectus as amended and supplemented to the time of delivery of such certificate. The requirement to provide a certificate under this Section 5(q) shall be waived for any Representation Date occurring at a time at which no Placement Notice is pending, which waiver shall continue until the earlier to occur of the date the Company delivers a Placement Notice hereunder or under any Alternative Agreement (which for such calendar quarter shall be considered a Representation Date) and the next occurring Representation Date. Notwithstanding the foregoing, if the

Company subsequently decides to sell Shares through the Sales Agent or any Alternative Agent following a Representation Date when the Company relied on such waiver and did not provide the Agents with a certificate under this Section 5(q), then before the Company delivers the Placement Notice or the Sales Agent or any Alternative Agent sells any Shares, the Company shall provide the Sales Agent with such certificate, dated the date of the Placement Notice.

(r) On or prior to four trading days after each Representation Date with respect to which the Company is obligated to deliver a certificate under Section 8(e) for which no waiver is applicable, the Company shall furnish or cause to be furnished forthwith to the Sales Agent written opinions of (i) Davis Polk & Wardwell LLP, special counsel for the Company (including negative assurance), (ii) Hunton Andrews Kurth LLP, tax counsel for the Company, (iii) Venable LLP, Maryland counsel for the Company and (iv) Anthony C. Green, Chief Corporate Officer, Chief Legal Officer and Secretary for the Company or other counsels satisfactory to the Sales Agent, dated and delivered as of such delivery date, in form and substance satisfactory to the Sales Agent, of the same tenor as the opinions referred to in Section 8(c) of this Agreement, but modified as necessary to relate to the Registration Statement and the Prospectus as amended and supplemented to the time of delivery of such opinions.

(s) On or prior to four trading days after each Representation Date with respect to which the Company is obligated to deliver a certificate under Section 8(e) for which no waiver is applicable, the Company shall furnish or cause to be furnished to the Sales Agent forthwith a certificate of the Secretary of the Company, dated and delivered as of such delivery date, in form and substance satisfactory to the Sales Agent.

(t) On or prior to four trading days after each Representation Date with respect to which the Company is obligated to deliver a certificate under Section 8(e) for which no waiver is applicable, Cravath, Swaine & Moore LLP, counsel to the Sales Agent, shall deliver a written opinion, dated and delivered as of such delivery date, in form and substance satisfactory to the Sales Agent.

(u) On or prior to four trading days after each Representation Date with respect to which the Company is obligated to deliver a certificate under Section 8(e) for which no waiver is applicable, the Company shall cause the Accountants or other independent accountants satisfactory to the Sales Agent, forthwith to furnish to the Sales Agent a letter, dated as of such delivery date, in form and substance satisfactory to the Sales Agent, of the same tenor as the letter referred to in Section 8(d) of this Agreement but modified to relate to the Registration Statement and the Prospectus, as amended and supplemented to the date of such letter. Notwithstanding anything else contained herein to the contrary, other than as set forth in this Section 5(u) and Section 8(d) of this Agreement the Company shall be under no additional obligations to cause the Accountants to provide a letter to the Sales Agent, provided however, so long as this Agreement remains in effect, to the extent the Sales Agent reasonably believes it needs such a letter at some time other than as required under this Section 5(u) and Section 8(d), the Sales Agent may suspend the offering of the Shares in accordance with Section 4(a)(ii) of this Agreement, if such letter is not delivered.

(v) At each Representation Date with respect to which the Company is obligated to deliver a certificate under Section 8(e) for which no waiver is applicable, to conduct a due diligence session, in form and substance, satisfactory to the Sales Agent, which shall include representatives of the management and the accountants of the Company.

(w) That the Company consents to the Sales Agent trading in the Common Stock for the Sales Agent's own account and for the account of its clients at the same time as sales of the Shares occur pursuant to this Agreement.

(x) If to the knowledge of the Company, any condition set forth in Section 8(a) or Section 8(h) of this Agreement shall not have been satisfied on the applicable Settlement Date, to offer to any person who has agreed to purchase the Shares from the Company as the result of an offer to purchase solicited by the Sales Agent the right to refuse to purchase and pay for such Shares.

(y) To disclose in its quarterly reports on Form 10-Q and in its annual report on Form 10-K the number of the Shares sold through or to the Sales Agent under this Agreement, the Net Proceeds to the Company and the compensation paid by the Company with respect to sales of the Shares pursuant to this Agreement during the relevant quarter.

(z) To ensure that prior to instructing the Sales Agent to sell Shares the Company shall have obtained all necessary corporate authority for the offer and sale of such Shares.

(aa) That each acceptance by the Company of an offer to purchase the Shares hereunder shall be deemed to be an affirmation to the Sales Agent that the representations and warranties of the Company contained in or made pursuant to this Agreement are true and correct as of the date of such acceptance as though made at and as of such date, and an undertaking that such representations and warranties will be true and correct as of the Settlement Date for the Shares relating to such acceptance, as though made at and as of such date (except that such representations and warranties shall be deemed to relate to the Registration Statement and the Prospectus as amended and supplemented relating to such Shares).

(ab) The Company has been organized and operated in conformity with the requirements for qualification and taxation of the Company as a REIT under the Code, and the Company's proposed methods of operation will enable the Company to continue to meet the requirements for qualification and taxation as a REIT under the Code.

(ac) The Company has retained the Accountants as its qualified accountants and qualified tax experts (i) to test procedures and conduct annual compliance reviews designed to determine compliance with the REIT provisions of the Code and the Company's exempt status under the Investment Company Act and (ii) to otherwise assist the Company in monitoring appropriate accounting systems and procedures designed to determine compliance with the REIT provisions of the Code and the Company's exempt status under the Investment Company Act.

SECTION 6. Reserved.

SECTION 7. Payment of Expenses. The Company agrees with the Sales Agent that whether or not the transactions contemplated hereunder are consummated or this Agreement is terminated, to pay all of its expenses incident to the performance of its obligations hereunder, including, but not limited to, such costs, expenses, fees and taxes in connection with (i) the preparation and filing of the Registration Statement, the Basic Prospectus, the Prospectus Supplement, the Prospectus, each Permitted Free Writing Prospectus and any amendments or supplements thereto, and the printing and furnishing of copies of each thereof to the Sales Agent (including costs of mailing and shipment), (ii) the registration, issue, sale and delivery of the Shares including any stock or transfer taxes and stamp or similar duties payable upon the sale, issuance or delivery of the Shares, (iii) the producing, word processing and/or printing of this Agreement, any Powers of Attorney and any closing documents (including compilations thereof) and the reproduction and/or printing and furnishing of copies of each thereof to the Sales Agent (including costs of mailing and shipment), (iv) the qualification of the Shares for offering and sale under state laws and the determination of their eligibility for investment under state law as aforesaid (including the reasonable legal fees and filing fees and other disbursements of counsel for the Sales Agent) and the printing and furnishing of copies of any blue sky surveys to the

Sales Agent, (v) the listing of the Shares on any securities exchange or qualification of the Shares for quotation on the NYSE and any registration thereof under the Exchange Act and (vi) any filing for review of the public offering of the Shares by FINRA, including the reasonable legal fees and disbursements of counsel for the Sales Agent relating to FINRA matters. The Sales Agent will pay all of its other out-of-pocket costs and expenses incurred in connection with entering into this Agreement and the transactions contemplated by this Agreement, including, without limitation, travel, reproduction, printing and similar expenses.

SECTION 8. Conditions of Sales Agent's Obligations. The obligations of the Sales Agent hereunder are subject to (i) the accuracy of the representations and warranties on the part of the Company on the date hereof, any applicable date referred to in Section 5(q) of this Agreement and as of each Settlement Date, (ii) the performance by the Company of its obligations hereunder and (iii) to the following additional conditions precedent.

(a) (i) No stop order with respect to the effectiveness of the Registration Statement shall have been issued under the Act or proceedings initiated under Section 8(d) or 8(e) of the Act, and no order directed at or in relation to any document incorporated by reference therein and no order preventing or suspending the use of the Prospectus has been issued by the Commission, the Commission shall not have notified the Company of any objection to the use of the form of the Registration Statement or any post-effective amendment thereto, and no suspension of the qualification of the Shares for offering or sale in any jurisdiction, or to the knowledge of the Company or the Sales Agent of the initiation or threatening of any proceedings for any of such purposes, has occurred; (ii) the Registration Statement and all amendments thereto, or modifications thereof, if any, shall not contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading; (iii) none of the Basic Prospectus or the Prospectus, and no amendment or supplement thereto, or modification thereof, if any, shall include an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary in order to make the statements therein, in the light of the circumstances under which they are made, not misleading; (iv) no Prospectus, together with any combination of one or more of the Permitted Free Writing Prospectuses, if any, and no amendment or supplement thereto, shall include an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they are made, not misleading; and (v) none of the Permitted Free Writing Prospectuses, if any, shall include an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they are made, not misleading.

(b) Subsequent to the respective dates as of which information is given in the Registration Statement, the Basic Prospectus, the Prospectus and the Permitted Free Writing Prospectuses, if any, (i) no material and unfavorable change, financial or otherwise (other than as referred to in the Registration Statement and the Prospectus), in the business, condition, net worth or prospects of the Company and its subsidiaries, taken as a whole, in the judgment of the Sales Agent, shall occur or become known and (ii) no transaction which is material and unfavorable to the Company or any of its subsidiaries, taken as a whole (other than as referred to in the Registration Statement and Prospectus), in the judgment of the Sales Agent, shall have been entered into by the Company or any of its subsidiaries.

(c) The Company shall furnish to the Sales Agent, at every date specified in Section 5(r) of this Agreement for which no waiver is applicable, the opinions of Davis Polk & Wardwell LLP, Hunton Andrew Kurth LLP, Venable LLP and the Chief Legal Officer of the Company addressed to the Sales Agent, and dated as of such date, and in form satisfactory to the Sales Agent, in the form set forth in Exhibits A-1, A-2, A-3 and A-4 hereto.

(d) At the dates specified in Section 5(u) of this Agreement, the Sales Agent shall have received from the Accountants letters dated the date of delivery thereof and addressed to the Sales Agent in form and substance satisfactory to the Sales Agent.

(e) (i) The Company shall deliver to the Sales Agent, on or prior to four trading days after each Representation Date specified in Section 5(q) of this Agreement, a certificate of two of its executive officers to the effect that (i) the representations and warranties of the Company as set forth in this Agreement are true and correct as of such delivery date, (ii) the Company has performed such of its obligations under this Agreement as are to be performed at or before each such delivery date and (iii) the conditions set forth in paragraphs (a) and (b) of this Section 8 have been met. The certificate shall also state that the Shares have been duly and validly authorized by the Company, that all corporate action required to be taken for the issuance and sale of the Shares has been validly and sufficiently taken, and that the Company's Board of Directors or any other body with authority has not revoked, rescinded or otherwise modified or withdrawn such authorization or corporate action.

(f) The Sales Agent shall have received, at every date specified in Section 5(t) of this Agreement, the favorable opinion of Cravath, Swaine & Moore LLP, counsel to the Sales Agent, dated as of such date, and in form and substance satisfactory to the Sales Agent.

(g) The Sales Agent shall have received, at every date specified in Section 5(s) of this Agreement, a certificate of the Secretary of the Company, dated as of such date, and in form and substance satisfactory to the Sales Agent.

(h) All filings with the Commission required by Rule 424 under the Act to have been filed by the Settlement Date shall have been made within the applicable time period prescribed for such filing by Rule 424.

(i) The Shares shall have been approved for listing on the NYSE, subject only to notice of issuance at or prior to the Settlement Date.

For purposes of clarity and without limitation to any other provision of this Section 8 or elsewhere in this Agreement, the Company and the Sales Agent agree that the Sales Agent's obligations, if any, to solicit purchases of Shares on an agency basis or otherwise take any action pursuant to a Placement Notice shall, unless otherwise agreed in writing by the Sales Agent, be suspended during the period from and including a Representation Date for which certificates are required to be delivered pursuant to Section 5(q) through and including the time the Sales Agent shall have received the documents described in Sections 8(c) through 8(g), inclusive.

SECTION 9. Indemnification and Contribution.

(a) The Company agrees to indemnify, defend and hold harmless the Sales Agent and its affiliates, its and their directors, officers, employees and agents and any person who controls the Sales Agent within the meaning of Section 15 of the Act or Section 20 of the Exchange Act, and the successors and assigns of all of the foregoing persons, from and against any loss, damage, expense, liability or claim (including the reasonable cost of investigation) which the Sales Agent or any such person may incur under the Act, the Exchange Act, the common law or otherwise, insofar as such loss, damage, expense, liability or claim arises out of or is based upon (i) any untrue statement or alleged untrue statement of a material fact contained in the Registration Statement (or in the Registration Statement as amended by any post-effective amendment thereof by the Company) or arises out of or is based upon any omission or alleged omission to state a material fact required to be stated therein or necessary to make the statements

therein not misleading, except insofar as any such loss, damage, expense, liability or claim arises out of or is based upon any untrue statement or alleged untrue statement of a material fact contained in, and in conformity with information furnished in writing by or on behalf of the Sales Agent to the Company expressly for use in, the Registration Statement or arises out of or is based upon any omission or alleged omission to state a material fact in the Registration Statement in connection with such information, which material fact was not contained in such information and which material fact was required to be stated in such Registration Statement or was necessary to make such information not misleading or (ii) any untrue statement or alleged untrue statement of a material fact included in any Prospectus (the term Prospectus for the purpose of this Section 9 being deemed to include the Basic Prospectus, the Prospectus Supplement, the Prospectus and any amendments or supplements to the foregoing), in any Permitted Free Writing Prospectus, in any "issuer information" (as defined in Rule 433 under the Act) of the Company or in any Prospectus together with any combination of one or more of the Permitted Free Writing Prospectuses, if any, or arises out of or is based upon any omission or alleged omission to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading, except, with respect to such Prospectus or Permitted Free Writing Prospectus, insofar as any such loss, damage, expense, liability or claim arises out of or is based upon any untrue statement or alleged untrue statement of a material fact contained in, and in conformity with information furnished in writing by or on behalf of the Sales Agent to the Company expressly for use in, such Prospectus or Permitted Free Writing Prospectus or arises out of or is based upon any omission or alleged omission to state a material fact in such Prospectus or Permitted Free Writing Prospectus in connection with such information, which material fact was not contained in such information and which material fact was necessary in order to make the statements in such information, in the light of the circumstances under which they were made, not misleading.

If any action, suit or proceeding (together, a "Proceeding") is brought against the Sales Agent or any such person in respect of which indemnity may be sought against the Company pursuant to the foregoing paragraph, the Sales Agent or such person shall promptly notify the indemnifying party in writing of the institution of such Proceeding and the Company shall assume the defense of such Proceeding, including the employment of counsel reasonably satisfactory to such indemnified party and payment of all fees and expenses; provided, however, that the omission to so notify the Company shall not relieve the Company from any liability which the Company may have to the Sales Agent or any such person or otherwise except to the extent the Company was materially prejudiced by such omission. The Sales Agent or such person shall have the right to employ its or their own counsel in any such case, but the fees and expenses of such counsel shall be at the expense of the Sales Agent or of such person unless the employment of such counsel shall have been authorized in writing by the Company in connection with the defense of such Proceeding or the Company shall not have, within a reasonable period of time in light of the circumstances, employed counsel to have charge of the defense of such Proceeding or such indemnified party or parties shall have reasonably concluded that there may be defenses available to it or them which are different from, additional to or in conflict with those available to the Company (in which case the Company shall not have the right to direct the defense of such Proceeding on behalf of the indemnified party or parties), in any of which events such fees and expenses shall be borne by the Company, and paid as incurred (it being understood, however, that the Company shall not be liable for the expenses of more than one separate counsel (in addition to any local counsel) in any one Proceeding or series of related Proceedings in the same jurisdiction representing the indemnified parties who are parties to such Proceeding). The Company shall not be liable for any settlement of any Proceeding effected

without its written consent but if settled with the written consent of the Company, the Company agrees to indemnify and hold harmless the Sales Agent and any such person from and against any loss or liability by reason of such settlement. Notwithstanding the foregoing sentence, if at any time an indemnified party shall have requested the Company to reimburse the indemnified party for fees and expenses of counsel as contemplated by the second sentence of this paragraph, then the Company agrees that it shall be liable for any settlement of any Proceeding effected without its written consent if (i) such settlement is entered into more than 60 business days after receipt by the Company of the aforesaid request, (ii) the Company shall not have reimbursed the indemnified party in accordance with such request prior to the date of such settlement and (iii) such indemnified party shall have given the indemnifying party at least 30 days' prior notice of its intention to settle. The Company shall not, without the prior written consent of the indemnified party, effect any settlement of any pending or threatened Proceeding in respect of which any indemnified party is or may be a party and indemnity could have been sought hereunder by such indemnified party, unless such settlement includes an unconditional release of such indemnified party from all liability on claims that are the subject matter of such Proceeding and does not include an admission of fault or culpability or a failure to act, by or on behalf of such indemnified party.

(b) The Sales Agent agrees to indemnify, defend and hold harmless the Company, and each of its directors and each of the Company's officers, who signed the Registration Statement, and each person, if any, who controls the Company within the meaning of Section 15 of the Act or Section 20 of the Exchange Act, and the successors and assigns of all of the foregoing persons, from and against any loss, damage, expense, liability or claim (including the reasonable cost of investigation) which, jointly or severally, the Company or any such person may incur under the Act, the Exchange Act, the common law or otherwise, insofar as such loss, damage, expense, liability or claim arises out of or is based upon (i) any untrue statement or alleged untrue statement of a material fact contained in and, in conformity with information furnished in writing by or on behalf of the Sales Agent to the Company expressly for use with reference to the Sales Agent in the Registration Statement (or in the Registration Statement as amended by any post-effective amendment thereof by the Company), or arises out of or is based upon any omission or alleged omission to state a material fact in such Registration Statement in connection with such information, which material fact was not contained in such information and which material fact was required to be stated in such Registration Statement or was necessary to make such information not misleading or (ii) any untrue statement or alleged untrue statement of a material fact contained in, and in conformity with information furnished in writing by or on behalf of the Sales Agent to the Company expressly for use in, the Prospectus Supplement or a Permitted Free Writing Prospectus, or arises out of or is based upon any omission or alleged omission to state a material fact in the Prospectus Supplement or a Permitted Free Writing Prospectus in connection with such information, which material fact was not contained in such information and which material fact was necessary in order to make the statements in such information, in the light of the circumstances under which they were made, not misleading.

If any Proceeding is brought against the Company or any such person in respect of which indemnity may be sought against the Sales Agent pursuant to the foregoing paragraph, the Company or such person shall promptly notify the Sales Agent in writing of the institution of such Proceeding and the Sales Agent shall assume the defense of such Proceeding, including the employment of counsel reasonably satisfactory to such indemnified party and payment of all fees and expenses; *provided*, *however*, that the omission to so notify the Sales Agent shall not relieve the Sales Agent from any liability which the Sales Agent may have to the Company or

any such person or otherwise. The Company or such person shall have the right to employ its own counsel in any such case, but the fees and expenses of such counsel shall be at the expense of the Company such person unless the employment of such counsel shall have been authorized in writing by the Sales Agent in connection with the defense of such Proceeding or the Sales Agent shall not have, within a reasonable period of time in light of the circumstances, employed counsel to have charge of the defense of such Proceeding or such indemnified party or parties shall have reasonably concluded that there may be defenses available to it or them which are different from or additional to or in conflict with those available to the Sales Agent (in which case the Sales Agent shall not have the right to direct the defense of such Proceeding on behalf of the indemnified party or parties, but the Sales Agent may employ counsel and participate in the defense thereof but the fees and expenses of such counsel shall be at the expense of the Sales Agent), in any of which events such fees and expenses shall be borne by the Sales Agent and paid as incurred (it being understood, however, that the Sales Agent shall not be liable for the expenses of more than one separate counsel (in addition to any local counsel) in any one Proceeding or series of related Proceedings in the same jurisdiction representing the indemnified parties who are parties to such Proceeding). The Sales Agent shall not be liable for any settlement of any such Proceeding effected without the written consent of the Sales Agent but if settled with the written consent of the Sales Agent, the Sales Agent agrees to indemnify and hold harmless the Company and any such person from and against any loss or liability by reason of such settlement. Notwithstanding the foregoing sentence, if at any time an indemnified party shall have requested the Sales Agent to reimburse the indemnified party for fees and expenses of counsel as contemplated by the second sentence of this paragraph, then the Sales Agent agrees that it shall be liable for any settlement of any Proceeding effected without its written consent if (i) such settlement is entered into more than 60 business days after receipt by the Sales Agent of the aforesaid request, (ii) the Sales Agent shall not have reimbursed the indemnified party in accordance with such request prior to the date of such settlement and (iii) such indemnified party shall have given the Sales Agent at least 30 days' prior notice of its intention to settle. The Sales Agent shall not, without the prior written consent of the indemnified party, effect any settlement of any pending or threatened Proceeding in respect of which any indemnified party is a party and indemnity could have been sought hereunder by such indemnified party, unless such settlement includes an unconditional release of such indemnified party from all liability on claims that are the subject matter of such Proceeding.

(c) If the indemnification provided for in this Section 9 is unavailable to an indemnified party under subsections (a) and (b) of this Section 9 or insufficient to hold an indemnified party harmless in respect of any losses, damages, expenses, liabilities or claims referred to therein, then each applicable indemnifying party shall contribute to the amount paid or payable by such indemnified party as a result of such losses, damages, expenses, liabilities or claims (i) in such proportion as is appropriate to reflect the relative benefits received by the Company, on the one hand, and the Sales Agent, on the other hand, from the offering of the Shares or (ii) if the allocation provided by clause (i) above is not permitted by applicable law, in such proportion as is appropriate to reflect not only the relative benefits referred to in clause (i) above but also the relative fault of the Company, on the one hand, and of the Sales Agent, on the other, in connection with the statements or omissions which resulted in such losses, damages, expenses, liabilities or claims, as well as any other relevant equitable considerations. The relative benefits received by the Company, on the one hand, and the Sales Agent, on the other, shall be deemed to be in the same respective proportions as the total proceeds from the offering

(net of underwriting discounts and commissions but before deducting expenses) received by the Company, and the total underwriting discounts and commissions received by the Sales Agent, bear to the aggregate public offering price of the Shares. The relative fault of the Company, on the one hand, and of the Sales Agent, on the other, shall be determined by reference to, among other things, whether the untrue statement or alleged untrue statement of a material fact or omission or alleged omission relates to information supplied by the Company or by the Sales Agent and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission. The amount paid or payable by a party as a result of the losses, damages, expenses, liabilities and claims referred to in this subsection shall be deemed to include any legal or other fees or expenses reasonably incurred by such party in connection with investigating, preparing to defend or defending any Proceeding.

(d) The Company and the Sales Agent agree that it would not be just and equitable if contributions pursuant to this Section 9 were determined by pro rata allocation or by any other method of allocation which does not take account of the equitable considerations referred to in subsection (c) above. Notwithstanding the provisions of this Section 9, the Sales Agent shall not be required to contribute any amount in excess of commissions received by it under this Agreement. No person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation.

(e) The Company and the Sales Agent agree promptly to notify each other of the commencement of any Proceeding against it and, in the case of the Company, against any of the Company's officers or directors in connection with the issuance and sale of the Shares, or in connection with the Registration Statement, the Basic Prospectus, the Prospectus or any Permitted Free Writing Prospectus.

SECTION 10. Representations and Agreements to Survive Delivery. The indemnity and contribution agreements contained in Section 9 and the covenants, warranties and representations of the Company contained in this Agreement or in certificates delivered pursuant hereto shall remain in full force and effect regardless of any investigation made by or on behalf of the Sales Agent, its partners, directors or officers or any person (including each partner, officer or director of such person) who controls the Sales Agent within the meaning of Section 15 of the Act or Section 20 of the Exchange Act, or by or on behalf of the Company, its directors or officers or any person who controls the Company within the meaning of Section 15 of the Act or Section 20 of the Exchange Act, and shall survive any termination of this Agreement or the issuance and delivery of the Shares.

SECTION 11. Termination.

(a) The Company shall have the right, by giving written notice as hereinafter specified, to terminate the provisions of this Agreement relating to the solicitation of offers to purchase the Shares in its sole discretion at any time. Any such termination shall be without liability of any party to any other party except that (i) if any of the Shares have been sold through the Sales Agent for the Company, then Section 5(j) and Section 5(w) shall remain in full force and effect, (ii) with respect to any pending sale, through the Sales Agent for the Company, the obligations of the Company, including in respect of compensation of the Sales Agent, shall remain in full force and effect notwithstanding the termination and (iii) the provisions of Sections 7, 9, 10, 12, 13, 14, 18 and 20 of this Agreement shall remain in full force and effect notwithstanding such termination.

(b) The Sales Agent shall have the right, by giving written notice as hereinafter specified, to terminate the provisions of this Agreement relating to the solicitation of offers to

purchase the Shares in its sole discretion at any time. Any such termination shall be without liability of any party to any other party except that (i) if any of the Shares have been sold through the Sales Agent for the Company, then Section 5(j) and Section 5(w) shall remain in full force and effect and (ii) the provisions of Sections 7, 9, 10, 12, 13, 14, 18 and 20 of this Agreement shall remain in full force and effect notwithstanding such termination.

(c) This Agreement shall remain in full force and effect unless terminated pursuant to Sections 11(a) or 11(b) above or otherwise by mutual agreement of the parties; and shall automatically terminate on May 8, 2030; *provided* that any such termination by mutual agreement shall in all cases be deemed to provide that Sections 7, 9 and 10 shall remain in full force and effect.

(d) Any termination of this Agreement shall be effective on the date specified in such notice of termination; *provided* that such termination shall not be effective until the close of business on the date of receipt of such notice by the Sales Agent or the Company, as the case may be. If such termination shall occur prior to the Settlement Date for any sale of the Shares, such sale shall settle in accordance with the provisions of Section 4(a)(vi) of this Agreement.

SECTION 12. Notices. Except as otherwise herein provided, all statements, requests, notices and agreements under this Agreement shall be in writing and delivered by hand, overnight courier, mail or facsimile and, if to the Sales Agent, shall be sufficient in all respects if delivered or sent to Citizens JMP Securities, LLC, 101 California Street, Suite 1700, San Francisco, California 94111, Attention: Trading (Aidan Whitehead, Email: aidan.p.whitehead@citizensbank.com; Todd Leone, Email: todd.leone@citizensbank.com); Attention: Compliance (Ken Murai, Email: ken.murai@citizensbank.com); Attention: Legal (Walter Conroy, Email: walter.conroy@citizensbank.com); Attention: Banking (Mark Timperman, Email: mark.o.timperman@citizensbank.com; Tyler Gallen, Email: tyler.gallen@citizensbank.com), and a copy for information purposes to Andrew J. Pitts, Esq. and Ryan J. Patrone, Esq. at Cravath, Swaine & Moore LLP, Two Manhattan West, 375 Ninth Avenue, New York, New York 10001 and, if to the Company, it shall be sufficient in all respects if delivered or sent to the Company at the offices of the Company at 1211 Avenue of the Americas, New York, New York 10036, Attention: David L. Finkelstein with a copy for information purposes to Davis Polk & Wardwell LLP at 450 Lexington Avenue New York, New York 10017, Attention: Shane Tintle, facsimile number: (212) 450-4000, Email: shane.tintle@davispolk.com. Each party to this Agreement may change such address for notices by sending to the parties to this Agreement written notice of a new address for such purpose.

SECTION 13. Parties at Interest. The Agreement herein set forth has been and is made solely for the benefit of the Sales Agent, the Company and, to the extent provided in Section 9 of this Agreement, the controlling persons, directors and officers referred to in such section, and their respective successors, assigns, heirs, personal representatives and executors and administrators. No other person, partnership, association or corporation (including a purchaser, as such purchaser, from the Sales Agent) shall acquire or have any right under or by virtue of this Agreement.

SECTION 14. No Fiduciary Relationship. The Company hereby acknowledges that the Sales Agent is acting solely as sales agent and/or principal in connection with the purchase and sale of the Company's securities. The Company further acknowledges that the Sales Agent is acting pursuant to a contractual relationship created solely by this Agreement entered into on an arm's length basis, and in no event do the parties intend that the Sales Agent act or be responsible as a fiduciary to the Company or its management, stockholders or creditors or any other person in connection with any activity that the Sales Agent may undertake or have undertaken in furtherance of the purchase and sale of the Company's securities, either before or

after the date hereof. The Sales Agent hereby expressly disclaims any fiduciary or similar obligations to the Company, either in connection with the transactions contemplated by this Agreement or any matters leading up to such transactions, and the Company hereby confirms its understanding and agreement to that effect. The Company and the Sales Agent agree that they are each responsible for making their own independent judgments with respect to any such transactions and that any opinions or views expressed by the Sales Agent to the Company regarding such transactions, including, but not limited to, any opinions or views with respect to the price or market for the Company's securities, do not constitute advice or recommendations to the Company, nor shall the expression of such opinions or views constitute any solicitation of any action by the Sales Agent. The Company hereby (a) waives and releases, to the fullest extent permitted by law, any claims that the Company may have against the Sales Agent with respect to any breach or alleged breach of any fiduciary or similar duty to the Company in connection with the transactions contemplated by this Agreement or any matters leading up to such transactions and (b) agrees that none of the activities of the Sales Agent in connection with the transactions contemplated herein constitutes a recommendation, investment advice or solicitation of any action by the Sales Agent with respect to any entity or natural person. The Company has consulted its own legal, accounting, financial, regulatory and tax advisors to the extent deemed appropriate.

SECTION 15. Press Releases and Disclosure. The Company may issue a press release in compliance with Rule 134 under the Act describing the material terms of the transactions contemplated hereby as soon as practicable following the date hereof, and may file with the Commission a Current Report on Form 8-K describing the material terms of the transaction contemplated hereby, and the Company shall consult with the Sales Agent prior to making such disclosures, and the parties shall use all reasonable efforts, acting in good faith, to agree upon a text for such disclosures that is reasonably satisfactory to all parties. No party hereto shall issue thereafter any press release or like public statement (including, without limitation, any disclosure required in reports filed with the Commission pursuant to the Exchange Act) related to this Agreement or any of the transactions contemplated hereby without the prior written approval of the other parties hereto, except as may be necessary or appropriate in the opinion of the party seeking to make disclosure to comply with the requirements of applicable law or stock exchange rules. If any such press release or like public statement is so required, the party making such disclosure shall consult with the other party prior to making such disclosure, and the parties shall use all reasonable efforts, acting in good faith, to agree upon a text for such disclosure that is reasonably satisfactory to all parties.

SECTION 16. Adjustments for Stock Splits. The parties acknowledge and agree that all share related numbers contained in this Agreement shall be adjusted to take into account any stock split effected with respect to the Shares.

SECTION 17. Entire Agreement. This Agreement constitutes the entire agreement and supersedes all other prior and contemporaneous agreements and undertakings, both written and oral, among the parties hereto with regard to the subject matter hereof. The Company and the Sales Agent hereby confirm and agree that the Distribution Agency Agreement, dated September 20, 2024 (as amended, supplemented or otherwise modified from time to time, the "Prior Sales Agreement"), between the Company and the Sales Agent is hereby deemed to be terminated, effective as of May 8, 2025, pursuant to Section 11(a) thereof and, except as provided in Section 11 thereof, is of no further force and effect.

SECTION 18. Counterparts; Electronic Signatures. This Agreement may be signed by the parties in one or more counterparts which together shall constitute one and the same agreement among the parties. Delivery of this Agreement by one party to the other may be made by facsimile, electronic mail (including any electronic signature complying with the New York

Electronic Signatures and Records Act (N.Y. State Tech. §§ 301-309), as amended from time to time, or other applicable law) or other transmission method, and the parties hereto agree that any counterpart so delivered shall be deemed to have been duly and validly delivered and be valid and effective for all purposes.

SECTION 19. Law; Construction. This Agreement and any claim, counterclaim or dispute of any kind or nature whatsoever arising out of or in any way relating to this Agreement ("Claim"), directly or indirectly, shall be governed by, and construed in accordance with, the internal laws of the State of New York.

SECTION 20. Headings. The Section headings in this Agreement have been inserted as a matter of convenience of reference and are not a part of this Agreement.

SECTION 21. Submission to Jurisdiction. Except as set forth below, no Claim may be commenced, prosecuted or continued in any court other than the courts of the State of New York located in the City and County of New York or in the United States District Court for the Southern District of New York, which courts shall have jurisdiction over the adjudication of such matters, and the Company consents to the non-exclusive jurisdiction of such courts and personal service with respect thereto. The Company hereby consents to personal jurisdiction, service and venue in any court in which any Claim arising out of or in any way relating to this Agreement is brought by any third party against the Sales Agent or any indemnified party. Each of the Sales Agent and the Company (on its behalf and, to the extent permitted by applicable law, on behalf of its stockholders and affiliates) waives all right to trial by jury in any action, proceeding or counterclaim (whether based upon contract, tort or otherwise) in any way arising out of or relating to this Agreement. The Company agrees that a final judgment in any such action, proceeding or counterclaim brought in any such court shall be conclusive and binding upon the Company and may be enforced in any other courts in the jurisdiction of which the Company is or may be subject, by suit upon such judgment.

SECTION 22. Successors and Assigns. This Agreement shall be binding upon the Sales Agent, the Company and their successors and assigns and any successor or assign of any substantial portion of the Company's and the Sales Agent's respective businesses and/or assets.

SECTION 23. Recognition of the U.S. Special Resolution Regimes. In the event that the Sales Agent that is a Covered Entity becomes subject to a proceeding under a U.S. Special Resolution Regime, the transfer from the Sales Agent of this Agreement, and any interest and obligation in or under this Agreement, will be effective to the same extent as the transfer would be effective under the U.S. Special Resolution Regime if this Agreement, and any such interest and obligation, were governed by the laws of the United States or a state of the United States.

In the event that the Sales Agent that is a Covered Entity or a BHC Act Affiliate of such Sales Agent becomes subject to a proceeding under a U.S. Special Resolution Regime, Default Rights under this Agreement that may be exercised against such Sales Agent are permitted to be exercised to no greater extent than such Default Rights could be exercised under the U.S. Special Resolution Regime if this Agreement were governed by the laws of the United States or a state of the United States.

For purposes of this Section 23, a "BHC Act Affiliate" has the meaning assigned to the term "affiliate" in, and shall be interpreted in accordance with, 12 U.S.C. § 1841(k). "Covered Entity" means any of the following: (i) a "covered entity" as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 252.82(b); (ii) a "covered bank" as that term is

defined in, and interpreted in accordance with, 12 C.F.R. § 47.3(b); or (iii) a "covered FSI" as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 382.2(b). "Default Right" has the meaning assigned to that term in, and shall be interpreted in accordance with, 12 C.F.R. §§ 252.81, 47.2 or 382.1, as applicable. "U.S. Special Resolution Regime" means each of (i) the Federal Deposit Insurance Act and the regulations promulgated thereunder and (ii) Title II of the Dodd-Frank Wall Street Reform and Consumer Protection Act and the regulations promulgated thereunder.

If the foregoing correctly sets forth the understanding among the Company and the Sales Agent, please so indicate in the space provided below for that purpose, whereupon this Agreement and your acceptance shall constitute a binding agreement among the Company and the Sales Agent. Alternatively, the execution of this Agreement by the Company and its acceptance by or on behalf of the Sales Agent may be evidenced by an exchange of telegraphic or other written communications.

Very truly yours,

ANNALY CAPITAL MANAGEMENT, INC.

By: /s/ David L. Finkelstein
Name: David L. Finkelstein
Title: Chief Executive Officer and
Co-Chief Investment Officer

[***Signature Page to Distribution Agency Agreement***]

ACCEPTED as of the date
first above written

CITIZENS JMP SECURITIES, LLC

By: /s/ Mark Timperman
Name: Mark Timperman
Title: Managing Director

Schedule A
Permitted Free Writing Prospectuses

None.

Schedule B

Authorized Company Representatives

David Finkelstein, Chief Executive Officer and Co-Chief Investment Officer
Telephone: (212) 205-7256
Fax: (212) 696-0100
Email: dfinkelstein@annaly.com

Steve Campbell, President and Chief Operating Officer
Telephone: (212) 413-1885
Fax: (212) 696-0100
Email: scampbell@annaly.com

Serena Wolfe, Chief Financial Officer
Telephone: (212) 626-2308
Fax: (212) 696-0100
Email: swolfe@annaly.com

Anthony Green, Chief Corporate Officer, Chief Legal Officer and Secretary
Telephone: (646) 728-7668
Fax: (212) 696-0100
Email: agreen@annaly.com

Exhibit A-1

Opinion of Davis Polk & Wardwell LLP

See attached.

Exhibit A-2

Opinion of Hunton Andrew Kurth LLP

See attached.

Exhibit A-3

Opinion of Venable LLP

See attached.

Exhibit A-4

Opinion of the Company's Chief Legal Officer

See attached.

ANNALY CAPITAL MANAGEMENT, INC.

Shares of Common Stock
(par value $0.01 per share)

DISTRIBUTION AGENCY AGREEMENT

May 8, 2025

Goldman Sachs & Co. LLC
200 West Street
New York, New York 10282

Ladies and Gentlemen:

Annaly Capital Management, Inc., a Maryland corporation (the "Company"), agrees with Goldman Sachs & Co. LLC (the "Sales Agent"), to issue and sell from time to time through the Sales Agent, as sales agent and/or principal, shares of its common stock, par value $0.01 per share (the "Common Stock"), on the terms set forth in this agreement (this "Agreement").

The Company is concurrently entering into separate distribution agency agreements (the "Alternative Agreements"), each dated of even date herewith, with Barclays Capital Inc., BNP Paribas Securities Corp., BofA Securities, Inc., BTIG, LLC, Citizens JMP Securities, LLC, J.P. Morgan Securities LLC, Keefe, Bruyette & Woods, Inc., Morgan Stanley & Co, LLC, Piper Sandler & Co., RBC Capital Markets, LLC, UBS Securities LLC and Wells Fargo Securities, LLC (each, an "Alternative Agent," and together with the Sales Agent, the "Agents"), to issue and sell from time to time through each Alternative Agent, as sales agent and/or principal, shares of the Company's Common Stock (the "Shares") on the terms set forth in the Alternative Agreements. This Agreement and the Alternative Agreements are collectively referred to herein as the "Distribution Agreements."

SECTION 1. Description of Securities. The Company proposes to issue and sell through or to the Sales Agent, as sales agent and/or principal, the Shares on the terms set forth in Section 4 of this Agreement. The Company agrees that whenever it determines to sell the Shares directly to the Sales Agent as principal, it will enter into a separate agreement (each, a "Terms Agreement"), in form and substance satisfactory to the Sales Agent, relating to such sale in accordance with Section 4 of this Agreement.

SECTION 2. Representations and Warranties of the Company. The Company represents and warrants to and agrees with the Sales Agent that:

(a) An "automatic shelf registration statement" (the "registration statement") as defined in Rule 405 under the Securities Act of 1933, as amended, and the rules and regulations thereunder (collectively called the "Act"), on Form S-3 (File No. 333-282261) in respect of the Shares, including a form of prospectus, has been prepared and filed by the Company not earlier than three years prior to the date hereof, in conformity with the requirements of the Act, and the

rules and regulations of the Securities and Exchange Commission (the "Commission") thereunder (the "Rules and Regulations"). The registration statement contains certain information concerning the offering and sale of the Common Stock, including the Shares, and contains additional information concerning the Company and its business; the Commission has not issued an order preventing or suspending the use of the Basic Prospectus (as defined below), the Prospectus Supplement (as defined below), the Prospectus (as defined below) or any Permitted Free Writing Prospectus (as defined below), or the effectiveness of the Registration Statement (as defined below), and no proceeding for that purpose or pursuant to Section 8A of the Act has been instituted or, to the Company's knowledge, threatened by the Commission. Except where the context otherwise requires, "Registration Statement," as used herein, means the registration statement, as amended at the time of such registration statement's effectiveness for purposes of Section 11 of the Act, as such section applies to the Sales Agent, as well as any new registration statement, post-effective amendment or new automatic shelf registration statement as may have been filed pursuant to Section 5(f) or (g) of this Agreement, including (1) all documents filed as a part thereof or incorporated or deemed to be incorporated by reference therein, (2) any information contained or incorporated by reference in a prospectus filed with the Commission pursuant to Rule 424(b) under the Act, to the extent such information is deemed, pursuant to Rule 430B or Rule 430C under the Act, to be part of the registration statement at the time of such registration statement's effectiveness for purposes of Section 11 of the Act, as such section applies to the Sales Agent, and (3) any registration statement filed to register the offer and sale of Shares pursuant to Rule 462(b) under the Act. Except where the context otherwise requires, "Basic Prospectus," as used herein, means the prospectus filed as part of each Registration Statement, together with any amendments or supplements thereto as of the date of this Agreement. Except where the context otherwise requires, "Prospectus Supplement," as used herein, means the final prospectus supplement, relating to the Shares, filed by the Company with the Commission pursuant to Rule 424(b) under the Act on or before the second business day after the date hereof (or such earlier time as may be required under the Act), or if after such date, the most recently filed final prospectus supplement relating to the Shares, in the form furnished by the Company to the Sales Agent in connection with the offering of the Shares. Except where the context otherwise requires, "Prospectus," as used herein, means the Prospectus Supplement together with the Basic Prospectus attached to or used with the Prospectus Supplement. "Permitted Free Writing Prospectuses," as used herein, means the documents listed on Schedule A attached hereto. Any reference herein to the registration statement, the Registration Statement, the Basic Prospectus, the Prospectus Supplement, the Prospectus or any Permitted Free Writing Prospectus shall be deemed to refer to and include the documents, if any, incorporated by reference, or deemed to be incorporated by reference, therein (the "Incorporated Documents"), including, unless the context otherwise requires, the documents, if any, filed as exhibits to such Incorporated Documents. Any reference herein to the terms "amend," "amendment" or "supplement" with respect to the Registration Statement, the Basic Prospectus, the Prospectus Supplement, the Prospectus or any Permitted Free Writing Prospectus shall be deemed to refer to and include the filing of any document under the Securities Exchange Act of 1934, as amended, and the rules and regulations thereunder (collectively, the "Exchange Act") on or after the initial effective date of the Registration Statement, or the date of the Basic Prospectus, the Prospectus Supplement, the Prospectus or such Permitted Free Writing Prospectus, as the case may be, and deemed to be incorporated therein by reference.

(b) The Registration Statement complied when it became effective, complies as of the date hereof and, as amended or supplemented, at each deemed effective date with respect to the Sales Agent pursuant to Rule 430(B)(f)(2) of the Act, at each Settlement Date (as defined in Section 4(a)(vi) hereof), and at all times during which a prospectus is required by the Act to be delivered (whether physically, deemed to be delivered pursuant to Rule 153 or through compliance with Rule 172 under the Act or any similar rule) in connection with any sale of Shares, will comply, in all material respects, with the requirements of the Act, and the

Registration Statement did not and will not, at or during such times, contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading; the conditions to the use of Form S-3 in connection with the offering and sale of the Shares as contemplated hereby have been satisfied; the Registration Statement meets, and the offering and sale of the Shares as contemplated hereby complies with, the requirements of Rule 415 under the Act (including, without limitation, Rule 415(a)(5)); the Basic Prospectus complied or will comply, at the time it was or will be filed with the Commission, complies as of the date hereof (if filed with the Commission on or prior to the date hereof) and, as of the time of each sale of Shares pursuant to this Agreement (each, a "Time of Sale"), at each Settlement Date and at all times during which a prospectus is required by the Act to be delivered (whether physically, deemed to be delivered pursuant to Rule 153 or through compliance with Rule 172 under the Act or any similar rule) in connection with any sale of Shares, will comply, in all material respects, with the requirements of the Act; at no time during the period that begins on the earlier of the date of the Basic Prospectus and the date the Basic Prospectus was filed with the Commission and ends on each Settlement Date did or will the Basic Prospectus, as then amended or supplemented, include an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; the Prospectus will comply, as of the date that it is filed with the Commission, the date of the Prospectus Supplement, each Time of Sale, each Settlement Date, and at all times during which a prospectus is required by the Act to be delivered (whether physically, deemed to be delivered pursuant to Rule 153 or through compliance with Rule 172 under the Act or any similar rule) in connection with any sale of Shares, in all material respects, with the requirements of the Act (including, without limitation, Section 10(a) of the Act); at no time during the period that begins on the date of the Prospectus Supplement and ends at the later of each Settlement Date and the end of the period during which a prospectus is required by the Act to be delivered (whether physically, deemed to be delivered pursuant to Rule 153 or through compliance with Rule 172 under the Act or any similar rule) in connection with any sale of Shares did or will the Prospectus, as then amended or supplemented, either alone or together with any combination of one or more of the then issued Permitted Free Writing Prospectuses, if any, include an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; at no time during the period that begins on the date of such Permitted Free Writing Prospectus and ends at each Settlement Date did or will any Permitted Free Writing Prospectus include an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided, however, that the Company makes no representation or warranty with respect to any statement contained in the Registration Statement, the Basic Prospectus, the Prospectus or any Permitted Free Writing Prospectus in reliance upon and in conformity with information concerning the Sales Agent and furnished in writing by or on behalf of the Sales Agent expressly for use in the Registration Statement, the Basic Prospectus, the Prospectus or such Permitted Free Writing Prospectus; each Incorporated Document, at the time such document was filed with the Commission or at the time such document became effective, as applicable, complied, in all material respects, with the requirements of the Exchange Act and did not include an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(c) (i) At the time of filing of the Registration Statement, (ii) at the time of the most recent amendment thereto for the purposes of complying with Section 10(a)(3) of the Act or otherwise (whether such amendment was by post-effective amendment, incorporated report filed pursuant to Section 13 or 15(d) of the Exchange Act or form of prospectus), (iii) at the time the Company or any person acting on its behalf (within the meaning, for this clause only, of Rule 163(c) of the Act) made any offer relating to the Shares in reliance on the exemption of

Rule 163 of the Act and (iv) at the date hereof, the Company is a "well-known seasoned issuer" as defined in Rule 405 of the Act ("Rule 405"), including not having been and not being an "ineligible issuer" as defined by Rule 405. The Registration Statement is an "automatic shelf registration statement," as defined in Rule 405, and the Shares, since their registration on the Registration Statement, have been and remain eligible for registration by the Company on a Rule 405 "automatic shelf registration statement." The Company has not received from the Commission any notice pursuant to Rule 401(g)(2) of the Act objecting to the use of the automatic shelf registration statement form.

(d) Prior to the execution of this Agreement, the Company has not, directly or indirectly, offered or sold any Shares by means of any "prospectus" (within the meaning of the Act) or used any "prospectus" (within the meaning of the Act) in connection with the offer or sale of the Shares; the Company has not, directly or indirectly, prepared, used or referred to any Permitted Free Writing Prospectus except in compliance with Rule 163 or with Rules 164 and 433 under the Act; assuming that any such Permitted Free Writing Prospectus is so sent or given after the Registration Statement was filed with the Commission (and after such Permitted Free Writing Prospectus was, if required pursuant to Rule 433(d) under the Act, filed with the Commission), the sending or giving, by the Sales Agent, of any Permitted Free Writing Prospectus will satisfy the provisions of Rule 164 or Rule 433 (without reliance on subsections (b), (c) and (d) of Rule 164); the conditions set forth in one or more of subclauses (i) through (iv), inclusive, of Rule 433(b)(1) under the Act are satisfied, and the registration statement relating to the offering of the Shares contemplated hereby, as initially filed with the Commission, includes a prospectus that, other than by reason of Rule 433 or Rule 431 under the Act, satisfies the requirements of Section 10 of the Act; neither the Company nor the Sales Agent is disqualified, by reason of subsection (f) or (g) of Rule 164 under the Act, from using, in connection with the offer and sale of the Shares, "free writing prospectuses" (as defined in Rule 405 under the Act) pursuant to Rules 164 and 433 under the Act; the Company is not an "ineligible issuer" (as defined in Rule 405 under the Act) as of the eligibility determination date for purposes of Rules 164 and 433 under the Act with respect to the offering of the Shares contemplated by the Registration Statement; the parties hereto agree and understand that the content of any and all "road shows" (as defined in Rule 433 under the Act) related to the offering of the Shares contemplated hereby is solely the property of the Company.

(e) The Company has an authorized and outstanding capitalization as set forth in the consolidated balance sheet included or incorporated by reference in the Registration Statement, the Prospectus or any Permitted Free Writing Prospectus or as of the Company's then most recently completed quarter or fiscal year, contained in the Company's quarterly report on Form 10-Q or the Company's annual report on Form 10-K, as applicable, at the indicated date, and there has been no material change in such information since the Company's then most recently completed quarter or fiscal year (subject to the issuance of shares of Common Stock upon exercise of stock options and warrants disclosed as outstanding in the Registration Statement (excluding the exhibits thereto) and the Prospectus and the grant of options under existing stock option plans described in the Registration Statement (excluding the exhibits thereto), the Basic Prospectus and the Prospectus).

(f) The consolidated financial statements of the Company, together with the related schedules and notes thereto, set forth or included or incorporated by reference in the Registration Statement, the Prospectus or any Permitted Free Writing Prospectus are accurate in all material respects and fairly present the financial condition of the Company on a consolidated basis as of the dates indicated and the results of operations, changes in financial position, stockholders' equity and cash flows for the periods therein specified are in conformity with generally accepted accounting principles consistently applied throughout the periods involved (except as otherwise stated therein). The selected financial and statistical data included or incorporated by reference

in the Registration Statement and the Prospectus present fairly the information shown therein and, to the extent based upon or derived from the financial statements, have been compiled on a basis consistent with the financial statements presented therein. No other financial statements are required to be set forth or to be incorporated by reference in the Registration Statement or the Prospectus under the Act. The interactive data in eXtensible Business Reporting Language included or incorporated by reference in the Registration Statement, the Prospectus or any Permitted Free Writing Prospectus fairly present the information called for in all material respects and have been prepared in accordance with the Commission's rules and guidelines applicable thereto.

(g) The Prospectus and any Permitted Free Writing Prospectus delivered to the Sales Agent for use in connection with this offering will be, identical to the versions of the Prospectus and any Permitted Free Writing Prospectus, respectively, created to be transmitted to the Commission for filing via EDGAR, except to the extent permitted by Regulation S-T.

(h) The Company and each of its subsidiaries has been duly formed or, if a corporation, incorporated and is validly existing as a limited liability company, limited partnership or corporation in good standing under the laws of the state of its formation or incorporation, as applicable, is duly qualified to do business and is in good standing as a foreign limited liability company, limited partnership or corporation, as applicable, in each jurisdiction in which its ownership or lease of property or assets or the conduct of its business requires such qualification, except where the failure to so qualify would not have a material adverse effect on the business, assets, properties, prospects, financial condition or results of operation of the Company and its subsidiaries taken as a whole (a "Company Material Adverse Effect"), and has full limited liability company, limited partnership or corporate, as applicable, power and authority necessary to own, hold, lease and/or operate its assets and properties, to conduct the business in which it is engaged and as described in the Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any, and to enter into and perform its obligations under this Agreement and to consummate the transactions contemplated hereby, and the Company and its subsidiary Arcola Securities, Inc. ("Arcola") are each in compliance in all material respects with the laws, orders, rules, regulations and directives issued or administered by such jurisdictions.

(i) The Company has no "significant subsidiaries" (as such term is defined in Rule 1-02 of Regulation S-X promulgated under the Securities Act), and has no other subsidiaries except as (i) set forth in Exhibit 21.1 to the Company's most recently filed annual report on Form 10-K, (ii) otherwise disclosed by the Company in the Registration Statement, the Prospectus or the Permitted Free Writing Prospectus, if any, or (iii) would not, individually or in the aggregate, be material to the Company. Complete and correct copies of the charter and of the bylaws of the Company and all amendments thereto have been delivered to the Sales Agent (or otherwise made available on EDGAR) and, except as set forth in the exhibits to, or incorporated by reference into, the Registration Statement, no changes therein will be made subsequent to the date hereof and prior to each Time of Sale and each Settlement Date.

(j) The Company is not in breach of, or in default under (nor has any event occurred which with notice, lapse of time or both would result in any breach of or constitute a default under), (i) its charter or bylaws or (ii) any obligation, agreement, covenant or condition contained in any contract, license, repurchase agreement, indenture, mortgage, deed of trust, bank loan or credit agreement, note, lease or other evidence of indebtedness, or any lease, contract or other agreement or instrument to which the Company is a party or by which it or any of its assets or properties may be bound or affected, the effect of which breach or default under this clause (ii) could have a Company Material Adverse Effect. The execution, delivery and performance of this Agreement, the issuance and sale of the Shares and the consummation of the transactions

contemplated hereby will not conflict with, or result in any breach of, constitute a default under or a Repayment Event (as defined below) under (nor constitute any event which with notice, lapse of time or both would result in any breach of, constitute a default under or a Repayment Event under), (i) any provision of the charter or bylaws of the Company, (ii) any provision of any contract, license, repurchase agreement, indenture, mortgage, deed of trust, bank loan or credit agreement, note, lease or other evidence of indebtedness, or any lease, contract or other agreement or instrument to which the Company is a party or by which the Company or any of its assets or properties may be bound or affected, the effect of which could have a Company Material Adverse Effect or (iii) under any federal, state, local or foreign law, regulation or rule or any decree, judgment or order applicable to the Company. As used herein, a "Repayment Event" means any event or condition which gives the holder of any note, debenture or other evidence of indebtedness (or any person acting on such holder's behalf) the right to require the repurchase, redemption or repayment of all or a portion of such indebtedness by the Company or any subsidiary.

(k) All of the issued and outstanding shares of capital stock, including the Common Stock, of the Company have been duly and validly authorized and issued and are fully paid and non-assessable, have been issued in compliance with all federal and state securities laws and were not issued in violation of any preemptive right, resale right, right of first refusal or similar right.

(l) This Agreement has been duly authorized, executed and delivered by the Company.

(m) Reserved.

(n) The capital stock of the Company, including the Shares, conforms and will conform in all material respects to the description thereof contained in the Registration Statement, the Prospectus or any Permitted Free Writing Prospectus and such description conforms to the rights set forth in the instruments defining the same. If certificated, the global certificates representing the Shares are in due and proper form and the holders of the Shares will not be subject to personal liability by reason of being such holders.

(o) The Shares have been duly and validly authorized by the Company for issuance and sale pursuant to this Agreement and, when issued and delivered against payment therefor as provided herein, will be duly and validly issued and fully paid and non-assessable, free and clear of any pledge, lien, encumbrance, security interest or other claim, and will be registered pursuant to Section 12 of the Exchange Act.

(p) No approval, authorization, consent or order of or filing with any national, state or local governmental or regulatory commission, board, body, authority or agency is required in connection with the issuance and sale of the Shares or the consummation by the Company of the transaction contemplated hereby other than (i) registration of the Shares under the Act, (ii) any necessary qualification under the securities or blue sky laws of the various jurisdictions in which the Shares are being offered by the Sales Agent and (iii) such approvals in connection with the approval of the listing of the Shares on the New York Stock Exchange LLC (the "NYSE").

(q) No person, as such term is defined in Rule 1-02 of Regulation S-X promulgated under the Act (each, a "Person"), has the right, contractual or otherwise, to cause the Company to issue to it any shares of capital stock or other securities of the Company upon the issue and sale of the Shares to the Sales Agent hereunder, nor does any Person have preemptive rights, co-sale rights, rights of first refusal or other rights to purchase or subscribe for any of the Shares or any securities or obligations convertible into or exchangeable for, or any contracts or commitments to

issue or sell any of, the Shares or any options, rights or convertible securities or obligations, other than those that have been expressly waived prior to the date hereof.

(r) Ernst & Young LLP (the "Accountants"), whose report on the consolidated financial statements of the Company is filed with the Commission as part of the Registration Statement and the Prospectus, are and, during the periods covered by their reports, were independent public accountants as required by the Act.

(s) Each of the Company and its subsidiaries has all necessary licenses, authorizations, consents and approvals and has made all necessary filings required under any federal, state, local or foreign law, regulation or rule, and has obtained all necessary permits, authorizations, consents and approvals from other Persons, in order to conduct its business as described in the Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any, except as such as could not have a Company Material Adverse Effect. Neither the Company nor any of its subsidiaries is required by any applicable law to obtain accreditation or certification from any governmental agency or authority in order to provide the products and services which it currently provides or which it proposes to provide as set forth in the Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any, except as such could not have a Company Material Adverse Effect. Neither the Company nor any of its subsidiaries is in violation of, or in default under, any such license, permit, authorization, consent or approval or any federal, state, local or foreign law, regulation or rule or any decree, order or judgment applicable to the Company or any of its subsidiaries, the effect of which could have a Company Material Adverse Effect.

(t) The descriptions in the Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any, of the legal or governmental proceedings, contracts, leases and other legal documents therein described present fairly in all material respects the information required to be shown, and there are no legal or governmental proceedings, contracts, leases or other documents of a character required to be described in the Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any, or to be filed as exhibits to the Registration Statement which are not described or filed as required. All agreements between the Company and third parties expressly referenced in the Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any, are legal, valid and binding obligations of the Company, enforceable in accordance with their respective terms, except to the extent enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws affecting creditors' rights generally and by general equitable principles and except to the extent that any indemnification provision thereof may be limited by public policy considerations in respect thereof.

(u) Except as set forth in the Registration Statement, the Prospectus or a Permitted Free Writing Prospectus, there are no actions, suits, claims, investigations, inquiries or proceedings pending or, to the best of the Company's knowledge, threatened to which the Company or any of the subsidiaries or any of their respective officers or directors is a party or of which any of its properties or other assets is subject at law or in equity, or before or by any federal, state, local or foreign governmental or regulatory commission, board, body, authority or agency which could result in a judgment, decree or order having a Company Material Adverse Effect.

(v) Except as otherwise may be disclosed therein, subsequent to the respective dates as of which information is given in the Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any, there has not been (i) any Company Material Adverse Effect, or any development which would reasonably be expected to cause a Company Material Adverse Effect, in the business, properties or assets described or referred to in the Registration Statement,

the Prospectus and the Permitted Free Writing Prospectuses, if any, or the results of operations, condition (financial or otherwise), net worth, business, prospects or operations of the Company and its subsidiaries, taken as a whole, (ii) any transaction which is material to the Company and its subsidiaries, taken as a whole, except transactions in the ordinary course of business, (iii) any obligation, direct or contingent, which is material to the Company and its subsidiaries, taken as a whole, incurred by the Company or any subsidiary, except obligations incurred in the ordinary course of business, (iv) any change in the capital stock or, except in the ordinary course of business, outstanding indebtedness of the Company or any subsidiary or (v) except for regular quarterly dividends on the outstanding shares of preferred stock (collectively, the "Preferred Stock") and the Common Stock, in amounts per share that are consistent with past practice and the descriptions thereof in the Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any, any dividend or distribution of any kind declared, paid or made by the Company on any class of its capital stock. There are no contingent obligations that are material to the Company and its subsidiaries, taken as a whole, which are not disclosed in the Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any.

(w) Except as set forth in the Registration Statement, the Prospectus or a Permitted Free Writing Prospectus, there are no Persons with registration or other similar rights to have any equity or debt securities, including securities which are convertible into or exchangeable for equity securities, registered pursuant to the Registration Statement or otherwise registered by the Company under the Act.

(x) The Company (i) does not have any issued and outstanding preferred stock, other than the shares of Preferred Stock, in such number and series, as are described in the Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any, (ii) has not failed to pay any dividend or sinking fund installment on preferred stock and (iii) has not defaulted on any installment on indebtedness for borrowed money or on any rental on one or more long term leases, which defaults would have a Company Material Adverse Effect on the financial position of the Company and its subsidiaries, taken as a whole. The Company has not filed a report pursuant to Section 13(a) or 15(d) of the Exchange Act since the filing of its last annual report on Form 10-K, indicating that it (i) has failed to pay any dividend or sinking fund installment on the Preferred Stock or (ii) has defaulted on any installment on indebtedness for borrowed money or on any rental on one or more long term leases, which defaults would have a Company Material Adverse Effect.

(y) Neither the Company nor any of its officers, directors and controlling Persons have, directly or indirectly, (i) taken any action designed to cause or to result in, or that has constituted or which might reasonably be expected to constitute, the stabilization or manipulation of the price of the Common Stock to facilitate the sale of the Shares, or (ii) (except pursuant to this Agreement, shares of the Company's Common Stock issued pursuant to the Company's dividend reinvestment and share purchase plan (the "DRSPP"), as may have been incurred in connection with the Company's publicly disclosed repurchase of Common Stock and the retirement of the Company's long-term indebtedness) (A) sold, bid for, purchased, or paid anyone any compensation for soliciting purchases of, the Shares or, (B) other than as disclosed in the Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any, during the one hundred eighty (180) day period preceding the date of this Agreement, paid or agreed to pay to any Person any compensation for soliciting another to purchase any other securities of the Company.

(z) The Company has applied to have the Shares listed on the NYSE, and the Shares will have been approved for listing on the NYSE as of the time of purchase, subject only to official notice of issuance.

(aa) Neither the Company nor any of its affiliates, except for Arcola, (i) is required to register as a "broker" or "dealer" in accordance with the provisions of the Exchange Act or (ii) directly or indirectly through one or more intermediaries, controls or has any other association with (within the meaning of Article I of the Bylaws of the Financial Industry Regulatory Authority, Inc. ("FINRA")) any member firm of FINRA.

(ab) Any certificate signed by any officer of the Company delivered to the Sales Agent or to counsel for the Sales Agent pursuant to or in connection with this Agreement shall be deemed a representation and warranty by the Company to the Sales Agent as to the matters covered thereby.

(ac) As of the date of this Agreement, the Company has no plan or intention to materially alter its capital investment policy or investment allocation strategy, both as described in the Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any, and is in compliance with its stated capital investment policy and investment allocation strategy. Each of the Company and its subsidiaries has good and marketable title to all of the properties and assets owned by them, in each case free and clear of any security interests, liens, encumbrances, equities, claims and other defects (except for any security interest, lien, encumbrance or claim that may otherwise exist under any applicable repurchase agreement or loan agreement), except such as do not have a Company Material Adverse Effect and do not interfere with the use made or proposed to be made of such property or asset by the Company or any subsidiary, and except as described in or contemplated by the Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any. The Company owns no real property that is material, on an individual basis, to the Company. Any real property and buildings held under lease by the Company or any subsidiary are held under valid, existing and enforceable leases, with such exceptions as are disclosed in the Prospectus or are not material and do not interfere with the use made or proposed to be made of such property and buildings by the Company.

(ad) The Company has filed all federal and material state and foreign income and franchise tax returns required to be filed on or prior to the date hereof and has paid taxes shown as due thereon (or that are otherwise due and payable), other than taxes which are being contested in good faith and for which adequate reserves have been established in accordance with generally accepted accounting principles. The Company has no knowledge, after due inquiry, of any tax deficiency which has been asserted or threatened against the Company. To the knowledge of the Company, there are no tax returns of the Company that are currently being audited by federal, state or local taxing authorities or agencies which would have a Company Material Adverse Effect.

(ae) The Company owns or possesses adequate license or other rights to use all patents, trademarks, service marks, trade names, copyrights, software and design licenses, trade secrets, manufacturing processes, other intangible property rights and know-how (collectively, "Intangibles") necessary to entitle the Company to conduct its business as described in the Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any, and the Company has not received notice of infringement of or conflict with (and the Company knows of no such infringement of or conflict with) asserted rights of others with respect to any Intangibles which could have a Company Material Adverse Effect.

(af) The Company maintains a system of internal accounting controls sufficient to provide reasonable assurance that (i) transactions are executed in accordance with management's general or specific authorizations, (ii) transactions are recorded as necessary to permit preparation of financial statements in conformity with generally accepted accounting principles as applied in the United States and to maintain asset accountability, (iii) access to assets is

permitted only in accordance with management's general or specific authorization, (iv) the recorded accountability for assets is compared with the existing assets at reasonable intervals and appropriate action is taken with respect to any differences and (v) the interactive data in eXtensible Business Reporting Language incorporated by reference in the Registration Statement, the Prospectus and any Permitted Free Writing Prospectus fairly present the information called for in all material respects and is prepared in accordance with the Commission's rules and guidelines applicable thereto.

(ag) The Company has established and maintains disclosure controls and procedures (as such term is defined in Rule 13a-14 and 15d-14 under the Exchange Act); such disclosure controls and procedures are designed to ensure that material information relating to the Company is made known to the Company's Chief Executive Officer and its Chief Financial Officer, and such disclosure controls and procedures are effective to perform the functions for which they were established; any significant material weaknesses in internal controls have been identified for the Company's Chief Executive Officer and its Chief Financial Officer; and since the date of the most recent evaluation of such disclosure controls and procedures, there have been no significant changes in internal controls or in other factors that could significantly affect internal controls.

(ah) The Company is insured by insurers of recognized financial responsibility against such losses and risks and in such amounts as are prudent and customary in the business in which it is engaged. The Company has no reason to believe that it will not be able to renew its existing insurance coverage as and when such coverage expires or to obtain similar coverage from similar insurers as may be necessary to continue its business at a cost that would not have a Company Material Adverse Effect.

(ai) Except as set forth in the Registration Statement, the Prospectus or a Permitted Free Writing Prospectus, the Company is not in violation, and has not received notice of any violation with respect to, any applicable environmental, safety or similar law applicable to the business of the Company. The Company has received all permits, licenses or other approvals required of them under applicable federal and state occupational safety and health and environmental laws and regulations to conduct its business, and the Company is in compliance with all terms and conditions of any such permit, license or approval, except any such violation of law or regulation, failure to receive required permits, licenses or other approvals or failure to comply with the terms and conditions of such permits, licenses or approvals which could not, singly or in the aggregate, have a Company Material Adverse Effect.

(aj) Neither the Company nor any of its subsidiaries has incurred any liability for any finder's fees or similar payments in connection with the transactions herein contemplated, except as may otherwise exist with respect to the Sales Agent pursuant to this Agreement.

(ak) Except as set forth in the Registration Statement, the Prospectus or a Permitted Free Writing Prospectus, there are no existing or threatened labor disputes with the employees of the Company which are likely to have individually or in the aggregate a Company Material Adverse Effect.

(al) No relationship, direct or indirect, exists between or among the Company or any of its subsidiaries, on the one hand, and the directors, officers and stockholders of the Company, on the other hand, which is required by the Act to be described in the Registration Statement and the Prospectus that is not so described.

(am) The Company, since its date of inception, has been, and upon the sale of the Shares will continue to be, organized and operated in conformity with the requirements for

qualification and taxation as a "real estate investment trust" (a "REIT") under Sections 856 through 860 of the Internal Revenue Code of 1986, as amended and the regulations and published interpretations thereunder (collectively, the "Code"), for all taxable years commencing with its taxable year ended December 31, 1997. The proposed method of operation of the Company as described in Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any, will enable the Company to continue to meet the requirements for qualification and taxation as a REIT under the Code, and no actions have been taken (or not taken which are required to be taken) which would cause such qualification to be lost. The Company intends to continue to operate in a manner which would permit it to qualify as a REIT under the Code. The Company has no intention of changing its operations or engaging in activities which would cause it to fail to qualify, or make economically undesirable its continued qualification, as a REIT.

(an) Neither the Company nor any subsidiary is and, after giving effect to the offering and sale of the Shares, will be required to register as an "investment company" or an entity "controlled" by an "investment company," as such terms are defined in the Investment Company Act of 1940, as amended (the "Investment Company Act").

(ao) To the Company's knowledge, no relationship, direct or indirect, exists between or among the Company or any subsidiary, on the one hand, and the officers, 10% stockholders or directors of the Company or any subsidiary, on the other hand, which is required by the rules of FINRA to be described in the Registration Statement and the Prospectus which is not so described.

(ap) The Company has not, directly or indirectly, including through any subsidiary, extended credit, arranged to extend credit, or renewed any extension of credit, in the form of a personal loan, to or for any director or executive officer of the Company, or to or for any family member or affiliate of any director or executive officer of the Company.

(aq) Neither the Company nor any of the subsidiaries nor, to the Company's knowledge, any employee or agent of the Company or the subsidiaries has made any payment of funds of the Company or the subsidiaries or received or retained any funds in violation of any law, rule or regulation, which payment, receipt or retention of funds is of a character required to be disclosed in the Registration Statement or the Prospectus.

(ar) The Company is in compliance with all applicable provisions of the Sarbanes-Oxley Act of 2002 and the rules and regulations promulgated thereunder.

(as) The Common Stock is an "actively traded security" excepted from the requirements of Rule 101 of Regulation M under the Exchange Act by subsection (c)(1) of such rule.

(at) Other than any Terms Agreement or the Alternative Agreements, the Company has not entered into any other sales agency or distribution agreements or similar arrangements with any agent or other representative in respect of the Shares and the equity shelf program established by the Distribution Agreements, the terms of which have not been properly and duly waived.

(au) The operations of the Company and its subsidiaries are and have been conducted at all times in material compliance with all applicable financial recordkeeping and reporting requirements, including those of the Bank Secrecy Act, as amended by Title III of the Uniting and Strengthening America by Providing Appropriate Tools Required to intercept and Obstruct Terrorism Act of 2001 (USA PATRIOT Act), as amended, and the applicable anti-money

laundering statutes of jurisdictions where the Company and its subsidiaries conduct business, the rules and regulations thereunder and any related or similar rules, regulations or guidelines, issued, administered or enforced by any governmental agency (collectively, the "Anti-Money Laundering Laws"), and no action, suit or proceeding by or before any court or governmental agency, authority or body or any arbitrator involving the Company or any of its subsidiaries with respect to Anti-Money Laundering Laws is pending or, to the best knowledge of the Company, threatened.

(av) (A) Neither the Company nor any of its subsidiaries, nor any director, officer or employee thereof, nor, to the Company's knowledge, any agent, affiliate or representative of the Company or any of them, is an individual or entity ("Covered Person") that is, or is owned or controlled by a Covered Person that is:

(i) the subject of any sanctions administered or enforced by the U.S. Department of Treasury's Office of Foreign Assets Control ("OFAC"), the United Nations Security Council, the European Union, His Majesty's Treasury or other relevant sanctions authority (collectively, "Sanctions"); nor

(ii) located, organized or resident in a country or territory that is the subject of Sanctions (including, without limitation, the so-called Donetsk People's Republic, the so-called Luhansk People's Republic, the Kherson, the non-government controlled areas of the Kherson and Zaporizhzhia regions of Ukraine, and any other Covered Region of Ukraine identified pursuant to Executive Order 14065, the Crimea region of Ukraine, Cuba, Iran, North Korea, Syria and Venezuelan State-owned entities).

(A) The Company will not use the proceeds of the offering, or lend, contribute or otherwise make available such proceeds to any subsidiary, joint venture partner or other Covered Person:

(i) to fund or facilitate any activities or business of or with any Covered Person or in any country or territory that, at the time of such funding or facilitation, is the subject of Sanctions; or

(ii) in any other manner that will result in a violation of Sanctions by any Covered Person (including any Covered Person participating in the offering, whether as underwriter, advisor, investor or otherwise).

(B) The Company and its subsidiaries have not knowingly engaged in, are not now knowingly engaged in, and will not engage in, any dealings or transactions with any Covered Person, or in any country or territory, that at the time of the dealing or transaction is or was the subject of Sanctions.

(C) Neither the Company nor any of its subsidiaries, nor any director, officer or, to the Company's knowledge, employee thereof, nor, to the Company's knowledge, any agent, affiliate or representative of the Company or any of them: (i) has used any corporate funds for any unlawful contribution, gift, entertainment or other unlawful expense relating to political activity; (ii) has made any direct or indirect unlawful contribution or payment to any official of, or candidate for, or any employee of, any federal, state or foreign office from corporate funds; (iii) has made any bribe, unlawful rebate, payoff, influence payment, kickback or other unlawful payment; or (iv) is aware of or has taken any action, directly or indirectly, that would result in a violation by such persons of the OECD Convention on Bribery of Foreign Public Officials in International

Business Transactions, the Foreign Corrupt Practices Act of 1977, as amended, and the rules and regulations thereunder (collectively, the "FCPA") or any similar law or regulation to which the Company, any of its subsidiaries, any director, officer, agent, employee, affiliate or other person associated with or acting on behalf of the Company or any of its subsidiaries is subject. The Company, its subsidiaries and their affiliates have each conducted its businesses in compliance with the FCPA and any applicable similar law or regulation and have instituted and maintain policies and procedures designed to ensure, and which are reasonably expected to continue to ensure, continued compliance therewith.

SECTION 3. Reserved.

SECTION 4. Sale and Delivery of Securities. (a) On the basis of the representations, warranties and agreements herein contained, but subject to the terms and conditions herein set forth, the Company agrees to issue and sell through the Sales Agent, as sales agent, and the Sales Agent agrees to use its commercially reasonable efforts to sell, as sales agent for the Company, the Shares on the following terms.

(i) The Shares are to be sold on a daily basis or otherwise as shall be agreed to by the Company and the Sales Agent on any day that (A) is a trading day for the NYSE (other than a day on which the NYSE is scheduled to close prior to its regular weekday closing time), (B) the Company has instructed the Sales Agent by telephone (confirmed promptly by electronic mail) (or as otherwise agreed to by the Company and the Sales Agent) from any of the individuals listed as authorized representatives of the Company on Schedule B hereto (the "Authorized Company Representatives") to make such sales and (C) the Company has satisfied its obligations under Section 8 of this Agreement. The Company will designate the maximum amount of the Shares to be sold by the Sales Agent daily as agreed to by the Sales Agent and in any event not in excess of the amount available for issuance under the currently effective Registration Statement relating to the sale of up to $2,000,000,000 of Shares as described in the prospectus supplement dated May 8, 2025, or any Registration Statement filed pursuant to Section 5(g), or in a number in excess of the number of Shares authorized from time to time to be issued and sold under this Agreement by the Company's board of directors, or a duly authorized committee thereof, and notified to the Sales Agent in writing (a "Placement Notice").

Subject to the terms and conditions hereof, the Sales Agent shall use its commercially reasonable efforts to offer and sell all of the Shares designated; provided, however, that the Sales Agent shall have no obligation to offer or sell any Shares, and the Company acknowledges and agrees that the Sales Agent shall have no such obligation, in the event an offer or sale of the Shares on behalf of the Company may in the judgment of the Sales Agent constitute the sale of a "block" under Rule 10b-18(a)(5) under the Exchange Act or a "distribution" within the meaning of Rule 100 of Regulation M under the Exchange Act or the Sales Agent reasonably believes it may be deemed an "underwriter" under the Act in a transaction that is other than by means of ordinary brokers' transactions between members of the NYSE that qualify for delivery of a Prospectus to the NYSE in accordance with Rule 153 under the Act (such transactions are hereinafter referred to as "At-the-Market Offerings").

(ii) Notwithstanding the foregoing, the Company, through any of the Authorized Company Representatives, may instruct the Sales Agent by telephone

(confirmed promptly by electronic mail) (or as otherwise agreed to by the Company and the Sales Agent) not to sell the Shares if such sales cannot be effected at or above the price designated by the Company in any such instruction. In addition, the Company or the Sales Agent may, upon notice to the other party hereto by telephone (confirmed promptly by electronic mail) (or as otherwise agreed to by the Company and the Sales Agent), suspend the offering of the Shares; provided, however, that such suspension shall not affect or impair the parties' respective obligations with respect to the Shares sold hereunder prior to the giving of such notice.

(iii) The Sales Agent hereby covenants and agrees not to make any sales of the Shares on behalf of the Company, pursuant to this Section 4(a), other than (A) by means of At-the-Market Offerings and (B) such other sales of the Shares on behalf of the Company in its capacity as agent of the Company as shall be agreed by the Company and the Sales Agent.

(iv) The compensation to the Sales Agent, as an agent of the Company, for sales of the Shares shall be up to 1.25% of the gross sales price of the Shares sold pursuant to this Section 4(a) or such lower amount as otherwise mutually agreed upon by the Company and the Sales Agent from time to time. The remaining proceeds, after further deduction for any transaction fees imposed by any governmental or self-regulatory organization in respect of such sales, shall constitute the net proceeds to the Company for such Shares (the "Net Proceeds").

(v) The Sales Agent shall provide written confirmation to the Company following the close of trading on the NYSE each day in which the Shares are sold under this Section 4(a) setting forth the amount of the Shares sold on such day, the Net Proceeds to the Company and the compensation payable by the Company to the Sales Agent with respect to such sales.

(vi) Settlement for sales of the Shares pursuant to this Section 4(a) will occur on the first business day following the date on which such sales are made or such other date as may be agreed by the Company and the Sales Agent (each such date, a "Settlement Date"). On each Settlement Date, the Shares sold through the Sales Agent for settlement on such date shall be issued and delivered by the Company to the Sales Agent against payment of the Net Proceeds for the sale of such Shares. Settlement for all such Shares shall be effected by free delivery of the Shares by the Company or its transfer agent to the Sales Agent's account, or to the account of the Sales Agent's designee, at The Depository Trust Company through its Deposit and Withdrawal at Custodian System ("DWAC") or by such other means of delivery as may be mutually agreed upon by the parties hereto, which in all cases shall be freely tradable, transferable, registered shares in good deliverable form, in return for payments in same day funds delivered to the account designated by the Company. If the Company, or its transfer agent (if applicable), shall default on its obligation to deliver the Shares on any Settlement Date, the Company shall (A) indemnify and hold the Sales Agent harmless against any loss, claim or damage arising from or as a result of such default by the Company and (B) pay the Sales Agent any commission to which it would otherwise be entitled absent such default. The Authorized Company Representatives shall be the contact persons for the Company for all matters related to the settlement of the transfer of the Shares through DWAC for purposes of this Section 4(a)(vi).

(vii) At each Time of Sale, Settlement Date and Representation Date (as defined in Section 5(q)), the Company shall be deemed to have affirmed each of their respective representations and warranties contained in this Agreement. Any obligation of

the Sales Agent to use its commercially reasonable efforts to sell the Shares on behalf of the Company shall be subject to the continuing accuracy of the representations and warranties of the Company herein, to the performance by the Company of its obligations hereunder and to the continuing satisfaction of the additional conditions specified in Section 8 of this Agreement.

(a) (i) If the Company wishes to issue and sell the Shares other than as set forth in Section 4(a) of this Agreement (each, a "Placement"), it will notify the Sales Agent of the proposed terms of such Placement. If the Sales Agent, acting as principal, wishes to accept such proposed terms (which it may decline to do for any reason in its sole discretion) or, following discussions with the Company, wishes to accept amended terms, the Sales Agent and the Company will enter into a Terms Agreement setting forth the terms of such Placement. In the event of a conflict between the terms of this Agreement and the terms of any Terms Agreement, the terms of such Terms Agreement will control.

(b) (i) Under no circumstances shall the aggregate number of Shares sold pursuant to this Agreement exceed the number of Shares authorized from time to time to be issued and sold under this Agreement by the Company's board of directors, or a duly authorized committee thereof, and notified to the Sales Agent in writing.

(i) If either party has reason to believe that the exemptive provisions set forth in Rule 101(c)(1) of Regulation M under the Exchange Act are not satisfied with respect to the Shares, it shall promptly notify the other party and sales of the Shares under this Agreement shall be suspended until that or other exemptive provisions have been satisfied in the judgment of each party.

(c) Each sale of the Shares to or through the Sales Agent shall be made in accordance with the terms of this Agreement or, if applicable, a Terms Agreement.

(d) Any offer, solicitation or sale of the Shares shall be effected by or through only one of the Agents on any single trading day.

(e) Subject to the limitations set forth herein and as may be mutually agreed upon by the Company and the Sales Agent, sales pursuant to this Agreement may not be requested by the Company and need not be made by the Sales Agent during any period in which the Company is or could be deemed to be, in possession of material non-public information.

(f) Notwithstanding any other provision of this Agreement, the Company shall not offer, sell or deliver, or request the offer or sale, of any Shares pursuant to this Agreement at any time during the period from and including the time the Company issues a press release containing, or shall otherwise publicly announce, its earnings, revenues or other operating results for a fiscal period or periods (each, an "Earnings Announcement") through and including the Representation Date that occurs in connection with the Company filing a Quarterly Report on Form 10-Q or an Annual Report on Form 10-K (a "Filing Time") that includes consolidated financial statements as of and for the same fiscal period or periods, as the case may be, covered by such Earnings Announcement, unless the Company shall first (i) prepare and deliver to the Sales Agent (with a copy to counsel for the Sales Agent) a Current Report on Form 8-K that includes substantially the same financial and related information that was included in such Earnings Announcement (other than any earnings projections and similar forward-looking data and officers' quotations) (each, an "Earnings 8-K"), in form and substance reasonably satisfactory to the Sales Agent, and, prior to its filing, obtain the written consent of the Sales Agent to such filing (which consent shall not be unreasonably withheld), (ii) provide the Sales Agent with the officers' certificates, opinions and letters of counsels and accountants' letter

specified in Sections 5(q) through 5(u), inclusive, hereof, (iii) afford the Sales Agent the opportunity to conduct a due diligence review in accordance with Section 5(v) hereof prior to filing such Earnings 8-K and (iv) file (rather than furnish) such Earnings 8-K with the Commission. For purposes of clarity, the parties hereto agree that (A) the delivery of any officers' certificates, opinions or letters of counsel or accountants' letter pursuant to this Section 4(g) shall not relieve the Company from any of its obligations under this Agreement with respect to any Quarterly Report on Form 10-Q or Annual Report on Form 10-K, as the case may be, including, without limitation, the obligation to deliver officers' certificates, opinions and letters of counsel and accountants' letters as provided in Sections 5(q) through 5(u), inclusive, hereof, and (B) this Section 4(g) shall in no way affect or limit the operation of Section 4(d) hereof, which shall have independent application.

(g) The Company acknowledges and agrees that (A) there can be no assurance that the Sales Agent will be successful in selling the Shares, (B) the Sales Agent will incur no liability or obligation to the Company or any other person or entity if it does not sell Shares for any reason other than a failure by the Sales Agent to use its commercially reasonable efforts consistent with its normal trading and sales practices and applicable law and regulations to sell such Shares in accordance with the terms of this Agreement, and (C) the Sales Agent shall be under no obligation to purchase Shares on a principal basis pursuant to this Agreement, except as otherwise specifically agreed by the Sales Agent and the Company.

SECTION 5. Covenants of the Company. The Company agrees with the Sales Agent:

(a) During the period in which a prospectus relating to the Shares is required to be delivered under the Act (whether physically, deemed to be delivered pursuant to Rule 153 or through compliance with Rule 172 under the Act or any similar rule), to notify the Sales Agent promptly of the time when any subsequent amendment to the Registration Statement has become effective or any subsequent supplement to the Basic Prospectus, the Prospectus or any Permitted Free Writing Prospectus has been filed; to prepare and file with the Commission, promptly upon the Sales Agent's request, any amendments or supplements to the Registration Statement, the Basic Prospectus, the Prospectus or any Permitted Free Writing Prospectus that, in the Sales Agent's reasonable opinion, may be necessary or advisable in connection with the offering of the Shares by the Sales Agent; and to cause each amendment or supplement to the Basic Prospectus or the Prospectus to be filed with the Commission as required pursuant to the applicable paragraph of Rule 424(b) of the Act or, in the case of any Incorporated Document, to be filed with the Commission as required pursuant to the Exchange Act, within the time period prescribed.

(b) To promptly advise the Sales Agent, confirming such advice in writing, of any suspension of the Sales Agent's obligations under Rule 15c2-8 under the Exchange Act or any request by the Commission for amendments or supplements to the Registration Statement, the Basic Prospectus, the Prospectus or any Permitted Free Writing Prospectus or for additional information with respect thereto, or of notice of examination, institution of proceedings for, or the entry of a stop order suspending the effectiveness of the Registration Statement and, if the Commission should enter a stop order suspending the effectiveness of the Registration Statement, to use its best efforts to obtain the lifting or removal of such order as soon as possible; to promptly advise the Sales Agent of any proposal to amend or supplement the Registration Statement, the Basic Prospectus or the Prospectus, and to provide the Sales Agent and its counsel copies of any such documents for review and comment a reasonable amount of time prior to any proposed filing and to file no such amendment or supplement (other than any prospectus supplement relating to the offering of other securities (including, without limitation, the Common Stock)) to which the Sales Agent shall have objected in writing.

(c) To make available to the Sales Agent, as soon as practicable after this Agreement becomes effective, and thereafter from time to time to furnish to the Sales Agent, as many copies of the Prospectus (or of the Prospectus as amended or supplemented if the Company shall have made any amendments or supplements thereto after the effective date of the Registration Statement) as the Sales Agent may request for the purposes contemplated by the Act; in case the Sales Agent is required to deliver (whether physically, deemed to be delivered pursuant to Rule 153 or through compliance with Rule 172 under the Act or any similar rule), in connection with the sale of the Shares, a prospectus after the nine-month period referred to in Section 10(a)(3) of the Act, or after the time a post-effective amendment to the Registration Statement is required pursuant to Item 512(a) of Regulation S-K under the Act, the Company will prepare, at its expense, promptly upon request such amendment or amendments to the Registration Statement and the Prospectus as may be necessary to permit compliance with the requirements of Section 10(a)(3) of the Act or Item 512(a) of Regulation S-K under the Act, as the case may be.

(d) Subject to Section 5(b) hereof, to file promptly all reports and documents and any preliminary or definitive proxy or information statement required to be filed by the Company with the Commission in order to comply with the Exchange Act for so long as a prospectus is required by the Act to be delivered (whether physically, deemed to be delivered pursuant to Rule 153 or through compliance with Rule 172 under the Act or any similar rule) in connection with any sale of Shares; and to provide the Sales Agent, for its review and comment, with a copy of such reports and statements and other documents to be filed by the Company pursuant to Section 13, 14 or 15(d) of the Exchange Act during such period a reasonable amount of time prior to any proposed filing, and to file no such report, statement or document to which the Sales Agent shall have objected in writing; and to promptly notify the Sales Agent of such filing.

(e) To pay the fees applicable to the Registration Statement in connection with the offering of the Shares within the time required by Rule 456(b)(1) (i) under the Act (without reliance on the proviso to Rule 456(b)(1)(i) under the Act) and in compliance with Rule 456(b) and Rule 457(r) under the Act.

(f) If at any time when Shares remain unsold by the Sales Agent the Company receives from the Commission a notice pursuant to Rule 401(g)(2) under the Act or otherwise ceases to be eligible to use the automatic shelf registration statement form, the Company will (a) promptly notify the Sales Agent, (b) promptly file a new registration statement or post-effective amendment on the proper form relating to the Shares, in a form satisfactory to the Sales Agent, (c) use its best efforts to cause such registration statement or post-effective amendment to be declared effective as soon as practicable (if such filing is not otherwise effective immediately pursuant to Rule 462 under the Act) and (d) promptly notify the Sales Agent of such effectiveness. The Company will take all other action necessary or appropriate to permit the public offering and sale of the Shares to continue as contemplated in the Registration Statement that was the subject of the notice under Rule 401(g)(2) under the Act or for which the Company has otherwise become ineligible. References herein to the Registration Statement relating to the Shares shall include such new registration statement or post-effective amendment, as the case may be.

(g) If immediately prior to the third anniversary (the "Renewal Deadline") of the initial effective date of the Registration Statement, any of the Shares remain unsold by the Sales Agent, the Company will, prior to the Renewal Deadline file, if it has not already done so and is eligible to do so, a new automatic shelf registration statement relating to the Shares, in a form satisfactory to the Sales Agent. If the Company is not eligible to file an automatic shelf registration statement, the Company will, prior to the Renewal Deadline, if it has not already done so, file a new shelf registration statement relating to the Shares, in a form satisfactory to the

Sales Agent, and will use its best efforts to cause such registration statement to be declared effective within 180 days after the Renewal Deadline. The Company will take all other action necessary or appropriate to permit the public offering and sale of the Shares to continue as contemplated in the expired registration statement. References herein to the Registration Statement shall include such new automatic shelf registration statement or such new shelf registration statement, as the case may be.

(h) To promptly notify the Sales Agent of the happening of any event that could require the making of any change in the Prospectus then being used so that the Prospectus would not include an untrue statement of material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they are made, not misleading, and, during any period during which a prospectus is required to be delivered (whether physically, deemed to be delivered pursuant to Rule 153 or through compliance with Rule 172 under the Act or any similar rule) in connection with any sale of Shares, subject to Section 5(b), to prepare and furnish, at the Company's expense, to the Sales Agent promptly such amendments or supplements to such Prospectus as may be necessary to reflect any such change.

(i) To furnish such information as may be required and otherwise to cooperate in qualifying the Shares for offering and sale under the securities or blue sky laws of such states or other jurisdictions as the Sales Agent may designate and to maintain such qualifications in effect so long as required for the distribution of the Shares; provided, however, that the Company shall not be required to qualify as a foreign corporation or to consent to the service of process under the laws of any such jurisdiction (except service of process with respect to the offering and sale of the Shares); and to promptly advise the Sales Agent of the receipt by the Company of any notification with respect to the suspension of the qualification of the Shares for offer or sale in any jurisdiction or the initiation or threatening of any proceeding for such purpose.

(j) To make generally available to its security holders, and to deliver to the Sales Agent, an earnings statement of the Company (which will satisfy the provisions of Section 11(a) of the Act) covering a period of twelve months beginning after the effective date of the Registration Statement (as defined in Rule 158(c) of the Act) as soon as is reasonably practicable after the termination of such twelve-month period but not later than eighteen months after the effective date of the Registration Statement (as such date is defined in Rule 158(c) under the Act).

(k) To apply the net proceeds from the sale of the Shares in the manner set forth under the caption "Use of Proceeds" in the Prospectus Supplement or, if not so specified, in the Prospectus, and if not so specified, in the Basic Prospectus.

(l) Until the settlement of sale of all Common Stock being offered pursuant to this Agreement, at any time that sales of the Common Stock have been made but not settled or at any time the Company has outstanding with the Sales Agent any instructions to sell the Common Stock but such instructions have not been fulfilled or cancelled, the Company will not sell, offer to sell, contract or agree to sell, hypothecate, pledge, grant any option to sell or otherwise dispose of or agree to dispose of, directly or indirectly, any shares of the Common Stock or securities convertible into or exchangeable or exercisable for the Common Stock or warrants or other rights to purchase the Common Stock or any other securities of the Company that are substantially similar to the Common Stock or permit the registration under the Act of any shares of the Common Stock, including pursuant to another Distribution Agreement, in each case without giving the Sales Agent at least three business days' prior written notice specifying the nature of the proposed sale and the date of such proposed sale. Notwithstanding the foregoing, the Company may (i) register the offer and sale of the Shares through the Sales Agent pursuant to

this Agreement; (ii) issue Common Stock, restricted stock, options or other units or awards pursuant to the Company's long term stock incentive plans as currently in effect (or file a Form S-8 related to such plans) or pursuant to the exercise of employee stock options or other awards; (iii) issue Common Stock pursuant to the DRSPP or any successor dividend reinvestment or share purchase plan (or the filing of a Form S-3 related to such a plan) and (iv) offer or issue any series of preferred stock that is not convertible into shares of Common Stock other than in connection with a "change of control." For the avoidance of doubt, the Company will not be prohibited from issuing Common Stock upon the election by a holder of Preferred Stock to convert Preferred Stock into Common Stock. In the event that notice of a proposed sale is provided by the Company pursuant to this Section 5(l), the Sales Agent may suspend activity under this program for such period of time as may be requested by the Company or as may be deemed appropriate by the Sales Agent.

(m) Not, at any time at or after the execution of this Agreement, to offer or sell any Shares by means of any "prospectus" (within the meaning of the Act), or use any "prospectus" (within the meaning of the Act) in connection with the offer or sale of the Shares, in each case other than the Prospectus.

(n) The Company will not, and will cause its subsidiaries not to, take, directly or indirectly, any action designed, or which will constitute, or has constituted, or might reasonably be expected to cause or result in the stabilization or manipulation of the price of any security of the Company to facilitate the sale or resale of the Shares.

(o) To use its best efforts to cause the Common Stock to be listed on the NYSE and to maintain such listing.

(p) To advise the Sales Agent immediately after it shall have received notice or obtain knowledge thereof, of any information or fact that would alter or affect any opinion, certificate, letter and other document provided to the Sales Agent pursuant to Section 8 herein.

(q) Upon commencement of the offering of the Shares under this Agreement, and within four trading days of each time that (i) the Registration Statement or the Prospectus shall be amended or supplemented (other than pursuant to subclause (ii) below and other than a prospectus supplement filed pursuant to Rule 424(b) under the Act relating solely to the offering of securities other than the Shares), (ii) there is filed with the Commission any document incorporated by reference into the Prospectus (other than a Current Report on Form 8-K, unless the Sales Agent shall otherwise reasonably request), or (iii) otherwise as the Sales Agent may reasonably request (the date of commencement of the offering of the Shares under this Agreement and each date referred to in subclauses (i), (ii) and (iii) above, each a "Representation Date"), the Company shall furnish or cause to be furnished to the Sales Agent forthwith a certificate dated as of such delivery date, in form satisfactory to the Sales Agent to the effect that the statements contained in the certificate referred to in Section 8(e)(i) of this Agreement which were last furnished to the Sales Agent are true and correct as of such delivery date, as though made at and as of such date (except that such statements shall be deemed to relate to the Registration Statement and the Prospectus as amended and supplemented to such date) or, in lieu of such certificate, a certificate of the same tenor as the certificate referred to in said Section 8(e)(i), modified as necessary to relate to the Registration Statement and the Prospectus as amended and supplemented to the time of delivery of such certificate. The requirement to provide a certificate under this Section 5(q) shall be waived for any Representation Date occurring at a time at which no Placement Notice is pending, which waiver shall continue until the earlier to occur of the date the Company delivers a Placement Notice hereunder or under any Alternative Agreement (which for such calendar quarter shall be considered a Representation Date) and the next occurring Representation Date. Notwithstanding the foregoing, if the

Company subsequently decides to sell Shares through the Sales Agent or any Alternative Agent following a Representation Date when the Company relied on such waiver and did not provide the Agents with a certificate under this Section 5(q), then before the Company delivers the Placement Notice or the Sales Agent or any Alternative Agent sells any Shares, the Company shall provide the Sales Agent with such certificate, dated the date of the Placement Notice.

(r) On or prior to four trading days after each Representation Date with respect to which the Company is obligated to deliver a certificate under Section 8(e) for which no waiver is applicable, the Company shall furnish or cause to be furnished forthwith to the Sales Agent written opinions of (i) Davis Polk & Wardwell LLP, special counsel for the Company (including negative assurance), (ii) Hunton Andrews Kurth LLP, tax counsel for the Company, (iii) Venable LLP, Maryland counsel for the Company and (iv) Anthony C. Green, Chief Corporate Officer, Chief Legal Officer and Secretary for the Company or other counsels satisfactory to the Sales Agent, dated and delivered as of such delivery date, in form and substance satisfactory to the Sales Agent, of the same tenor as the opinions referred to in Section 8(c) of this Agreement, but modified as necessary to relate to the Registration Statement and the Prospectus as amended and supplemented to the time of delivery of such opinions.

(s) On or prior to four trading days after each Representation Date with respect to which the Company is obligated to deliver a certificate under Section 8(e) for which no waiver is applicable, the Company shall furnish or cause to be furnished to the Sales Agent forthwith a certificate of the Secretary of the Company, dated and delivered as of such delivery date, in form and substance satisfactory to the Sales Agent.

(t) On or prior to four trading days after each Representation Date with respect to which the Company is obligated to deliver a certificate under Section 8(e) for which no waiver is applicable, Cravath, Swaine & Moore LLP, counsel to the Sales Agent, shall deliver a written opinion, dated and delivered as of such delivery date, in form and substance satisfactory to the Sales Agent.

(u) On or prior to four trading days after each Representation Date with respect to which the Company is obligated to deliver a certificate under Section 8(e) for which no waiver is applicable, the Company shall cause the Accountants or other independent accountants satisfactory to the Sales Agent, forthwith to furnish to the Sales Agent a letter, dated as of such delivery date, in form and substance satisfactory to the Sales Agent, of the same tenor as the letter referred to in Section 8(d) of this Agreement but modified to relate to the Registration Statement and the Prospectus, as amended and supplemented to the date of such letter. Notwithstanding anything else contained herein to the contrary, other than as set forth in this Section 5(u) and Section 8(d) of this Agreement the Company shall be under no additional obligations to cause the Accountants to provide a letter to the Sales Agent, provided however, so long as this Agreement remains in effect, to the extent the Sales Agent reasonably believes it needs such a letter at some time other than as required under this Section 5(u) and Section 8(d), the Sales Agent may suspend the offering of the Shares in accordance with Section 4(a)(ii) of this Agreement, if such letter is not delivered.

(v) At each Representation Date with respect to which the Company is obligated to deliver a certificate under Section 8(e) for which no waiver is applicable, to conduct a due diligence session, in form and substance, satisfactory to the Sales Agent, which shall include representatives of the management and the accountants of the Company.

(w) That the Company consents to the Sales Agent trading in the Common Stock for the Sales Agent's own account and for the account of its clients at the same time as sales of the Shares occur pursuant to this Agreement.

(x) If to the knowledge of the Company, any condition set forth in Section 8(a) or Section 8(h) of this Agreement shall not have been satisfied on the applicable Settlement Date, to offer to any person who has agreed to purchase the Shares from the Company as the result of an offer to purchase solicited by the Sales Agent the right to refuse to purchase and pay for such Shares.

(y) To disclose in its quarterly reports on Form 10-Q and in its annual report on Form 10-K the number of the Shares sold through or to the Sales Agent under this Agreement, the Net Proceeds to the Company and the compensation paid by the Company with respect to sales of the Shares pursuant to this Agreement during the relevant quarter.

(z) To ensure that prior to instructing the Sales Agent to sell Shares the Company shall have obtained all necessary corporate authority for the offer and sale of such Shares.

(aa) That each acceptance by the Company of an offer to purchase the Shares hereunder shall be deemed to be an affirmation to the Sales Agent that the representations and warranties of the Company contained in or made pursuant to this Agreement are true and correct as of the date of such acceptance as though made at and as of such date, and an undertaking that such representations and warranties will be true and correct as of the Settlement Date for the Shares relating to such acceptance, as though made at and as of such date (except that such representations and warranties shall be deemed to relate to the Registration Statement and the Prospectus as amended and supplemented relating to such Shares).

(ab) The Company has been organized and operated in conformity with the requirements for qualification and taxation of the Company as a REIT under the Code, and the Company's proposed methods of operation will enable the Company to continue to meet the requirements for qualification and taxation as a REIT under the Code.

(ac) The Company has retained the Accountants as its qualified accountants and qualified tax experts (i) to test procedures and conduct annual compliance reviews designed to determine compliance with the REIT provisions of the Code and the Company's exempt status under the Investment Company Act and (ii) to otherwise assist the Company in monitoring appropriate accounting systems and procedures designed to determine compliance with the REIT provisions of the Code and the Company's exempt status under the Investment Company Act.

SECTION 6. Reserved.

SECTION 7. Payment of Expenses. The Company agrees with the Sales Agent that whether or not the transactions contemplated hereunder are consummated or this Agreement is terminated, to pay all of its expenses incident to the performance of its obligations hereunder, including, but not limited to, such costs, expenses, fees and taxes in connection with (i) the preparation and filing of the Registration Statement, the Basic Prospectus, the Prospectus Supplement, the Prospectus, each Permitted Free Writing Prospectus and any amendments or supplements thereto, and the printing and furnishing of copies of each thereof to the Sales Agent (including costs of mailing and shipment), (ii) the registration, issue, sale and delivery of the Shares including any stock or transfer taxes and stamp or similar duties payable upon the sale, issuance or delivery of the Shares, (iii) the producing, word processing and/or printing of this Agreement, any Powers of Attorney and any closing documents (including compilations thereof) and the reproduction and/or printing and furnishing of copies of each thereof to the Sales Agent (including costs of mailing and shipment), (iv) the qualification of the Shares for offering and sale under state laws and the determination of their eligibility for investment under state law as aforesaid (including the reasonable legal fees and filing fees and other disbursements of counsel for the Sales Agent) and the printing and furnishing of copies of any blue sky surveys to the

Sales Agent, (v) the listing of the Shares on any securities exchange or qualification of the Shares for quotation on the NYSE and any registration thereof under the Exchange Act and (vi) any filing for review of the public offering of the Shares by FINRA, including the reasonable legal fees and disbursements of counsel for the Sales Agent relating to FINRA matters. The Sales Agent will pay all of its other out-of-pocket costs and expenses incurred in connection with entering into this Agreement and the transactions contemplated by this Agreement, including, without limitation, travel, reproduction, printing and similar expenses.

SECTION 8. Conditions of Sales Agent's Obligations. The obligations of the Sales Agent hereunder are subject to (i) the accuracy of the representations and warranties on the part of the Company on the date hereof, any applicable date referred to in Section 5(q) of this Agreement and as of each Settlement Date, (ii) the performance by the Company of its obligations hereunder and (iii) to the following additional conditions precedent.

(a) (i) No stop order with respect to the effectiveness of the Registration Statement shall have been issued under the Act or proceedings initiated under Section 8(d) or 8(e) of the Act, and no order directed at or in relation to any document incorporated by reference therein and no order preventing or suspending the use of the Prospectus has been issued by the Commission, the Commission shall not have notified the Company of any objection to the use of the form of the Registration Statement or any post-effective amendment thereto, and no suspension of the qualification of the Shares for offering or sale in any jurisdiction, or to the knowledge of the Company or the Sales Agent of the initiation or threatening of any proceedings for any of such purposes, has occurred; (ii) the Registration Statement and all amendments thereto, or modifications thereof, if any, shall not contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading; (iii) none of the Basic Prospectus or the Prospectus, and no amendment or supplement thereto, or modification thereof, if any, shall include an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary in order to make the statements therein, in the light of the circumstances under which they are made, not misleading; (iv) no Prospectus, together with any combination of one or more of the Permitted Free Writing Prospectuses, if any, and no amendment or supplement thereto, shall include an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they are made, not misleading; and (v) none of the Permitted Free Writing Prospectuses, if any, shall include an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they are made, not misleading.

(b) Subsequent to the respective dates as of which information is given in the Registration Statement, the Basic Prospectus, the Prospectus and the Permitted Free Writing Prospectuses, if any, (i) no material and unfavorable change, financial or otherwise (other than as referred to in the Registration Statement and the Prospectus), in the business, condition, net worth or prospects of the Company and its subsidiaries, taken as a whole, in the judgment of the Sales Agent, shall occur or become known and (ii) no transaction which is material and unfavorable to the Company or any of its subsidiaries, taken as a whole (other than as referred to in the Registration Statement and Prospectus), in the judgment of the Sales Agent, shall have been entered into by the Company or any of its subsidiaries.

(c) The Company shall furnish to the Sales Agent, at every date specified in Section 5(r) of this Agreement for which no waiver is applicable, the opinions of Davis Polk & Wardwell LLP, Hunton Andrew Kurth LLP, Venable LLP and the Chief Legal Officer of the Company addressed to the Sales Agent, and dated as of such date, and in form satisfactory to the Sales Agent, in the form set forth in Exhibits A-1, A-2, A-3 and A-4 hereto.

(d) At the dates specified in Section 5(u) of this Agreement, the Sales Agent shall have received from the Accountants letters dated the date of delivery thereof and addressed to the Sales Agent in form and substance satisfactory to the Sales Agent.

(e) (i) The Company shall deliver to the Sales Agent, on or prior to four trading days after each Representation Date specified in Section 5(q) of this Agreement, a certificate of two of its executive officers to the effect that (i) the representations and warranties of the Company as set forth in this Agreement are true and correct as of such delivery date, (ii) the Company has performed such of its obligations under this Agreement as are to be performed at or before each such delivery date and (iii) the conditions set forth in paragraphs (a) and (b) of this Section 8 have been met. The certificate shall also state that the Shares have been duly and validly authorized by the Company, that all corporate action required to be taken for the issuance and sale of the Shares has been validly and sufficiently taken, and that the Company's Board of Directors or any other body with authority has not revoked, rescinded or otherwise modified or withdrawn such authorization or corporate action.

(f) The Sales Agent shall have received, at every date specified in Section 5(t) of this Agreement, the favorable opinion of Cravath, Swaine & Moore LLP, counsel to the Sales Agent, dated as of such date, and in form and substance satisfactory to the Sales Agent.

(g) The Sales Agent shall have received, at every date specified in Section 5(s) of this Agreement, a certificate of the Secretary of the Company, dated as of such date, and in form and substance satisfactory to the Sales Agent.

(h) All filings with the Commission required by Rule 424 under the Act to have been filed by the Settlement Date shall have been made within the applicable time period prescribed for such filing by Rule 424.

(i) The Shares shall have been approved for listing on the NYSE, subject only to notice of issuance at or prior to the Settlement Date.

For purposes of clarity and without limitation to any other provision of this Section 8 or elsewhere in this Agreement, the Company and the Sales Agent agree that the Sales Agent's obligations, if any, to solicit purchases of Shares on an agency basis or otherwise take any action pursuant to a Placement Notice shall, unless otherwise agreed in writing by the Sales Agent, be suspended during the period from and including a Representation Date for which certificates are required to be delivered pursuant to Section 5(q) through and including the time the Sales Agent shall have received the documents described in Sections 8(c) through 8(g), inclusive.

SECTION 9. Indemnification and Contribution.

(a) The Company agrees to indemnify, defend and hold harmless the Sales Agent and its affiliates, its and their directors, officers, employees and agents and any person who controls the Sales Agent within the meaning of Section 15 of the Act or Section 20 of the Exchange Act, and the successors and assigns of all of the foregoing persons, from and against any loss, damage, expense, liability or claim (including the reasonable cost of investigation) which the Sales Agent or any such person may incur under the Act, the Exchange Act, the common law or otherwise, insofar as such loss, damage, expense, liability or claim arises out of or is based upon (i) any untrue statement or alleged untrue statement of a material fact contained in the Registration Statement (or in the Registration Statement as amended by any post-effective amendment thereof by the Company) or arises out of or is based upon any omission or alleged omission to state a material fact required to be stated therein or necessary to make the statements

therein not misleading, except insofar as any such loss, damage, expense, liability or claim arises out of or is based upon any untrue statement or alleged untrue statement of a material fact contained in, and in conformity with information furnished in writing by or on behalf of the Sales Agent to the Company expressly for use in, the Registration Statement or arises out of or is based upon any omission or alleged omission to state a material fact in the Registration Statement in connection with such information, which material fact was not contained in such information and which material fact was required to be stated in such Registration Statement or was necessary to make such information not misleading or (ii) any untrue statement or alleged untrue statement of a material fact included in any Prospectus (the term Prospectus for the purpose of this Section 9 being deemed to include the Basic Prospectus, the Prospectus Supplement, the Prospectus and any amendments or supplements to the foregoing), in any Permitted Free Writing Prospectus, in any "issuer information" (as defined in Rule 433 under the Act) of the Company or in any Prospectus together with any combination of one or more of the Permitted Free Writing Prospectuses, if any, or arises out of or is based upon any omission or alleged omission to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading, except, with respect to such Prospectus or Permitted Free Writing Prospectus, insofar as any such loss, damage, expense, liability or claim arises out of or is based upon any untrue statement or alleged untrue statement of a material fact contained in, and in conformity with information furnished in writing by or on behalf of the Sales Agent to the Company expressly for use in, such Prospectus or Permitted Free Writing Prospectus or arises out of or is based upon any omission or alleged omission to state a material fact in such Prospectus or Permitted Free Writing Prospectus in connection with such information, which material fact was not contained in such information and which material fact was necessary in order to make the statements in such information, in the light of the circumstances under which they were made, not misleading.

If any action, suit or proceeding (together, a "Proceeding") is brought against the Sales Agent or any such person in respect of which indemnity may be sought against the Company pursuant to the foregoing paragraph, the Sales Agent or such person shall promptly notify the indemnifying party in writing of the institution of such Proceeding and the Company shall assume the defense of such Proceeding, including the employment of counsel reasonably satisfactory to such indemnified party and payment of all fees and expenses; provided, however, that the omission to so notify the Company shall not relieve the Company from any liability which the Company may have to the Sales Agent or any such person or otherwise except to the extent the Company was materially prejudiced by such omission. The Sales Agent or such person shall have the right to employ its or their own counsel in any such case, but the fees and expenses of such counsel shall be at the expense of the Sales Agent or of such person unless the employment of such counsel shall have been authorized in writing by the Company in connection with the defense of such Proceeding or the Company shall not have, within a reasonable period of time in light of the circumstances, employed counsel to have charge of the defense of such Proceeding or such indemnified party or parties shall have reasonably concluded that there may be defenses available to it or them which are different from, additional to or in conflict with those available to the Company (in which case the Company shall not have the right to direct the defense of such Proceeding on behalf of the indemnified party or parties), in any of which events such fees and expenses shall be borne by the Company, and paid as incurred (it being understood, however, that the Company shall not be liable for the expenses of more than one separate counsel (in addition to any local counsel) in any one Proceeding or series of related Proceedings in the same jurisdiction representing the indemnified parties who are parties to such Proceeding). The Company shall not be liable for any settlement of any Proceeding effected

without its written consent but if settled with the written consent of the Company, the Company agrees to indemnify and hold harmless the Sales Agent and any such person from and against any loss or liability by reason of such settlement. Notwithstanding the foregoing sentence, if at any time an indemnified party shall have requested the Company to reimburse the indemnified party for fees and expenses of counsel as contemplated by the second sentence of this paragraph, then the Company agrees that it shall be liable for any settlement of any Proceeding effected without its written consent if (i) such settlement is entered into more than 60 business days after receipt by the Company of the aforesaid request, (ii) the Company shall not have reimbursed the indemnified party in accordance with such request prior to the date of such settlement and (iii) such indemnified party shall have given the indemnifying party at least 30 days' prior notice of its intention to settle. The Company shall not, without the prior written consent of the indemnified party, effect any settlement of any pending or threatened Proceeding in respect of which any indemnified party is or may be a party and indemnity could have been sought hereunder by such indemnified party, unless such settlement includes an unconditional release of such indemnified party from all liability on claims that are the subject matter of such Proceeding and does not include an admission of fault or culpability or a failure to act, by or on behalf of such indemnified party.

(b) The Sales Agent agrees to indemnify, defend and hold harmless the Company, and each of its directors and each of the Company's officers, who signed the Registration Statement, and each person, if any, who controls the Company within the meaning of Section 15 of the Act or Section 20 of the Exchange Act, and the successors and assigns of all of the foregoing persons, from and against any loss, damage, expense, liability or claim (including the reasonable cost of investigation) which, jointly or severally, the Company or any such person may incur under the Act, the Exchange Act, the common law or otherwise, insofar as such loss, damage, expense, liability or claim arises out of or is based upon (i) any untrue statement or alleged untrue statement of a material fact contained in and, in conformity with information furnished in writing by or on behalf of the Sales Agent to the Company expressly for use with reference to the Sales Agent in the Registration Statement (or in the Registration Statement as amended by any post-effective amendment thereof by the Company), or arises out of or is based upon any omission or alleged omission to state a material fact in such Registration Statement in connection with such information, which material fact was not contained in such information and which material fact was required to be stated in such Registration Statement or was necessary to make such information not misleading or (ii) any untrue statement or alleged untrue statement of a material fact contained in, and in conformity with information furnished in writing by or on behalf of the Sales Agent to the Company expressly for use in, the Prospectus Supplement or a Permitted Free Writing Prospectus, or arises out of or is based upon any omission or alleged omission to state a material fact in the Prospectus Supplement or a Permitted Free Writing Prospectus in connection with such information, which material fact was not contained in such information and which material fact was necessary in order to make the statements in such information, in the light of the circumstances under which they were made, not misleading.

If any Proceeding is brought against the Company or any such person in respect of which indemnity may be sought against the Sales Agent pursuant to the foregoing paragraph, the Company or such person shall promptly notify the Sales Agent in writing of the institution of such Proceeding and the Sales Agent shall assume the defense of such Proceeding, including the employment of counsel reasonably satisfactory to such indemnified party and payment of all fees and expenses; *provided*, *however*, that the omission to so notify the Sales Agent shall not relieve the Sales Agent from any liability which the Sales Agent may have to the Company or

any such person or otherwise. The Company or such person shall have the right to employ its own counsel in any such case, but the fees and expenses of such counsel shall be at the expense of the Company such person unless the employment of such counsel shall have been authorized in writing by the Sales Agent in connection with the defense of such Proceeding or the Sales Agent shall not have, within a reasonable period of time in light of the circumstances, employed counsel to have charge of the defense of such Proceeding or such indemnified party or parties shall have reasonably concluded that there may be defenses available to it or them which are different from or additional to or in conflict with those available to the Sales Agent (in which case the Sales Agent shall not have the right to direct the defense of such Proceeding on behalf of the indemnified party or parties, but the Sales Agent may employ counsel and participate in the defense thereof but the fees and expenses of such counsel shall be at the expense of the Sales Agent), in any of which events such fees and expenses shall be borne by the Sales Agent and paid as incurred (it being understood, however, that the Sales Agent shall not be liable for the expenses of more than one separate counsel (in addition to any local counsel) in any one Proceeding or series of related Proceedings in the same jurisdiction representing the indemnified parties who are parties to such Proceeding). The Sales Agent shall not be liable for any settlement of any such Proceeding effected without the written consent of the Sales Agent but if settled with the written consent of the Sales Agent, the Sales Agent agrees to indemnify and hold harmless the Company and any such person from and against any loss or liability by reason of such settlement. Notwithstanding the foregoing sentence, if at any time an indemnified party shall have requested the Sales Agent to reimburse the indemnified party for fees and expenses of counsel as contemplated by the second sentence of this paragraph, then the Sales Agent agrees that it shall be liable for any settlement of any Proceeding effected without its written consent if (i) such settlement is entered into more than 60 business days after receipt by the Sales Agent of the aforesaid request, (ii) the Sales Agent shall not have reimbursed the indemnified party in accordance with such request prior to the date of such settlement and (iii) such indemnified party shall have given the Sales Agent at least 30 days' prior notice of its intention to settle. The Sales Agent shall not, without the prior written consent of the indemnified party, effect any settlement of any pending or threatened Proceeding in respect of which any indemnified party is a party and indemnity could have been sought hereunder by such indemnified party, unless such settlement includes an unconditional release of such indemnified party from all liability on claims that are the subject matter of such Proceeding.

(c) If the indemnification provided for in this Section 9 is unavailable to an indemnified party under subsections (a) and (b) of this Section 9 or insufficient to hold an indemnified party harmless in respect of any losses, damages, expenses, liabilities or claims referred to therein, then each applicable indemnifying party shall contribute to the amount paid or payable by such indemnified party as a result of such losses, damages, expenses, liabilities or claims (i) in such proportion as is appropriate to reflect the relative benefits received by the Company, on the one hand, and the Sales Agent, on the other hand, from the offering of the Shares or (ii) if the allocation provided by clause (i) above is not permitted by applicable law, in such proportion as is appropriate to reflect not only the relative benefits referred to in clause (i) above but also the relative fault of the Company, on the one hand, and of the Sales Agent, on the other, in connection with the statements or omissions which resulted in such losses, damages, expenses, liabilities or claims, as well as any other relevant equitable considerations. The relative benefits received by the Company, on the one hand, and the Sales Agent, on the other, shall be deemed to be in the same respective proportions as the total proceeds from the offering

(net of underwriting discounts and commissions but before deducting expenses) received by the Company, and the total underwriting discounts and commissions received by the Sales Agent, bear to the aggregate public offering price of the Shares. The relative fault of the Company, on the one hand, and of the Sales Agent, on the other, shall be determined by reference to, among other things, whether the untrue statement or alleged untrue statement of a material fact or omission or alleged omission relates to information supplied by the Company or by the Sales Agent and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission. The amount paid or payable by a party as a result of the losses, damages, expenses, liabilities and claims referred to in this subsection shall be deemed to include any legal or other fees or expenses reasonably incurred by such party in connection with investigating, preparing to defend or defending any Proceeding.

(d) The Company and the Sales Agent agree that it would not be just and equitable if contributions pursuant to this Section 9 were determined by pro rata allocation or by any other method of allocation which does not take account of the equitable considerations referred to in subsection (c) above. Notwithstanding the provisions of this Section 9, the Sales Agent shall not be required to contribute any amount in excess of commissions received by it under this Agreement. No person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation.

(e) The Company and the Sales Agent agree promptly to notify each other of the commencement of any Proceeding against it and, in the case of the Company, against any of the Company's officers or directors in connection with the issuance and sale of the Shares, or in connection with the Registration Statement, the Basic Prospectus, the Prospectus or any Permitted Free Writing Prospectus.

SECTION 10. Representations and Agreements to Survive Delivery. The indemnity and contribution agreements contained in Section 9 and the covenants, warranties and representations of the Company contained in this Agreement or in certificates delivered pursuant hereto shall remain in full force and effect regardless of any investigation made by or on behalf of the Sales Agent, its partners, directors or officers or any person (including each partner, officer or director of such person) who controls the Sales Agent within the meaning of Section 15 of the Act or Section 20 of the Exchange Act, or by or on behalf of the Company, its directors or officers or any person who controls the Company within the meaning of Section 15 of the Act or Section 20 of the Exchange Act, and shall survive any termination of this Agreement or the issuance and delivery of the Shares.

SECTION 11. Termination.

(a) The Company shall have the right, by giving written notice as hereinafter specified, to terminate the provisions of this Agreement relating to the solicitation of offers to purchase the Shares in its sole discretion at any time. Any such termination shall be without liability of any party to any other party except that (i) if any of the Shares have been sold through the Sales Agent for the Company, then Section 5(j) and Section 5(w) shall remain in full force and effect, (ii) with respect to any pending sale, through the Sales Agent for the Company, the obligations of the Company, including in respect of compensation of the Sales Agent, shall remain in full force and effect notwithstanding the termination and (iii) the provisions of Sections 7, 9, 10, 12, 13, 14, 18 and 20 of this Agreement shall remain in full force and effect notwithstanding such termination.

(b) The Sales Agent shall have the right, by giving written notice as hereinafter specified, to terminate the provisions of this Agreement relating to the solicitation of offers to

purchase the Shares in its sole discretion at any time. Any such termination shall be without liability of any party to any other party except that (i) if any of the Shares have been sold through the Sales Agent for the Company, then Section 5(j) and Section 5(w) shall remain in full force and effect and (ii) the provisions of Sections 7, 9, 10, 12, 13, 14, 18 and 20 of this Agreement shall remain in full force and effect notwithstanding such termination.

(c) This Agreement shall remain in full force and effect unless terminated pursuant to Sections 11(a) or 11(b) above or otherwise by mutual agreement of the parties; and shall automatically terminate on May 8, 2030; *provided* that any such termination by mutual agreement shall in all cases be deemed to provide that Sections 7, 9 and 10 shall remain in full force and effect.

(d) Any termination of this Agreement shall be effective on the date specified in such notice of termination; *provided* that such termination shall not be effective until the close of business on the date of receipt of such notice by the Sales Agent or the Company, as the case may be. If such termination shall occur prior to the Settlement Date for any sale of the Shares, such sale shall settle in accordance with the provisions of Section 4(a)(vi) of this Agreement.

SECTION 12. Notices. Except as otherwise herein provided, all statements, requests, notices and agreements under this Agreement shall be in writing and delivered by hand, overnight courier, mail or facsimile and, if to the Sales Agent, shall be sufficient in all respects if delivered or sent to Goldman Sachs & Co. LLC, 200 West Street, New York, New York 10282, Attention: Erich Bluhm and Andrew Fry, Phone: (212) 357-8664, (212) 357-6436, Facsimile number: (212) 291-5027, Email: erich.bluhm@gs.com, andrew.x.fry@gs.com, and a copy for information purposes to Andrew J. Pitts, Esq. and Ryan J. Patrone, Esq. at Cravath, Swaine & Moore LLP, Two Manhattan West, 375 Ninth Avenue, New York, New York 10001 and, if to the Company, it shall be sufficient in all respects if delivered or sent to the Company at the offices of the Company at 1211 Avenue of the Americas, New York, New York 10036, Attention: David L. Finkelstein with a copy for information purposes to Davis Polk & Wardwell LLP at 450 Lexington Avenue New York, New York 10017, Attention: Shane Tintle, facsimile number: (212) 450-4000, Email: shane.tintle@davispolk.com. Each party to this Agreement may change such address for notices by sending to the parties to this Agreement written notice of a new address for such purpose.

SECTION 13. Parties at Interest. The Agreement herein set forth has been and is made solely for the benefit of the Sales Agent, the Company and, to the extent provided in Section 9 of this Agreement, the controlling persons, directors and officers referred to in such section, and their respective successors, assigns, heirs, personal representatives and executors and administrators. No other person, partnership, association or corporation (including a purchaser, as such purchaser, from the Sales Agent) shall acquire or have any right under or by virtue of this Agreement.

SECTION 14. No Fiduciary Relationship. The Company hereby acknowledges that the Sales Agent is acting solely as sales agent and/or principal in connection with the purchase and sale of the Company's securities. The Company further acknowledges that the Sales Agent is acting pursuant to a contractual relationship created solely by this Agreement entered into on an arm's length basis, and in no event do the parties intend that the Sales Agent act or be responsible as a fiduciary to the Company or its management, stockholders or creditors or any other person in connection with any activity that the Sales Agent may undertake or have undertaken in furtherance of the purchase and sale of the Company's securities, either before or after the date hereof. The Sales Agent hereby expressly disclaims any fiduciary or similar obligations to the Company, either in connection with the transactions contemplated by this Agreement or any matters leading up to such transactions, and the Company hereby confirms its

understanding and agreement to that effect. The Company and the Sales Agent agree that they are each responsible for making their own independent judgments with respect to any such transactions and that any opinions or views expressed by the Sales Agent to the Company regarding such transactions, including, but not limited to, any opinions or views with respect to the price or market for the Company's securities, do not constitute advice or recommendations to the Company, nor shall the expression of such opinions or views constitute any solicitation of any action by the Sales Agent. The Company hereby (a) waives and releases, to the fullest extent permitted by law, any claims that the Company may have against the Sales Agent with respect to any breach or alleged breach of any fiduciary or similar duty to the Company in connection with the transactions contemplated by this Agreement or any matters leading up to such transactions and (b) agrees that none of the activities of the Sales Agent in connection with the transactions contemplated herein constitutes a recommendation, investment advice or solicitation of any action by the Sales Agent with respect to any entity or natural person. The Company has consulted its own legal, accounting, financial, regulatory and tax advisors to the extent deemed appropriate.

SECTION 15. Press Releases and Disclosure. The Company may issue a press release in compliance with Rule 134 under the Act describing the material terms of the transactions contemplated hereby as soon as practicable following the date hereof, and may file with the Commission a Current Report on Form 8-K describing the material terms of the transaction contemplated hereby, and the Company shall consult with the Sales Agent prior to making such disclosures, and the parties shall use all reasonable efforts, acting in good faith, to agree upon a text for such disclosures that is reasonably satisfactory to all parties. No party hereto shall issue thereafter any press release or like public statement (including, without limitation, any disclosure required in reports filed with the Commission pursuant to the Exchange Act) related to this Agreement or any of the transactions contemplated hereby without the prior written approval of the other parties hereto, except as may be necessary or appropriate in the opinion of the party seeking to make disclosure to comply with the requirements of applicable law or stock exchange rules. If any such press release or like public statement is so required, the party making such disclosure shall consult with the other party prior to making such disclosure, and the parties shall use all reasonable efforts, acting in good faith, to agree upon a text for such disclosure that is reasonably satisfactory to all parties.

SECTION 16. Adjustments for Stock Splits. The parties acknowledge and agree that all share related numbers contained in this Agreement shall be adjusted to take into account any stock split effected with respect to the Shares.

SECTION 17. Entire Agreement. This Agreement constitutes the entire agreement and supersedes all other prior and contemporaneous agreements and undertakings, both written and oral, among the parties hereto with regard to the subject matter hereof. The Company and the Sales Agent hereby confirm and agree that the Distribution Agency Agreement, dated September 20, 2024 (as amended, supplemented or otherwise modified from time to time, the "Prior Sales Agreement"), between the Company and the Sales Agent is hereby deemed to be terminated, effective as of May 8, 2025, pursuant to Section 11(a) thereof and, except as provided in Section 11 thereof, is of no further force and effect.

SECTION 18. Counterparts; Electronic Signatures. This Agreement may be signed by the parties in one or more counterparts which together shall constitute one and the same agreement among the parties. Delivery of this Agreement by one party to the other may be made by facsimile, electronic mail (including any electronic signature complying with the New York Electronic Signatures and Records Act (N.Y. State Tech. §§ 301-309), as amended from time to time, or other applicable law) or other transmission method, and the parties hereto agree that any

counterpart so delivered shall be deemed to have been duly and validly delivered and be valid and effective for all purposes.

SECTION 19. Law; Construction. This Agreement and any claim, counterclaim or dispute of any kind or nature whatsoever arising out of or in any way relating to this Agreement ("Claim"), directly or indirectly, shall be governed by, and construed in accordance with, the internal laws of the State of New York.

SECTION 20. Headings. The Section headings in this Agreement have been inserted as a matter of convenience of reference and are not a part of this Agreement.

SECTION 21. Submission to Jurisdiction. Except as set forth below, no Claim may be commenced, prosecuted or continued in any court other than the courts of the State of New York located in the City and County of New York or in the United States District Court for the Southern District of New York, which courts shall have jurisdiction over the adjudication of such matters, and the Company consents to the non-exclusive jurisdiction of such courts and personal service with respect thereto. The Company hereby consents to personal jurisdiction, service and venue in any court in which any Claim arising out of or in any way relating to this Agreement is brought by any third party against the Sales Agent or any indemnified party. Each of the Sales Agent and the Company (on its behalf and, to the extent permitted by applicable law, on behalf of its stockholders and affiliates) waives all right to trial by jury in any action, proceeding or counterclaim (whether based upon contract, tort or otherwise) in any way arising out of or relating to this Agreement. The Company agrees that a final judgment in any such action, proceeding or counterclaim brought in any such court shall be conclusive and binding upon the Company and may be enforced in any other courts in the jurisdiction of which the Company is or may be subject, by suit upon such judgment.

SECTION 22. Successors and Assigns. This Agreement shall be binding upon the Sales Agent, the Company and their successors and assigns and any successor or assign of any substantial portion of the Company's and the Sales Agent's respective businesses and/or assets.

SECTION 23. Recognition of the U.S. Special Resolution Regimes. In the event that the Sales Agent that is a Covered Entity becomes subject to a proceeding under a U.S. Special Resolution Regime, the transfer from the Sales Agent of this Agreement, and any interest and obligation in or under this Agreement, will be effective to the same extent as the transfer would be effective under the U.S. Special Resolution Regime if this Agreement, and any such interest and obligation, were governed by the laws of the United States or a state of the United States.

In the event that the Sales Agent that is a Covered Entity or a BHC Act Affiliate of such Sales Agent becomes subject to a proceeding under a U.S. Special Resolution Regime, Default Rights under this Agreement that may be exercised against such Sales Agent are permitted to be exercised to no greater extent than such Default Rights could be exercised under the U.S. Special Resolution Regime if this Agreement were governed by the laws of the United States or a state of the United States.

For purposes of this Section 23, a "BHC Act Affiliate" has the meaning assigned to the term "affiliate" in, and shall be interpreted in accordance with, 12 U.S.C. § 1841(k). "Covered Entity" means any of the following: (i) a "covered entity" as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 252.82(b); (ii) a "covered bank" as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 47.3(b); or (iii) a "covered FSI" as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 382.2(b). "Default Right"

has the meaning assigned to that term in, and shall be interpreted in accordance with, 12 C.F.R. §§ 252.81, 47.2 or 382.1, as applicable. “U.S. Special Resolution Regime” means each of (i) the Federal Deposit Insurance Act and the regulations promulgated thereunder and (ii) Title II of the Dodd-Frank Wall Street Reform and Consumer Protection Act and the regulations promulgated thereunder.

If the foregoing correctly sets forth the understanding among the Company and the Sales Agent, please so indicate in the space provided below for that purpose, whereupon this Agreement and your acceptance shall constitute a binding agreement among the Company and the Sales Agent. Alternatively, the execution of this Agreement by the Company and its acceptance by or on behalf of the Sales Agent may be evidenced by an exchange of telegraphic or other written communications.

Very truly yours,

ANNALY CAPITAL MANAGEMENT, INC.

By: /s/ David L. Finkelstein
Name: David L. Finkelstein
Title: Chief Executive Officer and
Co-Chief Investment Officer

[***Signature Page to Distribution Agency Agreement***]

ACCEPTED as of the date
first above written

GOLDMAN SACHS & CO. LLC

By: /s/ Erich Bluhm
Name: Erich Bluhm
Title: Managing Director

Schedule A
Permitted Free Writing Prospectuses

None.

Schedule B

Authorized Company Representatives

David Finkelstein, Chief Executive Officer and Co-Chief Investment Officer
Telephone: (212) 205-7256
Fax: (212) 696-0100
Email: dfinkelstein@annaly.com

Steve Campbell, President and Chief Operating Officer
Telephone: (212) 413-1885
Fax: (212) 696-0100
Email: scampbell@annaly.com

Serena Wolfe, Chief Financial Officer
Telephone: (212) 626-2308
Fax: (212) 696-0100
Email: swolfe@annaly.com

Anthony Green, Chief Corporate Officer, Chief Legal Officer and Secretary
Telephone: (646) 728-7668
Fax: (212) 696-0100
Email: agreen@annaly.com

Exhibit A-1

Opinion of Davis Polk & Wardwell LLP

See attached.

Exhibit A-2

Opinion of Hunton Andrew Kurth LLP

See attached.

Exhibit A-3

Opinion of Venable LLP

See attached.

Exhibit A-4

Opinion of the Company's Chief Legal Officer

See attached.

ANNALY CAPITAL MANAGEMENT, INC.

Shares of Common Stock
(par value $0.01 per share)

DISTRIBUTION AGENCY AGREEMENT

May 8, 2025

J.P. Morgan Securities LLC
383 Madison Avenue
New York, New York 10179

Ladies and Gentlemen:

Annaly Capital Management, Inc., a Maryland corporation (the "Company"), agrees with J.P. Morgan Securities LLC (the "Sales Agent"), to issue and sell from time to time through the Sales Agent, as sales agent and/or principal, shares of its common stock, par value $0.01 per share (the "Common Stock"), on the terms set forth in this agreement (this "Agreement").

The Company is concurrently entering into separate distribution agency agreements (the "Alternative Agreements"), each dated of even date herewith, with Barclays Capital Inc., BNP Paribas Securities Corp., BofA Securities, Inc., BTIG, LLC, Citizens JMP Securities, LLC, Goldman Sachs & Co. LLC, Keefe, Bruyette & Woods, Inc., Morgan Stanley & Co, LLC, Piper Sandler & Co., RBC Capital Markets, LLC, UBS Securities LLC and Wells Fargo Securities, LLC (each, an "Alternative Agent," and together with the Sales Agent, the "Agents"), to issue and sell from time to time through each Alternative Agent, as sales agent and/or principal, shares of the Company's Common Stock (the "Shares") on the terms set forth in the Alternative Agreements. This Agreement and the Alternative Agreements are collectively referred to herein as the "Distribution Agreements."

SECTION 1. Description of Securities. The Company proposes to issue and sell through or to the Sales Agent, as sales agent and/or principal, the Shares on the terms set forth in Section 4 of this Agreement. The Company agrees that whenever it determines to sell the Shares directly to the Sales Agent as principal, it will enter into a separate agreement (each, a "Terms Agreement"), in form and substance satisfactory to the Sales Agent, relating to such sale in accordance with Section 4 of this Agreement.

SECTION 2. Representations and Warranties of the Company. The Company represents and warrants to and agrees with the Sales Agent that:

(a) An "automatic shelf registration statement" (the "registration statement") as defined in Rule 405 under the Securities Act of 1933, as amended, and the rules and regulations thereunder (collectively called the "Act"), on Form S-3 (File No. 333-282261) in respect of the Shares, including a form of prospectus, has been prepared and filed by the Company not earlier than three years prior to the date hereof, in conformity with the requirements of the Act, and the

rules and regulations of the Securities and Exchange Commission (the "Commission") thereunder (the "Rules and Regulations"). The registration statement contains certain information concerning the offering and sale of the Common Stock, including the Shares, and contains additional information concerning the Company and its business; the Commission has not issued an order preventing or suspending the use of the Basic Prospectus (as defined below), the Prospectus Supplement (as defined below), the Prospectus (as defined below) or any Permitted Free Writing Prospectus (as defined below), or the effectiveness of the Registration Statement (as defined below), and no proceeding for that purpose or pursuant to Section 8A of the Act has been instituted or, to the Company's knowledge, threatened by the Commission. Except where the context otherwise requires, "Registration Statement," as used herein, means the registration statement, as amended at the time of such registration statement's effectiveness for purposes of Section 11 of the Act, as such section applies to the Sales Agent, as well as any new registration statement, post-effective amendment or new automatic shelf registration statement as may have been filed pursuant to Section 5(f) or (g) of this Agreement, including (1) all documents filed as a part thereof or incorporated or deemed to be incorporated by reference therein, (2) any information contained or incorporated by reference in a prospectus filed with the Commission pursuant to Rule 424(b) under the Act, to the extent such information is deemed, pursuant to Rule 430B or Rule 430C under the Act, to be part of the registration statement at the time of such registration statement's effectiveness for purposes of Section 11 of the Act, as such section applies to the Sales Agent, and (3) any registration statement filed to register the offer and sale of Shares pursuant to Rule 462(b) under the Act. Except where the context otherwise requires, "Basic Prospectus," as used herein, means the prospectus filed as part of each Registration Statement, together with any amendments or supplements thereto as of the date of this Agreement. Except where the context otherwise requires, "Prospectus Supplement," as used herein, means the final prospectus supplement, relating to the Shares, filed by the Company with the Commission pursuant to Rule 424(b) under the Act on or before the second business day after the date hereof (or such earlier time as may be required under the Act), or if after such date, the most recently filed final prospectus supplement relating to the Shares, in the form furnished by the Company to the Sales Agent in connection with the offering of the Shares. Except where the context otherwise requires, "Prospectus," as used herein, means the Prospectus Supplement together with the Basic Prospectus attached to or used with the Prospectus Supplement. "Permitted Free Writing Prospectuses," as used herein, means the documents listed on Schedule A attached hereto. Any reference herein to the registration statement, the Registration Statement, the Basic Prospectus, the Prospectus Supplement, the Prospectus or any Permitted Free Writing Prospectus shall be deemed to refer to and include the documents, if any, incorporated by reference, or deemed to be incorporated by reference, therein (the "Incorporated Documents"), including, unless the context otherwise requires, the documents, if any, filed as exhibits to such Incorporated Documents. Any reference herein to the terms "amend," "amendment" or "supplement" with respect to the Registration Statement, the Basic Prospectus, the Prospectus Supplement, the Prospectus or any Permitted Free Writing Prospectus shall be deemed to refer to and include the filing of any document under the Securities Exchange Act of 1934, as amended, and the rules and regulations thereunder (collectively, the "Exchange Act") on or after the initial effective date of the Registration Statement, or the date of the Basic Prospectus, the Prospectus Supplement, the Prospectus or such Permitted Free Writing Prospectus, as the case may be, and deemed to be incorporated therein by reference.

(b) The Registration Statement complied when it became effective, complies as of the date hereof and, as amended or supplemented, at each deemed effective date with respect to the Sales Agent pursuant to Rule 430(B)(f)(2) of the Act, at each Settlement Date (as defined in Section 4(a)(vi) hereof), and at all times during which a prospectus is required by the Act to be delivered (whether physically, deemed to be delivered pursuant to Rule 153 or through compliance with Rule 172 under the Act or any similar rule) in connection with any sale of Shares, will comply, in all material respects, with the requirements of the Act, and the

Registration Statement did not and will not, at or during such times, contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading; the conditions to the use of Form S-3 in connection with the offering and sale of the Shares as contemplated hereby have been satisfied; the Registration Statement meets, and the offering and sale of the Shares as contemplated hereby complies with, the requirements of Rule 415 under the Act (including, without limitation, Rule 415(a)(5)); the Basic Prospectus complied or will comply, at the time it was or will be filed with the Commission, complies as of the date hereof (if filed with the Commission on or prior to the date hereof) and, as of the time of each sale of Shares pursuant to this Agreement (each, a "Time of Sale"), at each Settlement Date and at all times during which a prospectus is required by the Act to be delivered (whether physically, deemed to be delivered pursuant to Rule 153 or through compliance with Rule 172 under the Act or any similar rule) in connection with any sale of Shares, will comply, in all material respects, with the requirements of the Act; at no time during the period that begins on the earlier of the date of the Basic Prospectus and the date the Basic Prospectus was filed with the Commission and ends on each Settlement Date did or will the Basic Prospectus, as then amended or supplemented, include an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; the Prospectus will comply, as of the date that it is filed with the Commission, the date of the Prospectus Supplement, each Time of Sale, each Settlement Date, and at all times during which a prospectus is required by the Act to be delivered (whether physically, deemed to be delivered pursuant to Rule 153 or through compliance with Rule 172 under the Act or any similar rule) in connection with any sale of Shares, in all material respects, with the requirements of the Act (including, without limitation, Section 10(a) of the Act); at no time during the period that begins on the date of the Prospectus Supplement and ends at the later of each Settlement Date and the end of the period during which a prospectus is required by the Act to be delivered (whether physically, deemed to be delivered pursuant to Rule 153 or through compliance with Rule 172 under the Act or any similar rule) in connection with any sale of Shares did or will the Prospectus, as then amended or supplemented, either alone or together with any combination of one or more of the then issued Permitted Free Writing Prospectuses, if any, include an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; at no time during the period that begins on the date of such Permitted Free Writing Prospectus and ends at each Settlement Date did or will any Permitted Free Writing Prospectus include an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided, however, that the Company makes no representation or warranty with respect to any statement contained in the Registration Statement, the Basic Prospectus, the Prospectus or any Permitted Free Writing Prospectus in reliance upon and in conformity with information concerning the Sales Agent and furnished in writing by or on behalf of the Sales Agent expressly for use in the Registration Statement, the Basic Prospectus, the Prospectus or such Permitted Free Writing Prospectus; each Incorporated Document, at the time such document was filed with the Commission or at the time such document became effective, as applicable, complied, in all material respects, with the requirements of the Exchange Act and did not include an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(c) (i) At the time of filing of the Registration Statement, (ii) at the time of the most recent amendment thereto for the purposes of complying with Section 10(a)(3) of the Act or otherwise (whether such amendment was by post-effective amendment, incorporated report filed pursuant to Section 13 or 15(d) of the Exchange Act or form of prospectus), (iii) at the time the Company or any person acting on its behalf (within the meaning, for this clause only, of Rule 163(c) of the Act) made any offer relating to the Shares in reliance on the exemption of

Rule 163 of the Act and (iv) at the date hereof, the Company is a "well-known seasoned issuer" as defined in Rule 405 of the Act ("Rule 405"), including not having been and not being an "ineligible issuer" as defined by Rule 405. The Registration Statement is an "automatic shelf registration statement," as defined in Rule 405, and the Shares, since their registration on the Registration Statement, have been and remain eligible for registration by the Company on a Rule 405 "automatic shelf registration statement." The Company has not received from the Commission any notice pursuant to Rule 401(g)(2) of the Act objecting to the use of the automatic shelf registration statement form.

(d) Prior to the execution of this Agreement, the Company has not, directly or indirectly, offered or sold any Shares by means of any "prospectus" (within the meaning of the Act) or used any "prospectus" (within the meaning of the Act) in connection with the offer or sale of the Shares; the Company has not, directly or indirectly, prepared, used or referred to any Permitted Free Writing Prospectus except in compliance with Rule 163 or with Rules 164 and 433 under the Act; assuming that any such Permitted Free Writing Prospectus is so sent or given after the Registration Statement was filed with the Commission (and after such Permitted Free Writing Prospectus was, if required pursuant to Rule 433(d) under the Act, filed with the Commission), the sending or giving, by the Sales Agent, of any Permitted Free Writing Prospectus will satisfy the provisions of Rule 164 or Rule 433 (without reliance on subsections (b), (c) and (d) of Rule 164); the conditions set forth in one or more of subclauses (i) through (iv), inclusive, of Rule 433(b)(1) under the Act are satisfied, and the registration statement relating to the offering of the Shares contemplated hereby, as initially filed with the Commission, includes a prospectus that, other than by reason of Rule 433 or Rule 431 under the Act, satisfies the requirements of Section 10 of the Act; neither the Company nor the Sales Agent is disqualified, by reason of subsection (f) or (g) of Rule 164 under the Act, from using, in connection with the offer and sale of the Shares, "free writing prospectuses" (as defined in Rule 405 under the Act) pursuant to Rules 164 and 433 under the Act; the Company is not an "ineligible issuer" (as defined in Rule 405 under the Act) as of the eligibility determination date for purposes of Rules 164 and 433 under the Act with respect to the offering of the Shares contemplated by the Registration Statement; the parties hereto agree and understand that the content of any and all "road shows" (as defined in Rule 433 under the Act) related to the offering of the Shares contemplated hereby is solely the property of the Company.

(e) The Company has an authorized and outstanding capitalization as set forth in the consolidated balance sheet included or incorporated by reference in the Registration Statement, the Prospectus or any Permitted Free Writing Prospectus or as of the Company's then most recently completed quarter or fiscal year, contained in the Company's quarterly report on Form 10-Q or the Company's annual report on Form 10-K, as applicable, at the indicated date, and there has been no material change in such information since the Company's then most recently completed quarter or fiscal year (subject to the issuance of shares of Common Stock upon exercise of stock options and warrants disclosed as outstanding in the Registration Statement (excluding the exhibits thereto) and the Prospectus and the grant of options under existing stock option plans described in the Registration Statement (excluding the exhibits thereto), the Basic Prospectus and the Prospectus).

(f) The consolidated financial statements of the Company, together with the related schedules and notes thereto, set forth or included or incorporated by reference in the Registration Statement, the Prospectus or any Permitted Free Writing Prospectus are accurate in all material respects and fairly present the financial condition of the Company on a consolidated basis as of the dates indicated and the results of operations, changes in financial position, stockholders' equity and cash flows for the periods therein specified are in conformity with generally accepted accounting principles consistently applied throughout the periods involved (except as otherwise stated therein). The selected financial and statistical data included or incorporated by reference

in the Registration Statement and the Prospectus present fairly the information shown therein and, to the extent based upon or derived from the financial statements, have been compiled on a basis consistent with the financial statements presented therein. No other financial statements are required to be set forth or to be incorporated by reference in the Registration Statement or the Prospectus under the Act. The interactive data in eXtensible Business Reporting Language included or incorporated by reference in the Registration Statement, the Prospectus or any Permitted Free Writing Prospectus fairly present the information called for in all material respects and have been prepared in accordance with the Commission's rules and guidelines applicable thereto.

(g) The Prospectus and any Permitted Free Writing Prospectus delivered to the Sales Agent for use in connection with this offering will be, identical to the versions of the Prospectus and any Permitted Free Writing Prospectus, respectively, created to be transmitted to the Commission for filing via EDGAR, except to the extent permitted by Regulation S-T.

(h) The Company and each of its subsidiaries has been duly formed or, if a corporation, incorporated and is validly existing as a limited liability company, limited partnership or corporation in good standing under the laws of the state of its formation or incorporation, as applicable, is duly qualified to do business and is in good standing as a foreign limited liability company, limited partnership or corporation, as applicable, in each jurisdiction in which its ownership or lease of property or assets or the conduct of its business requires such qualification, except where the failure to so qualify would not have a material adverse effect on the business, assets, properties, prospects, financial condition or results of operation of the Company and its subsidiaries taken as a whole (a "Company Material Adverse Effect"), and has full limited liability company, limited partnership or corporate, as applicable, power and authority necessary to own, hold, lease and/or operate its assets and properties, to conduct the business in which it is engaged and as described in the Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any, and to enter into and perform its obligations under this Agreement and to consummate the transactions contemplated hereby, and the Company and its subsidiary Arcola Securities, Inc. ("Arcola") are each in compliance in all material respects with the laws, orders, rules, regulations and directives issued or administered by such jurisdictions.

(i) The Company has no "significant subsidiaries" (as such term is defined in Rule 1-02 of Regulation S-X promulgated under the Securities Act), and has no other subsidiaries except as (i) set forth in Exhibit 21.1 to the Company's most recently filed annual report on Form 10-K, (ii) otherwise disclosed by the Company in the Registration Statement, the Prospectus or the Permitted Free Writing Prospectus, if any, or (iii) would not, individually or in the aggregate, be material to the Company. Complete and correct copies of the charter and of the bylaws of the Company and all amendments thereto have been delivered to the Sales Agent (or otherwise made available on EDGAR) and, except as set forth in the exhibits to, or incorporated by reference into, the Registration Statement, no changes therein will be made subsequent to the date hereof and prior to each Time of Sale and each Settlement Date.

(j) The Company is not in breach of, or in default under (nor has any event occurred which with notice, lapse of time or both would result in any breach of or constitute a default under), (i) its charter or bylaws or (ii) any obligation, agreement, covenant or condition contained in any contract, license, repurchase agreement, indenture, mortgage, deed of trust, bank loan or credit agreement, note, lease or other evidence of indebtedness, or any lease, contract or other agreement or instrument to which the Company is a party or by which it or any of its assets or properties may be bound or affected, the effect of which breach or default under this clause (ii) could have a Company Material Adverse Effect. The execution, delivery and performance of this Agreement, the issuance and sale of the Shares and the consummation of the transactions

contemplated hereby will not conflict with, or result in any breach of, constitute a default under or a Repayment Event (as defined below) under (nor constitute any event which with notice, lapse of time or both would result in any breach of, constitute a default under or a Repayment Event under), (i) any provision of the charter or bylaws of the Company, (ii) any provision of any contract, license, repurchase agreement, indenture, mortgage, deed of trust, bank loan or credit agreement, note, lease or other evidence of indebtedness, or any lease, contract or other agreement or instrument to which the Company is a party or by which the Company or any of its assets or properties may be bound or affected, the effect of which could have a Company Material Adverse Effect or (iii) under any federal, state, local or foreign law, regulation or rule or any decree, judgment or order applicable to the Company. As used herein, a "Repayment Event" means any event or condition which gives the holder of any note, debenture or other evidence of indebtedness (or any person acting on such holder's behalf) the right to require the repurchase, redemption or repayment of all or a portion of such indebtedness by the Company or any subsidiary.

(k) All of the issued and outstanding shares of capital stock, including the Common Stock, of the Company have been duly and validly authorized and issued and are fully paid and non-assessable, have been issued in compliance with all federal and state securities laws and were not issued in violation of any preemptive right, resale right, right of first refusal or similar right.

(l) This Agreement has been duly authorized, executed and delivered by the Company.

(m) Reserved.

(n) The capital stock of the Company, including the Shares, conforms and will conform in all material respects to the description thereof contained in the Registration Statement, the Prospectus or any Permitted Free Writing Prospectus and such description conforms to the rights set forth in the instruments defining the same. If certificated, the global certificates representing the Shares are in due and proper form and the holders of the Shares will not be subject to personal liability by reason of being such holders.

(o) The Shares have been duly and validly authorized by the Company for issuance and sale pursuant to this Agreement and, when issued and delivered against payment therefor as provided herein, will be duly and validly issued and fully paid and non-assessable, free and clear of any pledge, lien, encumbrance, security interest or other claim, and will be registered pursuant to Section 12 of the Exchange Act.

(p) No approval, authorization, consent or order of or filing with any national, state or local governmental or regulatory commission, board, body, authority or agency is required in connection with the issuance and sale of the Shares or the consummation by the Company of the transaction contemplated hereby other than (i) registration of the Shares under the Act, (ii) any necessary qualification under the securities or blue sky laws of the various jurisdictions in which the Shares are being offered by the Sales Agent and (iii) such approvals in connection with the approval of the listing of the Shares on the New York Stock Exchange LLC (the "NYSE").

(q) No person, as such term is defined in Rule 1-02 of Regulation S-X promulgated under the Act (each, a "Person"), has the right, contractual or otherwise, to cause the Company to issue to it any shares of capital stock or other securities of the Company upon the issue and sale of the Shares to the Sales Agent hereunder, nor does any Person have preemptive rights, co-sale rights, rights of first refusal or other rights to purchase or subscribe for any of the Shares or any securities or obligations convertible into or exchangeable for, or any contracts or commitments to

issue or sell any of, the Shares or any options, rights or convertible securities or obligations, other than those that have been expressly waived prior to the date hereof.

(r) Ernst & Young LLP (the "Accountants"), whose report on the consolidated financial statements of the Company is filed with the Commission as part of the Registration Statement and the Prospectus, are and, during the periods covered by their reports, were independent public accountants as required by the Act.

(s) Each of the Company and its subsidiaries has all necessary licenses, authorizations, consents and approvals and has made all necessary filings required under any federal, state, local or foreign law, regulation or rule, and has obtained all necessary permits, authorizations, consents and approvals from other Persons, in order to conduct its business as described in the Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any, except as such as could not have a Company Material Adverse Effect. Neither the Company nor any of its subsidiaries is required by any applicable law to obtain accreditation or certification from any governmental agency or authority in order to provide the products and services which it currently provides or which it proposes to provide as set forth in the Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any, except as such could not have a Company Material Adverse Effect. Neither the Company nor any of its subsidiaries is in violation of, or in default under, any such license, permit, authorization, consent or approval or any federal, state, local or foreign law, regulation or rule or any decree, order or judgment applicable to the Company or any of its subsidiaries, the effect of which could have a Company Material Adverse Effect.

(t) The descriptions in the Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any, of the legal or governmental proceedings, contracts, leases and other legal documents therein described present fairly in all material respects the information required to be shown, and there are no legal or governmental proceedings, contracts, leases or other documents of a character required to be described in the Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any, or to be filed as exhibits to the Registration Statement which are not described or filed as required. All agreements between the Company and third parties expressly referenced in the Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any, are legal, valid and binding obligations of the Company, enforceable in accordance with their respective terms, except to the extent enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws affecting creditors' rights generally and by general equitable principles and except to the extent that any indemnification provision thereof may be limited by public policy considerations in respect thereof.

(u) Except as set forth in the Registration Statement, the Prospectus or a Permitted Free Writing Prospectus, there are no actions, suits, claims, investigations, inquiries or proceedings pending or, to the best of the Company's knowledge, threatened to which the Company or any of the subsidiaries or any of their respective officers or directors is a party or of which any of its properties or other assets is subject at law or in equity, or before or by any federal, state, local or foreign governmental or regulatory commission, board, body, authority or agency which could result in a judgment, decree or order having a Company Material Adverse Effect.

(v) Except as otherwise may be disclosed therein, subsequent to the respective dates as of which information is given in the Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any, there has not been (i) any Company Material Adverse Effect, or any development which would reasonably be expected to cause a Company Material Adverse Effect, in the business, properties or assets described or referred to in the Registration Statement,

the Prospectus and the Permitted Free Writing Prospectuses, if any, or the results of operations, condition (financial or otherwise), net worth, business, prospects or operations of the Company and its subsidiaries, taken as a whole, (ii) any transaction which is material to the Company and its subsidiaries, taken as a whole, except transactions in the ordinary course of business, (iii) any obligation, direct or contingent, which is material to the Company and its subsidiaries, taken as a whole, incurred by the Company or any subsidiary, except obligations incurred in the ordinary course of business, (iv) any change in the capital stock or, except in the ordinary course of business, outstanding indebtedness of the Company or any subsidiary or (v) except for regular quarterly dividends on the outstanding shares of preferred stock (collectively, the "Preferred Stock") and the Common Stock, in amounts per share that are consistent with past practice and the descriptions thereof in the Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any, any dividend or distribution of any kind declared, paid or made by the Company on any class of its capital stock. There are no contingent obligations that are material to the Company and its subsidiaries, taken as a whole, which are not disclosed in the Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any.

(w) Except as set forth in the Registration Statement, the Prospectus or a Permitted Free Writing Prospectus, there are no Persons with registration or other similar rights to have any equity or debt securities, including securities which are convertible into or exchangeable for equity securities, registered pursuant to the Registration Statement or otherwise registered by the Company under the Act.

(x) The Company (i) does not have any issued and outstanding preferred stock, other than the shares of Preferred Stock, in such number and series, as are described in the Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any, (ii) has not failed to pay any dividend or sinking fund installment on preferred stock and (iii) has not defaulted on any installment on indebtedness for borrowed money or on any rental on one or more long term leases, which defaults would have a Company Material Adverse Effect on the financial position of the Company and its subsidiaries, taken as a whole. The Company has not filed a report pursuant to Section 13(a) or 15(d) of the Exchange Act since the filing of its last annual report on Form 10-K, indicating that it (i) has failed to pay any dividend or sinking fund installment on the Preferred Stock or (ii) has defaulted on any installment on indebtedness for borrowed money or on any rental on one or more long term leases, which defaults would have a Company Material Adverse Effect.

(y) Neither the Company nor any of its officers, directors and controlling Persons have, directly or indirectly, (i) taken any action designed to cause or to result in, or that has constituted or which might reasonably be expected to constitute, the stabilization or manipulation of the price of the Common Stock to facilitate the sale of the Shares, or (ii) (except pursuant to this Agreement, shares of the Company's Common Stock issued pursuant to the Company's dividend reinvestment and share purchase plan (the "DRSPP"), as may have been incurred in connection with the Company's publicly disclosed repurchase of Common Stock and the retirement of the Company's long-term indebtedness) (A) sold, bid for, purchased, or paid anyone any compensation for soliciting purchases of, the Shares or, (B) other than as disclosed in the Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any, during the one hundred eighty (180) day period preceding the date of this Agreement, paid or agreed to pay to any Person any compensation for soliciting another to purchase any other securities of the Company.

(z) The Company has applied to have the Shares listed on the NYSE, and the Shares will have been approved for listing on the NYSE as of the time of purchase, subject only to official notice of issuance.

(aa) Neither the Company nor any of its affiliates, except for Arcola, (i) is required to register as a "broker" or "dealer" in accordance with the provisions of the Exchange Act or (ii) directly or indirectly through one or more intermediaries, controls or has any other association with (within the meaning of Article I of the Bylaws of the Financial Industry Regulatory Authority, Inc. ("FINRA")) any member firm of FINRA.

(ab) Any certificate signed by any officer of the Company delivered to the Sales Agent or to counsel for the Sales Agent pursuant to or in connection with this Agreement shall be deemed a representation and warranty by the Company to the Sales Agent as to the matters covered thereby.

(ac) As of the date of this Agreement, the Company has no plan or intention to materially alter its capital investment policy or investment allocation strategy, both as described in the Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any, and is in compliance with its stated capital investment policy and investment allocation strategy. Each of the Company and its subsidiaries has good and marketable title to all of the properties and assets owned by them, in each case free and clear of any security interests, liens, encumbrances, equities, claims and other defects (except for any security interest, lien, encumbrance or claim that may otherwise exist under any applicable repurchase agreement or loan agreement), except such as do not have a Company Material Adverse Effect and do not interfere with the use made or proposed to be made of such property or asset by the Company or any subsidiary, and except as described in or contemplated by the Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any. The Company owns no real property that is material, on an individual basis, to the Company. Any real property and buildings held under lease by the Company or any subsidiary are held under valid, existing and enforceable leases, with such exceptions as are disclosed in the Prospectus or are not material and do not interfere with the use made or proposed to be made of such property and buildings by the Company.

(ad) The Company has filed all federal and material state and foreign income and franchise tax returns required to be filed on or prior to the date hereof and has paid taxes shown as due thereon (or that are otherwise due and payable), other than taxes which are being contested in good faith and for which adequate reserves have been established in accordance with generally accepted accounting principles. The Company has no knowledge, after due inquiry, of any tax deficiency which has been asserted or threatened against the Company. To the knowledge of the Company, there are no tax returns of the Company that are currently being audited by federal, state or local taxing authorities or agencies which would have a Company Material Adverse Effect.

(ae) The Company owns or possesses adequate license or other rights to use all patents, trademarks, service marks, trade names, copyrights, software and design licenses, trade secrets, manufacturing processes, other intangible property rights and know-how (collectively, "Intangibles") necessary to entitle the Company to conduct its business as described in the Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any, and the Company has not received notice of infringement of or conflict with (and the Company knows of no such infringement of or conflict with) asserted rights of others with respect to any Intangibles which could have a Company Material Adverse Effect.

(af) The Company maintains a system of internal accounting controls sufficient to provide reasonable assurance that (i) transactions are executed in accordance with management's general or specific authorizations, (ii) transactions are recorded as necessary to permit preparation of financial statements in conformity with generally accepted accounting principles as applied in the United States and to maintain asset accountability, (iii) access to assets is

permitted only in accordance with management's general or specific authorization, (iv) the recorded accountability for assets is compared with the existing assets at reasonable intervals and appropriate action is taken with respect to any differences and (v) the interactive data in eXtensible Business Reporting Language incorporated by reference in the Registration Statement, the Prospectus and any Permitted Free Writing Prospectus fairly present the information called for in all material respects and is prepared in accordance with the Commission's rules and guidelines applicable thereto.

(ag) The Company has established and maintains disclosure controls and procedures (as such term is defined in Rule 13a-14 and 15d-14 under the Exchange Act); such disclosure controls and procedures are designed to ensure that material information relating to the Company is made known to the Company's Chief Executive Officer and its Chief Financial Officer, and such disclosure controls and procedures are effective to perform the functions for which they were established; any significant material weaknesses in internal controls have been identified for the Company's Chief Executive Officer and its Chief Financial Officer; and since the date of the most recent evaluation of such disclosure controls and procedures, there have been no significant changes in internal controls or in other factors that could significantly affect internal controls.

(ah) The Company is insured by insurers of recognized financial responsibility against such losses and risks and in such amounts as are prudent and customary in the business in which it is engaged. The Company has no reason to believe that it will not be able to renew its existing insurance coverage as and when such coverage expires or to obtain similar coverage from similar insurers as may be necessary to continue its business at a cost that would not have a Company Material Adverse Effect.

(ai) Except as set forth in the Registration Statement, the Prospectus or a Permitted Free Writing Prospectus, the Company is not in violation, and has not received notice of any violation with respect to, any applicable environmental, safety or similar law applicable to the business of the Company. The Company has received all permits, licenses or other approvals required of them under applicable federal and state occupational safety and health and environmental laws and regulations to conduct its business, and the Company is in compliance with all terms and conditions of any such permit, license or approval, except any such violation of law or regulation, failure to receive required permits, licenses or other approvals or failure to comply with the terms and conditions of such permits, licenses or approvals which could not, singly or in the aggregate, have a Company Material Adverse Effect.

(aj) Neither the Company nor any of its subsidiaries has incurred any liability for any finder's fees or similar payments in connection with the transactions herein contemplated, except as may otherwise exist with respect to the Sales Agent pursuant to this Agreement.

(ak) Except as set forth in the Registration Statement, the Prospectus or a Permitted Free Writing Prospectus, there are no existing or threatened labor disputes with the employees of the Company which are likely to have individually or in the aggregate a Company Material Adverse Effect.

(al) No relationship, direct or indirect, exists between or among the Company or any of its subsidiaries, on the one hand, and the directors, officers and stockholders of the Company, on the other hand, which is required by the Act to be described in the Registration Statement and the Prospectus that is not so described.

(am) The Company, since its date of inception, has been, and upon the sale of the Shares will continue to be, organized and operated in conformity with the requirements for

qualification and taxation as a "real estate investment trust" (a "REIT") under Sections 856 through 860 of the Internal Revenue Code of 1986, as amended and the regulations and published interpretations thereunder (collectively, the "Code"), for all taxable years commencing with its taxable year ended December 31, 1997. The proposed method of operation of the Company as described in Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any, will enable the Company to continue to meet the requirements for qualification and taxation as a REIT under the Code, and no actions have been taken (or not taken which are required to be taken) which would cause such qualification to be lost. The Company intends to continue to operate in a manner which would permit it to qualify as a REIT under the Code. The Company has no intention of changing its operations or engaging in activities which would cause it to fail to qualify, or make economically undesirable its continued qualification, as a REIT.

(an) Neither the Company nor any subsidiary is and, after giving effect to the offering and sale of the Shares, will be required to register as an "investment company" or an entity "controlled" by an "investment company," as such terms are defined in the Investment Company Act of 1940, as amended (the "Investment Company Act").

(ao) To the Company's knowledge, no relationship, direct or indirect, exists between or among the Company or any subsidiary, on the one hand, and the officers, 10% stockholders or directors of the Company or any subsidiary, on the other hand, which is required by the rules of FINRA to be described in the Registration Statement and the Prospectus which is not so described.

(ap) The Company has not, directly or indirectly, including through any subsidiary, extended credit, arranged to extend credit, or renewed any extension of credit, in the form of a personal loan, to or for any director or executive officer of the Company, or to or for any family member or affiliate of any director or executive officer of the Company.

(aq) Neither the Company nor any of the subsidiaries nor, to the Company's knowledge, any employee or agent of the Company or the subsidiaries has made any payment of funds of the Company or the subsidiaries or received or retained any funds in violation of any law, rule or regulation, which payment, receipt or retention of funds is of a character required to be disclosed in the Registration Statement or the Prospectus.

(ar) The Company is in compliance with all applicable provisions of the Sarbanes-Oxley Act of 2002 and the rules and regulations promulgated thereunder.

(as) The Common Stock is an "actively traded security" excepted from the requirements of Rule 101 of Regulation M under the Exchange Act by subsection (c)(1) of such rule.

(at) Other than any Terms Agreement or the Alternative Agreements, the Company has not entered into any other sales agency or distribution agreements or similar arrangements with any agent or other representative in respect of the Shares and the equity shelf program established by the Distribution Agreements, the terms of which have not been properly and duly waived.

(au) The operations of the Company and its subsidiaries are and have been conducted at all times in material compliance with all applicable financial recordkeeping and reporting requirements, including those of the Bank Secrecy Act, as amended by Title III of the Uniting and Strengthening America by Providing Appropriate Tools Required to intercept and Obstruct Terrorism Act of 2001 (USA PATRIOT Act), as amended, and the applicable anti-money

laundering statutes of jurisdictions where the Company and its subsidiaries conduct business, the rules and regulations thereunder and any related or similar rules, regulations or guidelines, issued, administered or enforced by any governmental agency (collectively, the "Anti-Money Laundering Laws"), and no action, suit or proceeding by or before any court or governmental agency, authority or body or any arbitrator involving the Company or any of its subsidiaries with respect to Anti-Money Laundering Laws is pending or, to the best knowledge of the Company, threatened.

(av) (A) Neither the Company nor any of its subsidiaries, nor any director, officer or employee thereof, nor, to the Company's knowledge, any agent, affiliate or representative of the Company or any of them, is an individual or entity ("Covered Person") that is, or is owned or controlled by a Covered Person that is:

(i) the subject of any sanctions administered or enforced by the U.S. Department of Treasury's Office of Foreign Assets Control ("OFAC"), the United Nations Security Council, the European Union, His Majesty's Treasury or other relevant sanctions authority (collectively, "Sanctions"); nor

(ii) located, organized or resident in a country or territory that is the subject of Sanctions (including, without limitation, the so-called Donetsk People's Republic, the so-called Luhansk People's Republic, the Kherson, the non-government controlled areas of the Kherson and Zaporizhzhia regions of Ukraine, and any other Covered Region of Ukraine identified pursuant to Executive Order 14065, the Crimea region of Ukraine, Cuba, Iran, North Korea, Syria and Venezuelan State-owned entities).

(A) The Company will not use the proceeds of the offering, or lend, contribute or otherwise make available such proceeds to any subsidiary, joint venture partner or other Covered Person:

(i) to fund or facilitate any activities or business of or with any Covered Person or in any country or territory that, at the time of such funding or facilitation, is the subject of Sanctions; or

(ii) in any other manner that will result in a violation of Sanctions by any Covered Person (including any Covered Person participating in the offering, whether as underwriter, advisor, investor or otherwise).

(B) The Company and its subsidiaries have not knowingly engaged in, are not now knowingly engaged in, and will not engage in, any dealings or transactions with any Covered Person, or in any country or territory, that at the time of the dealing or transaction is or was the subject of Sanctions.

(C) Neither the Company nor any of its subsidiaries, nor any director, officer or, to the Company's knowledge, employee thereof, nor, to the Company's knowledge, any agent, affiliate or representative of the Company or any of them: (i) has used any corporate funds for any unlawful contribution, gift, entertainment or other unlawful expense relating to political activity; (ii) has made any direct or indirect unlawful contribution or payment to any official of, or candidate for, or any employee of, any federal, state or foreign office from corporate funds; (iii) has made any bribe, unlawful rebate, payoff, influence payment, kickback or other unlawful payment; or (iv) is aware of or has taken any action, directly or indirectly, that would result in a violation by such persons of the OECD Convention on Bribery of Foreign Public Officials in International

Business Transactions, the Foreign Corrupt Practices Act of 1977, as amended, and the rules and regulations thereunder (collectively, the "FCPA") or any similar law or regulation to which the Company, any of its subsidiaries, any director, officer, agent, employee, affiliate or other person associated with or acting on behalf of the Company or any of its subsidiaries is subject. The Company, its subsidiaries and their affiliates have each conducted its businesses in compliance with the FCPA and any applicable similar law or regulation and have instituted and maintain policies and procedures designed to ensure, and which are reasonably expected to continue to ensure, continued compliance therewith.

SECTION 3. Reserved.

SECTION 4. Sale and Delivery of Securities. (a) On the basis of the representations, warranties and agreements herein contained, but subject to the terms and conditions herein set forth, the Company agrees to issue and sell through the Sales Agent, as sales agent, and the Sales Agent agrees to use its commercially reasonable efforts to sell, as sales agent for the Company, the Shares on the following terms.

(i) The Shares are to be sold on a daily basis or otherwise as shall be agreed to by the Company and the Sales Agent on any day that (A) is a trading day for the NYSE (other than a day on which the NYSE is scheduled to close prior to its regular weekday closing time), (B) the Company has instructed the Sales Agent by telephone (confirmed promptly by electronic mail) (or as otherwise agreed to by the Company and the Sales Agent) from any of the individuals listed as authorized representatives of the Company on Schedule B hereto (the "Authorized Company Representatives") to make such sales and (C) the Company has satisfied its obligations under Section 8 of this Agreement. The Company will designate the maximum amount of the Shares to be sold by the Sales Agent daily as agreed to by the Sales Agent and in any event not in excess of the amount available for issuance under the currently effective Registration Statement relating to the sale of up to $2,000,000,000 of Shares as described in the prospectus supplement dated May 8, 2025, or any Registration Statement filed pursuant to Section 5(g), or in a number in excess of the number of Shares authorized from time to time to be issued and sold under this Agreement by the Company's board of directors, or a duly authorized committee thereof, and notified to the Sales Agent in writing (a "Placement Notice").

Subject to the terms and conditions hereof, the Sales Agent shall use its commercially reasonable efforts to offer and sell all of the Shares designated; provided, however, that the Sales Agent shall have no obligation to offer or sell any Shares, and the Company acknowledges and agrees that the Sales Agent shall have no such obligation, in the event an offer or sale of the Shares on behalf of the Company may in the judgment of the Sales Agent constitute the sale of a "block" under Rule 10b-18(a)(5) under the Exchange Act or a "distribution" within the meaning of Rule 100 of Regulation M under the Exchange Act or the Sales Agent reasonably believes it may be deemed an "underwriter" under the Act in a transaction that is other than by means of ordinary brokers' transactions between members of the NYSE that qualify for delivery of a Prospectus to the NYSE in accordance with Rule 153 under the Act (such transactions are hereinafter referred to as "At-the-Market Offerings").

(ii) Notwithstanding the foregoing, the Company, through any of the Authorized Company Representatives, may instruct the Sales Agent by telephone

(confirmed promptly by electronic mail) (or as otherwise agreed to by the Company and the Sales Agent) not to sell the Shares if such sales cannot be effected at or above the price designated by the Company in any such instruction. In addition, the Company or the Sales Agent may, upon notice to the other party hereto by telephone (confirmed promptly by electronic mail) (or as otherwise agreed to by the Company and the Sales Agent), suspend the offering of the Shares; provided, however, that such suspension shall not affect or impair the parties' respective obligations with respect to the Shares sold hereunder prior to the giving of such notice.

(iii) The Sales Agent hereby covenants and agrees not to make any sales of the Shares on behalf of the Company, pursuant to this Section 4(a), other than (A) by means of At-the-Market Offerings and (B) such other sales of the Shares on behalf of the Company in its capacity as agent of the Company as shall be agreed by the Company and the Sales Agent.

(iv) The compensation to the Sales Agent, as an agent of the Company, for sales of the Shares shall be up to 1.25% of the gross sales price of the Shares sold pursuant to this Section 4(a) or such lower amount as otherwise mutually agreed upon by the Company and the Sales Agent from time to time. The remaining proceeds, after further deduction for any transaction fees imposed by any governmental or self-regulatory organization in respect of such sales, shall constitute the net proceeds to the Company for such Shares (the "Net Proceeds").

(v) The Sales Agent shall provide written confirmation to the Company following the close of trading on the NYSE each day in which the Shares are sold under this Section 4(a) setting forth the amount of the Shares sold on such day, the Net Proceeds to the Company and the compensation payable by the Company to the Sales Agent with respect to such sales.

(vi) Settlement for sales of the Shares pursuant to this Section 4(a) will occur on the first business day following the date on which such sales are made or such other date as may be agreed by the Company and the Sales Agent (each such date, a "Settlement Date"). On each Settlement Date, the Shares sold through the Sales Agent for settlement on such date shall be issued and delivered by the Company to the Sales Agent against payment of the Net Proceeds for the sale of such Shares. Settlement for all such Shares shall be effected by free delivery of the Shares by the Company or its transfer agent to the Sales Agent's account, or to the account of the Sales Agent's designee, at The Depository Trust Company through its Deposit and Withdrawal at Custodian System ("DWAC") or by such other means of delivery as may be mutually agreed upon by the parties hereto, which in all cases shall be freely tradable, transferable, registered shares in good deliverable form, in return for payments in same day funds delivered to the account designated by the Company. If the Company, or its transfer agent (if applicable), shall default on its obligation to deliver the Shares on any Settlement Date, the Company shall (A) indemnify and hold the Sales Agent harmless against any loss, claim or damage arising from or as a result of such default by the Company and (B) pay the Sales Agent any commission to which it would otherwise be entitled absent such default. The Authorized Company Representatives shall be the contact persons for the Company for all matters related to the settlement of the transfer of the Shares through DWAC for purposes of this Section 4(a)(vi).

(vii) At each Time of Sale, Settlement Date and Representation Date (as defined in Section 5(q)), the Company shall be deemed to have affirmed each of their respective representations and warranties contained in this Agreement. Any obligation of

the Sales Agent to use its commercially reasonable efforts to sell the Shares on behalf of the Company shall be subject to the continuing accuracy of the representations and warranties of the Company herein, to the performance by the Company of its obligations hereunder and to the continuing satisfaction of the additional conditions specified in Section 8 of this Agreement.

(a) (i) If the Company wishes to issue and sell the Shares other than as set forth in Section 4(a) of this Agreement (each, a "Placement"), it will notify the Sales Agent of the proposed terms of such Placement. If the Sales Agent, acting as principal, wishes to accept such proposed terms (which it may decline to do for any reason in its sole discretion) or, following discussions with the Company, wishes to accept amended terms, the Sales Agent and the Company will enter into a Terms Agreement setting forth the terms of such Placement. In the event of a conflict between the terms of this Agreement and the terms of any Terms Agreement, the terms of such Terms Agreement will control.

(b) (i) Under no circumstances shall the aggregate number of Shares sold pursuant to this Agreement exceed the number of Shares authorized from time to time to be issued and sold under this Agreement by the Company's board of directors, or a duly authorized committee thereof, and notified to the Sales Agent in writing.

(i) If either party has reason to believe that the exemptive provisions set forth in Rule 101(c)(1) of Regulation M under the Exchange Act are not satisfied with respect to the Shares, it shall promptly notify the other party and sales of the Shares under this Agreement shall be suspended until that or other exemptive provisions have been satisfied in the judgment of each party.

(c) Each sale of the Shares to or through the Sales Agent shall be made in accordance with the terms of this Agreement or, if applicable, a Terms Agreement.

(d) Any offer, solicitation or sale of the Shares shall be effected by or through only one of the Agents on any single trading day.

(e) Subject to the limitations set forth herein and as may be mutually agreed upon by the Company and the Sales Agent, sales pursuant to this Agreement may not be requested by the Company and need not be made by the Sales Agent during any period in which the Company is or could be deemed to be, in possession of material non-public information.

(f) Notwithstanding any other provision of this Agreement, the Company shall not offer, sell or deliver, or request the offer or sale, of any Shares pursuant to this Agreement at any time during the period from and including the time the Company issues a press release containing, or shall otherwise publicly announce, its earnings, revenues or other operating results for a fiscal period or periods (each, an "Earnings Announcement") through and including the Representation Date that occurs in connection with the Company filing a Quarterly Report on Form 10-Q or an Annual Report on Form 10-K (a "Filing Time") that includes consolidated financial statements as of and for the same fiscal period or periods, as the case may be, covered by such Earnings Announcement, unless the Company shall first (i) prepare and deliver to the Sales Agent (with a copy to counsel for the Sales Agent) a Current Report on Form 8-K that includes substantially the same financial and related information that was included in such Earnings Announcement (other than any earnings projections and similar forward-looking data and officers' quotations) (each, an "Earnings 8-K"), in form and substance reasonably satisfactory to the Sales Agent, and, prior to its filing, obtain the written consent of the Sales Agent to such filing (which consent shall not be unreasonably withheld), (ii) provide the Sales Agent with the officers' certificates, opinions and letters of counsels and accountants' letter

specified in Sections 5(q) through 5(u), inclusive, hereof, (iii) afford the Sales Agent the opportunity to conduct a due diligence review in accordance with Section 5(v) hereof prior to filing such Earnings 8-K and (iv) file (rather than furnish) such Earnings 8-K with the Commission. For purposes of clarity, the parties hereto agree that (A) the delivery of any officers' certificates, opinions or letters of counsel or accountants' letter pursuant to this Section 4(g) shall not relieve the Company from any of its obligations under this Agreement with respect to any Quarterly Report on Form 10-Q or Annual Report on Form 10-K, as the case may be, including, without limitation, the obligation to deliver officers' certificates, opinions and letters of counsel and accountants' letters as provided in Sections 5(q) through 5(u), inclusive, hereof, and (B) this Section 4(g) shall in no way affect or limit the operation of Section 4(d) hereof, which shall have independent application.

(g) The Company acknowledges and agrees that (A) there can be no assurance that the Sales Agent will be successful in selling the Shares, (B) the Sales Agent will incur no liability or obligation to the Company or any other person or entity if it does not sell Shares for any reason other than a failure by the Sales Agent to use its commercially reasonable efforts consistent with its normal trading and sales practices and applicable law and regulations to sell such Shares in accordance with the terms of this Agreement, and (C) the Sales Agent shall be under no obligation to purchase Shares on a principal basis pursuant to this Agreement, except as otherwise specifically agreed by the Sales Agent and the Company.

SECTION 5. Covenants of the Company. The Company agrees with the Sales Agent:

(a) During the period in which a prospectus relating to the Shares is required to be delivered under the Act (whether physically, deemed to be delivered pursuant to Rule 153 or through compliance with Rule 172 under the Act or any similar rule), to notify the Sales Agent promptly of the time when any subsequent amendment to the Registration Statement has become effective or any subsequent supplement to the Basic Prospectus, the Prospectus or any Permitted Free Writing Prospectus has been filed; to prepare and file with the Commission, promptly upon the Sales Agent's request, any amendments or supplements to the Registration Statement, the Basic Prospectus, the Prospectus or any Permitted Free Writing Prospectus that, in the Sales Agent's reasonable opinion, may be necessary or advisable in connection with the offering of the Shares by the Sales Agent; and to cause each amendment or supplement to the Basic Prospectus or the Prospectus to be filed with the Commission as required pursuant to the applicable paragraph of Rule 424(b) of the Act or, in the case of any Incorporated Document, to be filed with the Commission as required pursuant to the Exchange Act, within the time period prescribed.

(b) To promptly advise the Sales Agent, confirming such advice in writing, of any suspension of the Sales Agent's obligations under Rule 15c2-8 under the Exchange Act or any request by the Commission for amendments or supplements to the Registration Statement, the Basic Prospectus, the Prospectus or any Permitted Free Writing Prospectus or for additional information with respect thereto, or of notice of examination, institution of proceedings for, or the entry of a stop order suspending the effectiveness of the Registration Statement and, if the Commission should enter a stop order suspending the effectiveness of the Registration Statement, to use its best efforts to obtain the lifting or removal of such order as soon as possible; to promptly advise the Sales Agent of any proposal to amend or supplement the Registration Statement, the Basic Prospectus or the Prospectus, and to provide the Sales Agent and its counsel copies of any such documents for review and comment a reasonable amount of time prior to any proposed filing and to file no such amendment or supplement (other than any prospectus supplement relating to the offering of other securities (including, without limitation, the Common Stock)) to which the Sales Agent shall have objected in writing.

(c) To make available to the Sales Agent, as soon as practicable after this Agreement becomes effective, and thereafter from time to time to furnish to the Sales Agent, as many copies of the Prospectus (or of the Prospectus as amended or supplemented if the Company shall have made any amendments or supplements thereto after the effective date of the Registration Statement) as the Sales Agent may request for the purposes contemplated by the Act; in case the Sales Agent is required to deliver (whether physically, deemed to be delivered pursuant to Rule 153 or through compliance with Rule 172 under the Act or any similar rule), in connection with the sale of the Shares, a prospectus after the nine-month period referred to in Section 10(a)(3) of the Act, or after the time a post-effective amendment to the Registration Statement is required pursuant to Item 512(a) of Regulation S-K under the Act, the Company will prepare, at its expense, promptly upon request such amendment or amendments to the Registration Statement and the Prospectus as may be necessary to permit compliance with the requirements of Section 10(a)(3) of the Act or Item 512(a) of Regulation S-K under the Act, as the case may be.

(d) Subject to Section 5(b) hereof, to file promptly all reports and documents and any preliminary or definitive proxy or information statement required to be filed by the Company with the Commission in order to comply with the Exchange Act for so long as a prospectus is required by the Act to be delivered (whether physically, deemed to be delivered pursuant to Rule 153 or through compliance with Rule 172 under the Act or any similar rule) in connection with any sale of Shares; and to provide the Sales Agent, for its review and comment, with a copy of such reports and statements and other documents to be filed by the Company pursuant to Section 13, 14 or 15(d) of the Exchange Act during such period a reasonable amount of time prior to any proposed filing, and to file no such report, statement or document to which the Sales Agent shall have objected in writing; and to promptly notify the Sales Agent of such filing.

(e) To pay the fees applicable to the Registration Statement in connection with the offering of the Shares within the time required by Rule 456(b)(1) (i) under the Act (without reliance on the proviso to Rule 456(b)(1)(i) under the Act) and in compliance with Rule 456(b) and Rule 457(r) under the Act.

(f) If at any time when Shares remain unsold by the Sales Agent the Company receives from the Commission a notice pursuant to Rule 401(g)(2) under the Act or otherwise ceases to be eligible to use the automatic shelf registration statement form, the Company will (a) promptly notify the Sales Agent, (b) promptly file a new registration statement or post-effective amendment on the proper form relating to the Shares, in a form satisfactory to the Sales Agent, (c) use its best efforts to cause such registration statement or post-effective amendment to be declared effective as soon as practicable (if such filing is not otherwise effective immediately pursuant to Rule 462 under the Act) and (d) promptly notify the Sales Agent of such effectiveness. The Company will take all other action necessary or appropriate to permit the public offering and sale of the Shares to continue as contemplated in the Registration Statement that was the subject of the notice under Rule 401(g)(2) under the Act or for which the Company has otherwise become ineligible. References herein to the Registration Statement relating to the Shares shall include such new registration statement or post-effective amendment, as the case may be.

(g) If immediately prior to the third anniversary (the "Renewal Deadline") of the initial effective date of the Registration Statement, any of the Shares remain unsold by the Sales Agent, the Company will, prior to the Renewal Deadline file, if it has not already done so and is eligible to do so, a new automatic shelf registration statement relating to the Shares, in a form satisfactory to the Sales Agent. If the Company is not eligible to file an automatic shelf registration statement, the Company will, prior to the Renewal Deadline, if it has not already done so, file a new shelf registration statement relating to the Shares, in a form satisfactory to the

Sales Agent, and will use its best efforts to cause such registration statement to be declared effective within 180 days after the Renewal Deadline. The Company will take all other action necessary or appropriate to permit the public offering and sale of the Shares to continue as contemplated in the expired registration statement. References herein to the Registration Statement shall include such new automatic shelf registration statement or such new shelf registration statement, as the case may be.

(h) To promptly notify the Sales Agent of the happening of any event that could require the making of any change in the Prospectus then being used so that the Prospectus would not include an untrue statement of material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they are made, not misleading, and, during any period during which a prospectus is required to be delivered (whether physically, deemed to be delivered pursuant to Rule 153 or through compliance with Rule 172 under the Act or any similar rule) in connection with any sale of Shares, subject to Section 5(b), to prepare and furnish, at the Company's expense, to the Sales Agent promptly such amendments or supplements to such Prospectus as may be necessary to reflect any such change.

(i) To furnish such information as may be required and otherwise to cooperate in qualifying the Shares for offering and sale under the securities or blue sky laws of such states or other jurisdictions as the Sales Agent may designate and to maintain such qualifications in effect so long as required for the distribution of the Shares; provided, however, that the Company shall not be required to qualify as a foreign corporation or to consent to the service of process under the laws of any such jurisdiction (except service of process with respect to the offering and sale of the Shares); and to promptly advise the Sales Agent of the receipt by the Company of any notification with respect to the suspension of the qualification of the Shares for offer or sale in any jurisdiction or the initiation or threatening of any proceeding for such purpose.

(j) To make generally available to its security holders, and to deliver to the Sales Agent, an earnings statement of the Company (which will satisfy the provisions of Section 11(a) of the Act) covering a period of twelve months beginning after the effective date of the Registration Statement (as defined in Rule 158(c) of the Act) as soon as is reasonably practicable after the termination of such twelve-month period but not later than eighteen months after the effective date of the Registration Statement (as such date is defined in Rule 158(c) under the Act).

(k) To apply the net proceeds from the sale of the Shares in the manner set forth under the caption "Use of Proceeds" in the Prospectus Supplement or, if not so specified, in the Prospectus, and if not so specified, in the Basic Prospectus.

(l) Until the settlement of sale of all Common Stock being offered pursuant to this Agreement, at any time that sales of the Common Stock have been made but not settled or at any time the Company has outstanding with the Sales Agent any instructions to sell the Common Stock but such instructions have not been fulfilled or cancelled, the Company will not sell, offer to sell, contract or agree to sell, hypothecate, pledge, grant any option to sell or otherwise dispose of or agree to dispose of, directly or indirectly, any shares of the Common Stock or securities convertible into or exchangeable or exercisable for the Common Stock or warrants or other rights to purchase the Common Stock or any other securities of the Company that are substantially similar to the Common Stock or permit the registration under the Act of any shares of the Common Stock, including pursuant to another Distribution Agreement, in each case without giving the Sales Agent at least three business days' prior written notice specifying the nature of the proposed sale and the date of such proposed sale. Notwithstanding the foregoing, the Company may (i) register the offer and sale of the Shares through the Sales Agent pursuant to

this Agreement; (ii) issue Common Stock, restricted stock, options or other units or awards pursuant to the Company's long term stock incentive plans as currently in effect (or file a Form S-8 related to such plans) or pursuant to the exercise of employee stock options or other awards; (iii) issue Common Stock pursuant to the DRSPP or any successor dividend reinvestment or share purchase plan (or the filing of a Form S-3 related to such a plan) and (iv) offer or issue any series of preferred stock that is not convertible into shares of Common Stock other than in connection with a "change of control." For the avoidance of doubt, the Company will not be prohibited from issuing Common Stock upon the election by a holder of Preferred Stock to convert Preferred Stock into Common Stock. In the event that notice of a proposed sale is provided by the Company pursuant to this Section 5(l), the Sales Agent may suspend activity under this program for such period of time as may be requested by the Company or as may be deemed appropriate by the Sales Agent.

(m) Not, at any time at or after the execution of this Agreement, to offer or sell any Shares by means of any "prospectus" (within the meaning of the Act), or use any "prospectus" (within the meaning of the Act) in connection with the offer or sale of the Shares, in each case other than the Prospectus.

(n) The Company will not, and will cause its subsidiaries not to, take, directly or indirectly, any action designed, or which will constitute, or has constituted, or might reasonably be expected to cause or result in the stabilization or manipulation of the price of any security of the Company to facilitate the sale or resale of the Shares.

(o) To use its best efforts to cause the Common Stock to be listed on the NYSE and to maintain such listing.

(p) To advise the Sales Agent immediately after it shall have received notice or obtain knowledge thereof, of any information or fact that would alter or affect any opinion, certificate, letter and other document provided to the Sales Agent pursuant to Section 8 herein.

(q) Upon commencement of the offering of the Shares under this Agreement, and within four trading days of each time that (i) the Registration Statement or the Prospectus shall be amended or supplemented (other than pursuant to subclause (ii) below and other than a prospectus supplement filed pursuant to Rule 424(b) under the Act relating solely to the offering of securities other than the Shares), (ii) there is filed with the Commission any document incorporated by reference into the Prospectus (other than a Current Report on Form 8-K, unless the Sales Agent shall otherwise reasonably request), or (iii) otherwise as the Sales Agent may reasonably request (the date of commencement of the offering of the Shares under this Agreement and each date referred to in subclauses (i), (ii) and (iii) above, each a "Representation Date"), the Company shall furnish or cause to be furnished to the Sales Agent forthwith a certificate dated as of such delivery date, in form satisfactory to the Sales Agent to the effect that the statements contained in the certificate referred to in Section 8(e)(i) of this Agreement which were last furnished to the Sales Agent are true and correct as of such delivery date, as though made at and as of such date (except that such statements shall be deemed to relate to the Registration Statement and the Prospectus as amended and supplemented to such date) or, in lieu of such certificate, a certificate of the same tenor as the certificate referred to in said Section 8(e)(i), modified as necessary to relate to the Registration Statement and the Prospectus as amended and supplemented to the time of delivery of such certificate. The requirement to provide a certificate under this Section 5(q) shall be waived for any Representation Date occurring at a time at which no Placement Notice is pending, which waiver shall continue until the earlier to occur of the date the Company delivers a Placement Notice hereunder or under any Alternative Agreement (which for such calendar quarter shall be considered a Representation Date) and the next occurring Representation Date. Notwithstanding the foregoing, if the

Company subsequently decides to sell Shares through the Sales Agent or any Alternative Agent following a Representation Date when the Company relied on such waiver and did not provide the Agents with a certificate under this Section 5(q), then before the Company delivers the Placement Notice or the Sales Agent or any Alternative Agent sells any Shares, the Company shall provide the Sales Agent with such certificate, dated the date of the Placement Notice.

(r) On or prior to four trading days after each Representation Date with respect to which the Company is obligated to deliver a certificate under Section 8(e) for which no waiver is applicable, the Company shall furnish or cause to be furnished forthwith to the Sales Agent written opinions of (i) Davis Polk & Wardwell LLP, special counsel for the Company (including negative assurance), (ii) Hunton Andrews Kurth LLP, tax counsel for the Company, (iii) Venable LLP, Maryland counsel for the Company and (iv) Anthony C. Green, Chief Corporate Officer, Chief Legal Officer and Secretary for the Company or other counsels satisfactory to the Sales Agent, dated and delivered as of such delivery date, in form and substance satisfactory to the Sales Agent, of the same tenor as the opinions referred to in Section 8(c) of this Agreement, but modified as necessary to relate to the Registration Statement and the Prospectus as amended and supplemented to the time of delivery of such opinions.

(s) On or prior to four trading days after each Representation Date with respect to which the Company is obligated to deliver a certificate under Section 8(e) for which no waiver is applicable, the Company shall furnish or cause to be furnished to the Sales Agent forthwith a certificate of the Secretary of the Company, dated and delivered as of such delivery date, in form and substance satisfactory to the Sales Agent.

(t) On or prior to four trading days after each Representation Date with respect to which the Company is obligated to deliver a certificate under Section 8(e) for which no waiver is applicable, Cravath, Swaine & Moore LLP, counsel to the Sales Agent, shall deliver a written opinion, dated and delivered as of such delivery date, in form and substance satisfactory to the Sales Agent.

(u) On or prior to four trading days after each Representation Date with respect to which the Company is obligated to deliver a certificate under Section 8(e) for which no waiver is applicable, the Company shall cause the Accountants or other independent accountants satisfactory to the Sales Agent, forthwith to furnish to the Sales Agent a letter, dated as of such delivery date, in form and substance satisfactory to the Sales Agent, of the same tenor as the letter referred to in Section 8(d) of this Agreement but modified to relate to the Registration Statement and the Prospectus, as amended and supplemented to the date of such letter. Notwithstanding anything else contained herein to the contrary, other than as set forth in this Section 5(u) and Section 8(d) of this Agreement the Company shall be under no additional obligations to cause the Accountants to provide a letter to the Sales Agent, provided however, so long as this Agreement remains in effect, to the extent the Sales Agent reasonably believes it needs such a letter at some time other than as required under this Section 5(u) and Section 8(d), the Sales Agent may suspend the offering of the Shares in accordance with Section 4(a)(ii) of this Agreement, if such letter is not delivered.

(v) At each Representation Date with respect to which the Company is obligated to deliver a certificate under Section 8(e) for which no waiver is applicable, to conduct a due diligence session, in form and substance, satisfactory to the Sales Agent, which shall include representatives of the management and the accountants of the Company.

(w) That the Company consents to the Sales Agent trading in the Common Stock for the Sales Agent's own account and for the account of its clients at the same time as sales of the Shares occur pursuant to this Agreement.

(x) If to the knowledge of the Company, any condition set forth in Section 8(a) or Section 8(h) of this Agreement shall not have been satisfied on the applicable Settlement Date, to offer to any person who has agreed to purchase the Shares from the Company as the result of an offer to purchase solicited by the Sales Agent the right to refuse to purchase and pay for such Shares.

(y) To disclose in its quarterly reports on Form 10-Q and in its annual report on Form 10-K the number of the Shares sold through or to the Sales Agent under this Agreement, the Net Proceeds to the Company and the compensation paid by the Company with respect to sales of the Shares pursuant to this Agreement during the relevant quarter.

(z) To ensure that prior to instructing the Sales Agent to sell Shares the Company shall have obtained all necessary corporate authority for the offer and sale of such Shares.

(aa) That each acceptance by the Company of an offer to purchase the Shares hereunder shall be deemed to be an affirmation to the Sales Agent that the representations and warranties of the Company contained in or made pursuant to this Agreement are true and correct as of the date of such acceptance as though made at and as of such date, and an undertaking that such representations and warranties will be true and correct as of the Settlement Date for the Shares relating to such acceptance, as though made at and as of such date (except that such representations and warranties shall be deemed to relate to the Registration Statement and the Prospectus as amended and supplemented relating to such Shares).

(ab) The Company has been organized and operated in conformity with the requirements for qualification and taxation of the Company as a REIT under the Code, and the Company's proposed methods of operation will enable the Company to continue to meet the requirements for qualification and taxation as a REIT under the Code.

(ac) The Company has retained the Accountants as its qualified accountants and qualified tax experts (i) to test procedures and conduct annual compliance reviews designed to determine compliance with the REIT provisions of the Code and the Company's exempt status under the Investment Company Act and (ii) to otherwise assist the Company in monitoring appropriate accounting systems and procedures designed to determine compliance with the REIT provisions of the Code and the Company's exempt status under the Investment Company Act.

SECTION 6. Reserved.

SECTION 7. Payment of Expenses. The Company agrees with the Sales Agent that whether or not the transactions contemplated hereunder are consummated or this Agreement is terminated, to pay all of its expenses incident to the performance of its obligations hereunder, including, but not limited to, such costs, expenses, fees and taxes in connection with (i) the preparation and filing of the Registration Statement, the Basic Prospectus, the Prospectus Supplement, the Prospectus, each Permitted Free Writing Prospectus and any amendments or supplements thereto, and the printing and furnishing of copies of each thereof to the Sales Agent (including costs of mailing and shipment), (ii) the registration, issue, sale and delivery of the Shares including any stock or transfer taxes and stamp or similar duties payable upon the sale, issuance or delivery of the Shares, (iii) the producing, word processing and/or printing of this Agreement, any Powers of Attorney and any closing documents (including compilations thereof) and the reproduction and/or printing and furnishing of copies of each thereof to the Sales Agent (including costs of mailing and shipment), (iv) the qualification of the Shares for offering and sale under state laws and the determination of their eligibility for investment under state law as aforesaid (including the reasonable legal fees and filing fees and other disbursements of counsel for the Sales Agent) and the printing and furnishing of copies of any blue sky surveys to the

Sales Agent, (v) the listing of the Shares on any securities exchange or qualification of the Shares for quotation on the NYSE and any registration thereof under the Exchange Act and (vi) any filing for review of the public offering of the Shares by FINRA, including the reasonable legal fees and disbursements of counsel for the Sales Agent relating to FINRA matters. The Sales Agent will pay all of its other out-of-pocket costs and expenses incurred in connection with entering into this Agreement and the transactions contemplated by this Agreement, including, without limitation, travel, reproduction, printing and similar expenses.

SECTION 8. Conditions of Sales Agent's Obligations. The obligations of the Sales Agent hereunder are subject to (i) the accuracy of the representations and warranties on the part of the Company on the date hereof, any applicable date referred to in Section 5(q) of this Agreement and as of each Settlement Date, (ii) the performance by the Company of its obligations hereunder and (iii) to the following additional conditions precedent.

(a) (i) No stop order with respect to the effectiveness of the Registration Statement shall have been issued under the Act or proceedings initiated under Section 8(d) or 8(e) of the Act, and no order directed at or in relation to any document incorporated by reference therein and no order preventing or suspending the use of the Prospectus has been issued by the Commission, the Commission shall not have notified the Company of any objection to the use of the form of the Registration Statement or any post-effective amendment thereto, and no suspension of the qualification of the Shares for offering or sale in any jurisdiction, or to the knowledge of the Company or the Sales Agent of the initiation or threatening of any proceedings for any of such purposes, has occurred; (ii) the Registration Statement and all amendments thereto, or modifications thereof, if any, shall not contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading; (iii) none of the Basic Prospectus or the Prospectus, and no amendment or supplement thereto, or modification thereof, if any, shall include an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary in order to make the statements therein, in the light of the circumstances under which they are made, not misleading; (iv) no Prospectus, together with any combination of one or more of the Permitted Free Writing Prospectuses, if any, and no amendment or supplement thereto, shall include an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they are made, not misleading; and (v) none of the Permitted Free Writing Prospectuses, if any, shall include an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they are made, not misleading.

(b) Subsequent to the respective dates as of which information is given in the Registration Statement, the Basic Prospectus, the Prospectus and the Permitted Free Writing Prospectuses, if any, (i) no material and unfavorable change, financial or otherwise (other than as referred to in the Registration Statement and the Prospectus), in the business, condition, net worth or prospects of the Company and its subsidiaries, taken as a whole, in the judgment of the Sales Agent, shall occur or become known and (ii) no transaction which is material and unfavorable to the Company or any of its subsidiaries, taken as a whole (other than as referred to in the Registration Statement and Prospectus), in the judgment of the Sales Agent, shall have been entered into by the Company or any of its subsidiaries.

(c) The Company shall furnish to the Sales Agent, at every date specified in Section 5(r) of this Agreement for which no waiver is applicable, the opinions of Davis Polk & Wardwell LLP, Hunton Andrew Kurth LLP, Venable LLP and the Chief Legal Officer of the Company addressed to the Sales Agent, and dated as of such date, and in form satisfactory to the Sales Agent, in the form set forth in Exhibits A-1, A-2, A-3 and A-4 hereto.

(d) At the dates specified in Section 5(u) of this Agreement, the Sales Agent shall have received from the Accountants letters dated the date of delivery thereof and addressed to the Sales Agent in form and substance satisfactory to the Sales Agent.

(e) (i) The Company shall deliver to the Sales Agent, on or prior to four trading days after each Representation Date specified in Section 5(q) of this Agreement, a certificate of two of its executive officers to the effect that (i) the representations and warranties of the Company as set forth in this Agreement are true and correct as of such delivery date, (ii) the Company has performed such of its obligations under this Agreement as are to be performed at or before each such delivery date and (iii) the conditions set forth in paragraphs (a) and (b) of this Section 8 have been met. The certificate shall also state that the Shares have been duly and validly authorized by the Company, that all corporate action required to be taken for the issuance and sale of the Shares has been validly and sufficiently taken, and that the Company's Board of Directors or any other body with authority has not revoked, rescinded or otherwise modified or withdrawn such authorization or corporate action.

(f) The Sales Agent shall have received, at every date specified in Section 5(t) of this Agreement, the favorable opinion of Cravath, Swaine & Moore LLP, counsel to the Sales Agent, dated as of such date, and in form and substance satisfactory to the Sales Agent.

(g) The Sales Agent shall have received, at every date specified in Section 5(s) of this Agreement, a certificate of the Secretary of the Company, dated as of such date, and in form and substance satisfactory to the Sales Agent.

(h) All filings with the Commission required by Rule 424 under the Act to have been filed by the Settlement Date shall have been made within the applicable time period prescribed for such filing by Rule 424.

(i) The Shares shall have been approved for listing on the NYSE, subject only to notice of issuance at or prior to the Settlement Date.

For purposes of clarity and without limitation to any other provision of this Section 8 or elsewhere in this Agreement, the Company and the Sales Agent agree that the Sales Agent's obligations, if any, to solicit purchases of Shares on an agency basis or otherwise take any action pursuant to a Placement Notice shall, unless otherwise agreed in writing by the Sales Agent, be suspended during the period from and including a Representation Date for which certificates are required to be delivered pursuant to Section 5(q) through and including the time the Sales Agent shall have received the documents described in Sections 8(c) through 8(g), inclusive.

SECTION 9. Indemnification and Contribution.

(a) The Company agrees to indemnify, defend and hold harmless the Sales Agent and its affiliates, its and their directors, officers, employees and agents and any person who controls the Sales Agent within the meaning of Section 15 of the Act or Section 20 of the Exchange Act, and the successors and assigns of all of the foregoing persons, from and against any loss, damage, expense, liability or claim (including the reasonable cost of investigation) which the Sales Agent or any such person may incur under the Act, the Exchange Act, the common law or otherwise, insofar as such loss, damage, expense, liability or claim arises out of or is based upon (i) any untrue statement or alleged untrue statement of a material fact contained in the Registration Statement (or in the Registration Statement as amended by any post-effective amendment thereof by the Company) or arises out of or is based upon any omission or alleged omission to state a material fact required to be stated therein or necessary to make the statements

therein not misleading, except insofar as any such loss, damage, expense, liability or claim arises out of or is based upon any untrue statement or alleged untrue statement of a material fact contained in, and in conformity with information furnished in writing by or on behalf of the Sales Agent to the Company expressly for use in, the Registration Statement or arises out of or is based upon any omission or alleged omission to state a material fact in the Registration Statement in connection with such information, which material fact was not contained in such information and which material fact was required to be stated in such Registration Statement or was necessary to make such information not misleading or (ii) any untrue statement or alleged untrue statement of a material fact included in any Prospectus (the term Prospectus for the purpose of this Section 9 being deemed to include the Basic Prospectus, the Prospectus Supplement, the Prospectus and any amendments or supplements to the foregoing), in any Permitted Free Writing Prospectus, in any "issuer information" (as defined in Rule 433 under the Act) of the Company or in any Prospectus together with any combination of one or more of the Permitted Free Writing Prospectuses, if any, or arises out of or is based upon any omission or alleged omission to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading, except, with respect to such Prospectus or Permitted Free Writing Prospectus, insofar as any such loss, damage, expense, liability or claim arises out of or is based upon any untrue statement or alleged untrue statement of a material fact contained in, and in conformity with information furnished in writing by or on behalf of the Sales Agent to the Company expressly for use in, such Prospectus or Permitted Free Writing Prospectus or arises out of or is based upon any omission or alleged omission to state a material fact in such Prospectus or Permitted Free Writing Prospectus in connection with such information, which material fact was not contained in such information and which material fact was necessary in order to make the statements in such information, in the light of the circumstances under which they were made, not misleading.

If any action, suit or proceeding (together, a "Proceeding") is brought against the Sales Agent or any such person in respect of which indemnity may be sought against the Company pursuant to the foregoing paragraph, the Sales Agent or such person shall promptly notify the indemnifying party in writing of the institution of such Proceeding and the Company shall assume the defense of such Proceeding, including the employment of counsel reasonably satisfactory to such indemnified party and payment of all fees and expenses; provided, however, that the omission to so notify the Company shall not relieve the Company from any liability which the Company may have to the Sales Agent or any such person or otherwise except to the extent the Company was materially prejudiced by such omission. The Sales Agent or such person shall have the right to employ its or their own counsel in any such case, but the fees and expenses of such counsel shall be at the expense of the Sales Agent or of such person unless the employment of such counsel shall have been authorized in writing by the Company in connection with the defense of such Proceeding or the Company shall not have, within a reasonable period of time in light of the circumstances, employed counsel to have charge of the defense of such Proceeding or such indemnified party or parties shall have reasonably concluded that there may be defenses available to it or them which are different from, additional to or in conflict with those available to the Company (in which case the Company shall not have the right to direct the defense of such Proceeding on behalf of the indemnified party or parties), in any of which events such fees and expenses shall be borne by the Company, and paid as incurred (it being understood, however, that the Company shall not be liable for the expenses of more than one separate counsel (in addition to any local counsel) in any one Proceeding or series of related Proceedings in the same jurisdiction representing the indemnified parties who are parties to such Proceeding). The Company shall not be liable for any settlement of any Proceeding effected

without its written consent but if settled with the written consent of the Company, the Company agrees to indemnify and hold harmless the Sales Agent and any such person from and against any loss or liability by reason of such settlement. Notwithstanding the foregoing sentence, if at any time an indemnified party shall have requested the Company to reimburse the indemnified party for fees and expenses of counsel as contemplated by the second sentence of this paragraph, then the Company agrees that it shall be liable for any settlement of any Proceeding effected without its written consent if (i) such settlement is entered into more than 60 business days after receipt by the Company of the aforesaid request, (ii) the Company shall not have reimbursed the indemnified party in accordance with such request prior to the date of such settlement and (iii) such indemnified party shall have given the indemnifying party at least 30 days' prior notice of its intention to settle. The Company shall not, without the prior written consent of the indemnified party, effect any settlement of any pending or threatened Proceeding in respect of which any indemnified party is or may be a party and indemnity could have been sought hereunder by such indemnified party, unless such settlement includes an unconditional release of such indemnified party from all liability on claims that are the subject matter of such Proceeding and does not include an admission of fault or culpability or a failure to act, by or on behalf of such indemnified party.

(b) The Sales Agent agrees to indemnify, defend and hold harmless the Company, and each of its directors and each of the Company's officers, who signed the Registration Statement, and each person, if any, who controls the Company within the meaning of Section 15 of the Act or Section 20 of the Exchange Act, and the successors and assigns of all of the foregoing persons, from and against any loss, damage, expense, liability or claim (including the reasonable cost of investigation) which, jointly or severally, the Company or any such person may incur under the Act, the Exchange Act, the common law or otherwise, insofar as such loss, damage, expense, liability or claim arises out of or is based upon (i) any untrue statement or alleged untrue statement of a material fact contained in and, in conformity with information furnished in writing by or on behalf of the Sales Agent to the Company expressly for use with reference to the Sales Agent in the Registration Statement (or in the Registration Statement as amended by any post-effective amendment thereof by the Company), or arises out of or is based upon any omission or alleged omission to state a material fact in such Registration Statement in connection with such information, which material fact was not contained in such information and which material fact was required to be stated in such Registration Statement or was necessary to make such information not misleading or (ii) any untrue statement or alleged untrue statement of a material fact contained in, and in conformity with information furnished in writing by or on behalf of the Sales Agent to the Company expressly for use in, the Prospectus Supplement or a Permitted Free Writing Prospectus, or arises out of or is based upon any omission or alleged omission to state a material fact in the Prospectus Supplement or a Permitted Free Writing Prospectus in connection with such information, which material fact was not contained in such information and which material fact was necessary in order to make the statements in such information, in the light of the circumstances under which they were made, not misleading.

If any Proceeding is brought against the Company or any such person in respect of which indemnity may be sought against the Sales Agent pursuant to the foregoing paragraph, the Company or such person shall promptly notify the Sales Agent in writing of the institution of such Proceeding and the Sales Agent shall assume the defense of such Proceeding, including the employment of counsel reasonably satisfactory to such indemnified party and payment of all fees and expenses; *provided*, *however*, that the omission to so notify the Sales Agent shall not relieve the Sales Agent from any liability which the Sales Agent may have to the Company or

any such person or otherwise. The Company or such person shall have the right to employ its own counsel in any such case, but the fees and expenses of such counsel shall be at the expense of the Company such person unless the employment of such counsel shall have been authorized in writing by the Sales Agent in connection with the defense of such Proceeding or the Sales Agent shall not have, within a reasonable period of time in light of the circumstances, employed counsel to have charge of the defense of such Proceeding or such indemnified party or parties shall have reasonably concluded that there may be defenses available to it or them which are different from or additional to or in conflict with those available to the Sales Agent (in which case the Sales Agent shall not have the right to direct the defense of such Proceeding on behalf of the indemnified party or parties, but the Sales Agent may employ counsel and participate in the defense thereof but the fees and expenses of such counsel shall be at the expense of the Sales Agent), in any of which events such fees and expenses shall be borne by the Sales Agent and paid as incurred (it being understood, however, that the Sales Agent shall not be liable for the expenses of more than one separate counsel (in addition to any local counsel) in any one Proceeding or series of related Proceedings in the same jurisdiction representing the indemnified parties who are parties to such Proceeding). The Sales Agent shall not be liable for any settlement of any such Proceeding effected without the written consent of the Sales Agent but if settled with the written consent of the Sales Agent, the Sales Agent agrees to indemnify and hold harmless the Company and any such person from and against any loss or liability by reason of such settlement. Notwithstanding the foregoing sentence, if at any time an indemnified party shall have requested the Sales Agent to reimburse the indemnified party for fees and expenses of counsel as contemplated by the second sentence of this paragraph, then the Sales Agent agrees that it shall be liable for any settlement of any Proceeding effected without its written consent if (i) such settlement is entered into more than 60 business days after receipt by the Sales Agent of the aforesaid request, (ii) the Sales Agent shall not have reimbursed the indemnified party in accordance with such request prior to the date of such settlement and (iii) such indemnified party shall have given the Sales Agent at least 30 days' prior notice of its intention to settle. The Sales Agent shall not, without the prior written consent of the indemnified party, effect any settlement of any pending or threatened Proceeding in respect of which any indemnified party is a party and indemnity could have been sought hereunder by such indemnified party, unless such settlement includes an unconditional release of such indemnified party from all liability on claims that are the subject matter of such Proceeding.

(c) If the indemnification provided for in this Section 9 is unavailable to an indemnified party under subsections (a) and (b) of this Section 9 or insufficient to hold an indemnified party harmless in respect of any losses, damages, expenses, liabilities or claims referred to therein, then each applicable indemnifying party shall contribute to the amount paid or payable by such indemnified party as a result of such losses, damages, expenses, liabilities or claims (i) in such proportion as is appropriate to reflect the relative benefits received by the Company, on the one hand, and the Sales Agent, on the other hand, from the offering of the Shares or (ii) if the allocation provided by clause (i) above is not permitted by applicable law, in such proportion as is appropriate to reflect not only the relative benefits referred to in clause (i) above but also the relative fault of the Company, on the one hand, and of the Sales Agent, on the other, in connection with the statements or omissions which resulted in such losses, damages, expenses, liabilities or claims, as well as any other relevant equitable considerations. The relative benefits received by the Company, on the one hand, and the Sales Agent, on the other, shall be deemed to be in the same respective proportions as the total proceeds from the offering

(net of underwriting discounts and commissions but before deducting expenses) received by the Company, and the total underwriting discounts and commissions received by the Sales Agent, bear to the aggregate public offering price of the Shares. The relative fault of the Company, on the one hand, and of the Sales Agent, on the other, shall be determined by reference to, among other things, whether the untrue statement or alleged untrue statement of a material fact or omission or alleged omission relates to information supplied by the Company or by the Sales Agent and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission. The amount paid or payable by a party as a result of the losses, damages, expenses, liabilities and claims referred to in this subsection shall be deemed to include any legal or other fees or expenses reasonably incurred by such party in connection with investigating, preparing to defend or defending any Proceeding.

(d) The Company and the Sales Agent agree that it would not be just and equitable if contributions pursuant to this Section 9 were determined by pro rata allocation or by any other method of allocation which does not take account of the equitable considerations referred to in subsection (c) above. Notwithstanding the provisions of this Section 9, the Sales Agent shall not be required to contribute any amount in excess of commissions received by it under this Agreement. No person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation.

(e) The Company and the Sales Agent agree promptly to notify each other of the commencement of any Proceeding against it and, in the case of the Company, against any of the Company's officers or directors in connection with the issuance and sale of the Shares, or in connection with the Registration Statement, the Basic Prospectus, the Prospectus or any Permitted Free Writing Prospectus.

SECTION 10. Representations and Agreements to Survive Delivery. The indemnity and contribution agreements contained in Section 9 and the covenants, warranties and representations of the Company contained in this Agreement or in certificates delivered pursuant hereto shall remain in full force and effect regardless of any investigation made by or on behalf of the Sales Agent, its partners, directors or officers or any person (including each partner, officer or director of such person) who controls the Sales Agent within the meaning of Section 15 of the Act or Section 20 of the Exchange Act, or by or on behalf of the Company, its directors or officers or any person who controls the Company within the meaning of Section 15 of the Act or Section 20 of the Exchange Act, and shall survive any termination of this Agreement or the issuance and delivery of the Shares.

SECTION 11. Termination.

(a) The Company shall have the right, by giving written notice as hereinafter specified, to terminate the provisions of this Agreement relating to the solicitation of offers to purchase the Shares in its sole discretion at any time. Any such termination shall be without liability of any party to any other party except that (i) if any of the Shares have been sold through the Sales Agent for the Company, then Section 5(j) and Section 5(w) shall remain in full force and effect, (ii) with respect to any pending sale, through the Sales Agent for the Company, the obligations of the Company, including in respect of compensation of the Sales Agent, shall remain in full force and effect notwithstanding the termination and (iii) the provisions of Sections 7, 9, 10, 12, 13, 14, 18 and 20 of this Agreement shall remain in full force and effect notwithstanding such termination.

(b) The Sales Agent shall have the right, by giving written notice as hereinafter specified, to terminate the provisions of this Agreement relating to the solicitation of offers to

purchase the Shares in its sole discretion at any time. Any such termination shall be without liability of any party to any other party except that (i) if any of the Shares have been sold through the Sales Agent for the Company, then Section 5(j) and Section 5(w) shall remain in full force and effect and (ii) the provisions of Sections 7, 9, 10, 12, 13, 14, 18 and 20 of this Agreement shall remain in full force and effect notwithstanding such termination.

(c) This Agreement shall remain in full force and effect unless terminated pursuant to Sections 11(a) or 11(b) above or otherwise by mutual agreement of the parties; and shall automatically terminate on May 8, 2030; *provided* that any such termination by mutual agreement shall in all cases be deemed to provide that Sections 7, 9 and 10 shall remain in full force and effect.

(d) Any termination of this Agreement shall be effective on the date specified in such notice of termination; *provided* that such termination shall not be effective until the close of business on the date of receipt of such notice by the Sales Agent or the Company, as the case may be. If such termination shall occur prior to the Settlement Date for any sale of the Shares, such sale shall settle in accordance with the provisions of Section 4(a)(vi) of this Agreement.

SECTION 12. Notices. Except as otherwise herein provided, all statements, requests, notices and agreements under this Agreement shall be in writing and delivered by hand, overnight courier, mail or facsimile and, if to the Sales Agent, shall be sufficient in all respects if delivered or sent to J.P. Morgan Securities LLC, 383 Madison Avenue, 6th Floor, New York, New York 10179, Attention: Sanjeet Dewal, Facsimile: (212) 622-8783, Email: sanjeet.s.dewal@jpmorgan.com, and a copy for information purposes to Andrew J. Pitts, Esq. and Ryan J. Patrone, Esq. at Cravath, Swaine & Moore LLP, Two Manhattan West, 375 Ninth Avenue, New York, New York 10001 and, if to the Company, it shall be sufficient in all respects if delivered or sent to the Company at the offices of the Company at 1211 Avenue of the Americas, New York, New York 10036, Attention: David L. Finkelstein with a copy for information purposes to Davis Polk & Wardwell LLP at 450 Lexington Avenue New York, New York 10017, Attention: Shane Tintle, facsimile number: (212) 450-4000, Email: shane.tintle@davispolk.com. Each party to this Agreement may change such address for notices by sending to the parties to this Agreement written notice of a new address for such purpose.

SECTION 13. Parties at Interest. The Agreement herein set forth has been and is made solely for the benefit of the Sales Agent, the Company and, to the extent provided in Section 9 of this Agreement, the controlling persons, directors and officers referred to in such section, and their respective successors, assigns, heirs, personal representatives and executors and administrators. No other person, partnership, association or corporation (including a purchaser, as such purchaser, from the Sales Agent) shall acquire or have any right under or by virtue of this Agreement.

SECTION 14. No Fiduciary Relationship. The Company hereby acknowledges that the Sales Agent is acting solely as sales agent and/or principal in connection with the purchase and sale of the Company's securities. The Company further acknowledges that the Sales Agent is acting pursuant to a contractual relationship created solely by this Agreement entered into on an arm's length basis, and in no event do the parties intend that the Sales Agent act or be responsible as a fiduciary to the Company or its management, stockholders or creditors or any other person in connection with any activity that the Sales Agent may undertake or have undertaken in furtherance of the purchase and sale of the Company's securities, either before or after the date hereof. The Sales Agent hereby expressly disclaims any fiduciary or similar obligations to the Company, either in connection with the transactions contemplated by this Agreement or any matters leading up to such transactions, and the Company hereby confirms its understanding and agreement to that effect. The Company and the Sales Agent agree that they

are each responsible for making their own independent judgments with respect to any such transactions and that any opinions or views expressed by the Sales Agent to the Company regarding such transactions, including, but not limited to, any opinions or views with respect to the price or market for the Company's securities, do not constitute advice or recommendations to the Company, nor shall the expression of such opinions or views constitute any solicitation of any action by the Sales Agent. The Company hereby (a) waives and releases, to the fullest extent permitted by law, any claims that the Company may have against the Sales Agent with respect to any breach or alleged breach of any fiduciary or similar duty to the Company in connection with the transactions contemplated by this Agreement or any matters leading up to such transactions and (b) agrees that none of the activities of the Sales Agent in connection with the transactions contemplated herein constitutes a recommendation, investment advice or solicitation of any action by the Sales Agent with respect to any entity or natural person. The Company has consulted its own legal, accounting, financial, regulatory and tax advisors to the extent deemed appropriate.

SECTION 15. Press Releases and Disclosure. The Company may issue a press release in compliance with Rule 134 under the Act describing the material terms of the transactions contemplated hereby as soon as practicable following the date hereof, and may file with the Commission a Current Report on Form 8-K describing the material terms of the transaction contemplated hereby, and the Company shall consult with the Sales Agent prior to making such disclosures, and the parties shall use all reasonable efforts, acting in good faith, to agree upon a text for such disclosures that is reasonably satisfactory to all parties. No party hereto shall issue thereafter any press release or like public statement (including, without limitation, any disclosure required in reports filed with the Commission pursuant to the Exchange Act) related to this Agreement or any of the transactions contemplated hereby without the prior written approval of the other parties hereto, except as may be necessary or appropriate in the opinion of the party seeking to make disclosure to comply with the requirements of applicable law or stock exchange rules. If any such press release or like public statement is so required, the party making such disclosure shall consult with the other party prior to making such disclosure, and the parties shall use all reasonable efforts, acting in good faith, to agree upon a text for such disclosure that is reasonably satisfactory to all parties.

SECTION 16. Adjustments for Stock Splits. The parties acknowledge and agree that all share related numbers contained in this Agreement shall be adjusted to take into account any stock split effected with respect to the Shares.

SECTION 17. Entire Agreement. This Agreement constitutes the entire agreement and supersedes all other prior and contemporaneous agreements and undertakings, both written and oral, among the parties hereto with regard to the subject matter hereof. The Company and the Sales Agent hereby confirm and agree that the Distribution Agency Agreement, dated September 20, 2024 (as amended, supplemented or otherwise modified from time to time, the "Prior Sales Agreement"), between the Company and the Sales Agent is hereby deemed to be terminated, effective as of May 8, 2025, pursuant to Section 11(a) thereof and, except as provided in Section 11 thereof, is of no further force and effect.

SECTION 18. Counterparts; Electronic Signatures. This Agreement may be signed by the parties in one or more counterparts which together shall constitute one and the same agreement among the parties. Delivery of this Agreement by one party to the other may be made by facsimile, electronic mail (including any electronic signature complying with the New York Electronic Signatures and Records Act (N.Y. State Tech. §§ 301-309), as amended from time to time, or other applicable law) or other transmission method, and the parties hereto agree that any counterpart so delivered shall be deemed to have been duly and validly delivered and be valid and effective for all purposes.

SECTION 19. Law; Construction. This Agreement and any claim, counterclaim or dispute of any kind or nature whatsoever arising out of or in any way relating to this Agreement ("Claim"), directly or indirectly, shall be governed by, and construed in accordance with, the internal laws of the State of New York.

SECTION 20. Headings. The Section headings in this Agreement have been inserted as a matter of convenience of reference and are not a part of this Agreement.

SECTION 21. Submission to Jurisdiction. Except as set forth below, no Claim may be commenced, prosecuted or continued in any court other than the courts of the State of New York located in the City and County of New York or in the United States District Court for the Southern District of New York, which courts shall have jurisdiction over the adjudication of such matters, and the Company consents to the non-exclusive jurisdiction of such courts and personal service with respect thereto. The Company hereby consents to personal jurisdiction, service and venue in any court in which any Claim arising out of or in any way relating to this Agreement is brought by any third party against the Sales Agent or any indemnified party. Each of the Sales Agent and the Company (on its behalf and, to the extent permitted by applicable law, on behalf of its stockholders and affiliates) waives all right to trial by jury in any action, proceeding or counterclaim (whether based upon contract, tort or otherwise) in any way arising out of or relating to this Agreement. The Company agrees that a final judgment in any such action, proceeding or counterclaim brought in any such court shall be conclusive and binding upon the Company and may be enforced in any other courts in the jurisdiction of which the Company is or may be subject, by suit upon such judgment.

SECTION 22. Successors and Assigns. This Agreement shall be binding upon the Sales Agent, the Company and their successors and assigns and any successor or assign of any substantial portion of the Company's and the Sales Agent's respective businesses and/or assets.

SECTION 23. Recognition of the U.S. Special Resolution Regimes. In the event that the Sales Agent that is a Covered Entity becomes subject to a proceeding under a U.S. Special Resolution Regime, the transfer from the Sales Agent of this Agreement, and any interest and obligation in or under this Agreement, will be effective to the same extent as the transfer would be effective under the U.S. Special Resolution Regime if this Agreement, and any such interest and obligation, were governed by the laws of the United States or a state of the United States.

In the event that the Sales Agent that is a Covered Entity or a BHC Act Affiliate of such Sales Agent becomes subject to a proceeding under a U.S. Special Resolution Regime, Default Rights under this Agreement that may be exercised against such Sales Agent are permitted to be exercised to no greater extent than such Default Rights could be exercised under the U.S. Special Resolution Regime if this Agreement were governed by the laws of the United States or a state of the United States.

For purposes of this Section 23, a "BHC Act Affiliate" has the meaning assigned to the term "affiliate" in, and shall be interpreted in accordance with, 12 U.S.C. § 1841(k). "Covered Entity" means any of the following: (i) a "covered entity" as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 252.82(b); (ii) a "covered bank" as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 47.3(b); or (iii) a "covered FSI" as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 382.2(b). "Default Right" has the meaning assigned to that term in, and shall be interpreted in accordance with, 12 C.F.R. §§ 252.81, 47.2 or 382.1, as applicable. "U.S. Special Resolution Regime" means each of (i) the

Federal Deposit Insurance Act and the regulations promulgated thereunder and (ii) Title II of the Dodd-Frank Wall Street Reform and Consumer Protection Act and the regulations promulgated thereunder.

If the foregoing correctly sets forth the understanding among the Company and the Sales Agent, please so indicate in the space provided below for that purpose, whereupon this Agreement and your acceptance shall constitute a binding agreement among the Company and the Sales Agent. Alternatively, the execution of this Agreement by the Company and its acceptance by or on behalf of the Sales Agent may be evidenced by an exchange of telegraphic or other written communications.

Very truly yours,

ANNALY CAPITAL MANAGEMENT, INC.

By: /s/ David L. Finkelstein
Name: David L. Finkelstein
Title: Chief Executive Officer and
Co-Chief Investment Officer

[***Signature Page to Distribution Agency Agreement***]

ACCEPTED as of the date
first above written

J.P. MORGAN SECURITIES LLC

By: /s/ Sanject Dewal
Name: Sanject Dewal
Title: Managing Director

[***Signature Page to Distribution Agency Agreement***]

Schedule A
Permitted Free Writing Prospectuses

None.

Schedule B

Authorized Company Representatives

David Finkelstein, Chief Executive Officer and Co-Chief Investment Officer
Telephone: (212) 205-7256
Fax: (212) 696-0100
Email: dfinkelstein@annaly.com

Steve Campbell, President and Chief Operating Officer
Telephone: (212) 413-1885
Fax: (212) 696-0100
Email: scampbell@annaly.com

Serena Wolfe, Chief Financial Officer
Telephone: (212) 626-2308
Fax: (212) 696-0100
Email: swolfe@annaly.com

Anthony Green, Chief Corporate Officer, Chief Legal Officer and Secretary
Telephone: (646) 728-7668
Fax: (212) 696-0100
Email: agreen@annaly.com

Exhibit A-1

Opinion of Davis Polk & Wardwell LLP

See attached.

Exhibit A-2

Opinion of Hunton Andrew Kurth LLP

See attached.

Exhibit A-3

Opinion of Venable LLP

See attached.

Exhibit A-4

Opinion of the Company's Chief Legal Officer

See attached.

ANNALY CAPITAL MANAGEMENT, INC.

Shares of Common Stock
(par value $0.01 per share)

DISTRIBUTION AGENCY AGREEMENT

May 8, 2025

Keefe, Bruyette & Woods, Inc.
787 Seventh Avenue, 5th Floor
New York, New York 10019

Ladies and Gentlemen:

Annaly Capital Management, Inc., a Maryland corporation (the "Company"), agrees with Keefe, Bruyette & Woods, Inc. (the "Sales Agent"), to issue and sell from time to time through the Sales Agent, as sales agent and/or principal, shares of its common stock, par value $0.01 per share (the "Common Stock"), on the terms set forth in this agreement (this "Agreement").

The Company is concurrently entering into separate distribution agency agreements (the "Alternative Agreements"), each dated of even date herewith, with Barclays Capital Inc., BNP Paribas Securities Corp., BofA Securities, Inc., BTIG, LLC, Citizens JMP Securities, LLC, Goldman Sachs & Co. LLC, J.P. Morgan Securities LLC, Morgan Stanley & Co, LLC, Piper Sandler & Co., RBC Capital Markets, LLC, UBS Securities LLC and Wells Fargo Securities, LLC (each, an "Alternative Agent," and together with the Sales Agent, the "Agents"), to issue and sell from time to time through each Alternative Agent, as sales agent and/or principal, shares of the Company's Common Stock (the "Shares") on the terms set forth in the Alternative Agreements. This Agreement and the Alternative Agreements are collectively referred to herein as the "Distribution Agreements."

SECTION 1. Description of Securities. The Company proposes to issue and sell through or to the Sales Agent, as sales agent and/or principal, the Shares on the terms set forth in Section 4 of this Agreement. The Company agrees that whenever it determines to sell the Shares directly to the Sales Agent as principal, it will enter into a separate agreement (each, a "Terms Agreement"), in form and substance satisfactory to the Sales Agent, relating to such sale in accordance with Section 4 of this Agreement.

SECTION 2. Representations and Warranties of the Company. The Company represents and warrants to and agrees with the Sales Agent that:

(a) An "automatic shelf registration statement" (the "registration statement") as defined in Rule 405 under the Securities Act of 1933, as amended, and the rules and regulations thereunder (collectively called the "Act"), on Form S-3 (File No. 333-282261) in respect of the Shares, including a form of prospectus, has been prepared and filed by the Company not earlier than three years prior to the date hereof, in conformity with the requirements of the Act, and the

rules and regulations of the Securities and Exchange Commission (the "Commission") thereunder (the "Rules and Regulations"). The registration statement contains certain information concerning the offering and sale of the Common Stock, including the Shares, and contains additional information concerning the Company and its business; the Commission has not issued an order preventing or suspending the use of the Basic Prospectus (as defined below), the Prospectus Supplement (as defined below), the Prospectus (as defined below) or any Permitted Free Writing Prospectus (as defined below), or the effectiveness of the Registration Statement (as defined below), and no proceeding for that purpose or pursuant to Section 8A of the Act has been instituted or, to the Company's knowledge, threatened by the Commission. Except where the context otherwise requires, "Registration Statement," as used herein, means the registration statement, as amended at the time of such registration statement's effectiveness for purposes of Section 11 of the Act, as such section applies to the Sales Agent, as well as any new registration statement, post-effective amendment or new automatic shelf registration statement as may have been filed pursuant to Section 5(f) or (g) of this Agreement, including (1) all documents filed as a part thereof or incorporated or deemed to be incorporated by reference therein, (2) any information contained or incorporated by reference in a prospectus filed with the Commission pursuant to Rule 424(b) under the Act, to the extent such information is deemed, pursuant to Rule 430B or Rule 430C under the Act, to be part of the registration statement at the time of such registration statement's effectiveness for purposes of Section 11 of the Act, as such section applies to the Sales Agent, and (3) any registration statement filed to register the offer and sale of Shares pursuant to Rule 462(b) under the Act. Except where the context otherwise requires, "Basic Prospectus," as used herein, means the prospectus filed as part of each Registration Statement, together with any amendments or supplements thereto as of the date of this Agreement. Except where the context otherwise requires, "Prospectus Supplement," as used herein, means the final prospectus supplement, relating to the Shares, filed by the Company with the Commission pursuant to Rule 424(b) under the Act on or before the second business day after the date hereof (or such earlier time as may be required under the Act), or if after such date, the most recently filed final prospectus supplement relating to the Shares, in the form furnished by the Company to the Sales Agent in connection with the offering of the Shares. Except where the context otherwise requires, "Prospectus," as used herein, means the Prospectus Supplement together with the Basic Prospectus attached to or used with the Prospectus Supplement. "Permitted Free Writing Prospectuses," as used herein, means the documents listed on Schedule A attached hereto. Any reference herein to the registration statement, the Registration Statement, the Basic Prospectus, the Prospectus Supplement, the Prospectus or any Permitted Free Writing Prospectus shall be deemed to refer to and include the documents, if any, incorporated by reference, or deemed to be incorporated by reference, therein (the "Incorporated Documents"), including, unless the context otherwise requires, the documents, if any, filed as exhibits to such Incorporated Documents. Any reference herein to the terms "amend," "amendment" or "supplement" with respect to the Registration Statement, the Basic Prospectus, the Prospectus Supplement, the Prospectus or any Permitted Free Writing Prospectus shall be deemed to refer to and include the filing of any document under the Securities Exchange Act of 1934, as amended, and the rules and regulations thereunder (collectively, the "Exchange Act") on or after the initial effective date of the Registration Statement, or the date of the Basic Prospectus, the Prospectus Supplement, the Prospectus or such Permitted Free Writing Prospectus, as the case may be, and deemed to be incorporated therein by reference.

(b) The Registration Statement complied when it became effective, complies as of the date hereof and, as amended or supplemented, at each deemed effective date with respect to the Sales Agent pursuant to Rule 430(B)(f)(2) of the Act, at each Settlement Date (as defined in Section 4(a)(vi) hereof), and at all times during which a prospectus is required by the Act to be delivered (whether physically, deemed to be delivered pursuant to Rule 153 or through compliance with Rule 172 under the Act or any similar rule) in connection with any sale of Shares, will comply, in all material respects, with the requirements of the Act, and the

Registration Statement did not and will not, at or during such times, contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading; the conditions to the use of Form S-3 in connection with the offering and sale of the Shares as contemplated hereby have been satisfied; the Registration Statement meets, and the offering and sale of the Shares as contemplated hereby complies with, the requirements of Rule 415 under the Act (including, without limitation, Rule 415(a)(5)); the Basic Prospectus complied or will comply, at the time it was or will be filed with the Commission, complies as of the date hereof (if filed with the Commission on or prior to the date hereof) and, as of the time of each sale of Shares pursuant to this Agreement (each, a "Time of Sale"), at each Settlement Date and at all times during which a prospectus is required by the Act to be delivered (whether physically, deemed to be delivered pursuant to Rule 153 or through compliance with Rule 172 under the Act or any similar rule) in connection with any sale of Shares, will comply, in all material respects, with the requirements of the Act; at no time during the period that begins on the earlier of the date of the Basic Prospectus and the date the Basic Prospectus was filed with the Commission and ends on each Settlement Date did or will the Basic Prospectus, as then amended or supplemented, include an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; the Prospectus will comply, as of the date that it is filed with the Commission, the date of the Prospectus Supplement, each Time of Sale, each Settlement Date, and at all times during which a prospectus is required by the Act to be delivered (whether physically, deemed to be delivered pursuant to Rule 153 or through compliance with Rule 172 under the Act or any similar rule) in connection with any sale of Shares, in all material respects, with the requirements of the Act (including, without limitation, Section 10(a) of the Act); at no time during the period that begins on the date of the Prospectus Supplement and ends at the later of each Settlement Date and the end of the period during which a prospectus is required by the Act to be delivered (whether physically, deemed to be delivered pursuant to Rule 153 or through compliance with Rule 172 under the Act or any similar rule) in connection with any sale of Shares did or will the Prospectus, as then amended or supplemented, either alone or together with any combination of one or more of the then issued Permitted Free Writing Prospectuses, if any, include an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; at no time during the period that begins on the date of such Permitted Free Writing Prospectus and ends at each Settlement Date did or will any Permitted Free Writing Prospectus include an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided, however, that the Company makes no representation or warranty with respect to any statement contained in the Registration Statement, the Basic Prospectus, the Prospectus or any Permitted Free Writing Prospectus in reliance upon and in conformity with information concerning the Sales Agent and furnished in writing by or on behalf of the Sales Agent expressly for use in the Registration Statement, the Basic Prospectus, the Prospectus or such Permitted Free Writing Prospectus; each Incorporated Document, at the time such document was filed with the Commission or at the time such document became effective, as applicable, complied, in all material respects, with the requirements of the Exchange Act and did not include an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(c) (i) At the time of filing of the Registration Statement, (ii) at the time of the most recent amendment thereto for the purposes of complying with Section 10(a)(3) of the Act or otherwise (whether such amendment was by post-effective amendment, incorporated report filed pursuant to Section 13 or 15(d) of the Exchange Act or form of prospectus), (iii) at the time the Company or any person acting on its behalf (within the meaning, for this clause only, of Rule 163(c) of the Act) made any offer relating to the Shares in reliance on the exemption of

Rule 163 of the Act and (iv) at the date hereof, the Company is a "well-known seasoned issuer" as defined in Rule 405 of the Act ("Rule 405"), including not having been and not being an "ineligible issuer" as defined by Rule 405. The Registration Statement is an "automatic shelf registration statement," as defined in Rule 405, and the Shares, since their registration on the Registration Statement, have been and remain eligible for registration by the Company on a Rule 405 "automatic shelf registration statement." The Company has not received from the Commission any notice pursuant to Rule 401(g)(2) of the Act objecting to the use of the automatic shelf registration statement form.

(d) Prior to the execution of this Agreement, the Company has not, directly or indirectly, offered or sold any Shares by means of any "prospectus" (within the meaning of the Act) or used any "prospectus" (within the meaning of the Act) in connection with the offer or sale of the Shares; the Company has not, directly or indirectly, prepared, used or referred to any Permitted Free Writing Prospectus except in compliance with Rule 163 or with Rules 164 and 433 under the Act; assuming that any such Permitted Free Writing Prospectus is so sent or given after the Registration Statement was filed with the Commission (and after such Permitted Free Writing Prospectus was, if required pursuant to Rule 433(d) under the Act, filed with the Commission), the sending or giving, by the Sales Agent, of any Permitted Free Writing Prospectus will satisfy the provisions of Rule 164 or Rule 433 (without reliance on subsections (b), (c) and (d) of Rule 164); the conditions set forth in one or more of subclauses (i) through (iv), inclusive, of Rule 433(b)(1) under the Act are satisfied, and the registration statement relating to the offering of the Shares contemplated hereby, as initially filed with the Commission, includes a prospectus that, other than by reason of Rule 433 or Rule 431 under the Act, satisfies the requirements of Section 10 of the Act; neither the Company nor the Sales Agent is disqualified, by reason of subsection (f) or (g) of Rule 164 under the Act, from using, in connection with the offer and sale of the Shares, "free writing prospectuses" (as defined in Rule 405 under the Act) pursuant to Rules 164 and 433 under the Act; the Company is not an "ineligible issuer" (as defined in Rule 405 under the Act) as of the eligibility determination date for purposes of Rules 164 and 433 under the Act with respect to the offering of the Shares contemplated by the Registration Statement; the parties hereto agree and understand that the content of any and all "road shows" (as defined in Rule 433 under the Act) related to the offering of the Shares contemplated hereby is solely the property of the Company.

(e) The Company has an authorized and outstanding capitalization as set forth in the consolidated balance sheet included or incorporated by reference in the Registration Statement, the Prospectus or any Permitted Free Writing Prospectus or as of the Company's then most recently completed quarter or fiscal year, contained in the Company's quarterly report on Form 10-Q or the Company's annual report on Form 10-K, as applicable, at the indicated date, and there has been no material change in such information since the Company's then most recently completed quarter or fiscal year (subject to the issuance of shares of Common Stock upon exercise of stock options and warrants disclosed as outstanding in the Registration Statement (excluding the exhibits thereto) and the Prospectus and the grant of options under existing stock option plans described in the Registration Statement (excluding the exhibits thereto), the Basic Prospectus and the Prospectus).

(f) The consolidated financial statements of the Company, together with the related schedules and notes thereto, set forth or included or incorporated by reference in the Registration Statement, the Prospectus or any Permitted Free Writing Prospectus are accurate in all material respects and fairly present the financial condition of the Company on a consolidated basis as of the dates indicated and the results of operations, changes in financial position, stockholders' equity and cash flows for the periods therein specified are in conformity with generally accepted accounting principles consistently applied throughout the periods involved (except as otherwise stated therein). The selected financial and statistical data included or incorporated by reference

in the Registration Statement and the Prospectus present fairly the information shown therein and, to the extent based upon or derived from the financial statements, have been compiled on a basis consistent with the financial statements presented therein. No other financial statements are required to be set forth or to be incorporated by reference in the Registration Statement or the Prospectus under the Act. The interactive data in eXtensible Business Reporting Language included or incorporated by reference in the Registration Statement, the Prospectus or any Permitted Free Writing Prospectus fairly present the information called for in all material respects and have been prepared in accordance with the Commission's rules and guidelines applicable thereto.

(g) The Prospectus and any Permitted Free Writing Prospectus delivered to the Sales Agent for use in connection with this offering will be, identical to the versions of the Prospectus and any Permitted Free Writing Prospectus, respectively, created to be transmitted to the Commission for filing via EDGAR, except to the extent permitted by Regulation S-T.

(h) The Company and each of its subsidiaries has been duly formed or, if a corporation, incorporated and is validly existing as a limited liability company, limited partnership or corporation in good standing under the laws of the state of its formation or incorporation, as applicable, is duly qualified to do business and is in good standing as a foreign limited liability company, limited partnership or corporation, as applicable, in each jurisdiction in which its ownership or lease of property or assets or the conduct of its business requires such qualification, except where the failure to so qualify would not have a material adverse effect on the business, assets, properties, prospects, financial condition or results of operation of the Company and its subsidiaries taken as a whole (a "Company Material Adverse Effect"), and has full limited liability company, limited partnership or corporate, as applicable, power and authority necessary to own, hold, lease and/or operate its assets and properties, to conduct the business in which it is engaged and as described in the Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any, and to enter into and perform its obligations under this Agreement and to consummate the transactions contemplated hereby, and the Company and its subsidiary Arcola Securities, Inc. ("Arcola") are each in compliance in all material respects with the laws, orders, rules, regulations and directives issued or administered by such jurisdictions.

(i) The Company has no "significant subsidiaries" (as such term is defined in Rule 1-02 of Regulation S-X promulgated under the Securities Act), and has no other subsidiaries except as (i) set forth in Exhibit 21.1 to the Company's most recently filed annual report on Form 10-K, (ii) otherwise disclosed by the Company in the Registration Statement, the Prospectus or the Permitted Free Writing Prospectus, if any, or (iii) would not, individually or in the aggregate, be material to the Company. Complete and correct copies of the charter and of the bylaws of the Company and all amendments thereto have been delivered to the Sales Agent (or otherwise made available on EDGAR) and, except as set forth in the exhibits to, or incorporated by reference into, the Registration Statement, no changes therein will be made subsequent to the date hereof and prior to each Time of Sale and each Settlement Date.

(j) The Company is not in breach of, or in default under (nor has any event occurred which with notice, lapse of time or both would result in any breach of or constitute a default under), (i) its charter or bylaws or (ii) any obligation, agreement, covenant or condition contained in any contract, license, repurchase agreement, indenture, mortgage, deed of trust, bank loan or credit agreement, note, lease or other evidence of indebtedness, or any lease, contract or other agreement or instrument to which the Company is a party or by which it or any of its assets or properties may be bound or affected, the effect of which breach or default under this clause (ii) could have a Company Material Adverse Effect. The execution, delivery and performance of this Agreement, the issuance and sale of the Shares and the consummation of the transactions

contemplated hereby will not conflict with, or result in any breach of, constitute a default under or a Repayment Event (as defined below) under (nor constitute any event which with notice, lapse of time or both would result in any breach of, constitute a default under or a Repayment Event under), (i) any provision of the charter or bylaws of the Company, (ii) any provision of any contract, license, repurchase agreement, indenture, mortgage, deed of trust, bank loan or credit agreement, note, lease or other evidence of indebtedness, or any lease, contract or other agreement or instrument to which the Company is a party or by which the Company or any of its assets or properties may be bound or affected, the effect of which could have a Company Material Adverse Effect or (iii) under any federal, state, local or foreign law, regulation or rule or any decree, judgment or order applicable to the Company. As used herein, a "Repayment Event" means any event or condition which gives the holder of any note, debenture or other evidence of indebtedness (or any person acting on such holder's behalf) the right to require the repurchase, redemption or repayment of all or a portion of such indebtedness by the Company or any subsidiary.

(k) All of the issued and outstanding shares of capital stock, including the Common Stock, of the Company have been duly and validly authorized and issued and are fully paid and non-assessable, have been issued in compliance with all federal and state securities laws and were not issued in violation of any preemptive right, resale right, right of first refusal or similar right.

(l) This Agreement has been duly authorized, executed and delivered by the Company.

(m) Reserved.

(n) The capital stock of the Company, including the Shares, conforms and will conform in all material respects to the description thereof contained in the Registration Statement, the Prospectus or any Permitted Free Writing Prospectus and such description conforms to the rights set forth in the instruments defining the same. If certificated, the global certificates representing the Shares are in due and proper form and the holders of the Shares will not be subject to personal liability by reason of being such holders.

(o) The Shares have been duly and validly authorized by the Company for issuance and sale pursuant to this Agreement and, when issued and delivered against payment therefor as provided herein, will be duly and validly issued and fully paid and non-assessable, free and clear of any pledge, lien, encumbrance, security interest or other claim, and will be registered pursuant to Section 12 of the Exchange Act.

(p) No approval, authorization, consent or order of or filing with any national, state or local governmental or regulatory commission, board, body, authority or agency is required in connection with the issuance and sale of the Shares or the consummation by the Company of the transaction contemplated hereby other than (i) registration of the Shares under the Act, (ii) any necessary qualification under the securities or blue sky laws of the various jurisdictions in which the Shares are being offered by the Sales Agent and (iii) such approvals in connection with the approval of the listing of the Shares on the New York Stock Exchange LLC (the "NYSE").

(q) No person, as such term is defined in Rule 1-02 of Regulation S-X promulgated under the Act (each, a "Person"), has the right, contractual or otherwise, to cause the Company to issue to it any shares of capital stock or other securities of the Company upon the issue and sale of the Shares to the Sales Agent hereunder, nor does any Person have preemptive rights, co-sale rights, rights of first refusal or other rights to purchase or subscribe for any of the Shares or any securities or obligations convertible into or exchangeable for, or any contracts or commitments to

issue or sell any of, the Shares or any options, rights or convertible securities or obligations, other than those that have been expressly waived prior to the date hereof.

(r) Ernst & Young LLP (the "Accountants"), whose report on the consolidated financial statements of the Company is filed with the Commission as part of the Registration Statement and the Prospectus, are and, during the periods covered by their reports, were independent public accountants as required by the Act.

(s) Each of the Company and its subsidiaries has all necessary licenses, authorizations, consents and approvals and has made all necessary filings required under any federal, state, local or foreign law, regulation or rule, and has obtained all necessary permits, authorizations, consents and approvals from other Persons, in order to conduct its business as described in the Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any, except as such as could not have a Company Material Adverse Effect. Neither the Company nor any of its subsidiaries is required by any applicable law to obtain accreditation or certification from any governmental agency or authority in order to provide the products and services which it currently provides or which it proposes to provide as set forth in the Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any, except as such could not have a Company Material Adverse Effect. Neither the Company nor any of its subsidiaries is in violation of, or in default under, any such license, permit, authorization, consent or approval or any federal, state, local or foreign law, regulation or rule or any decree, order or judgment applicable to the Company or any of its subsidiaries, the effect of which could have a Company Material Adverse Effect.

(t) The descriptions in the Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any, of the legal or governmental proceedings, contracts, leases and other legal documents therein described present fairly in all material respects the information required to be shown, and there are no legal or governmental proceedings, contracts, leases or other documents of a character required to be described in the Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any, or to be filed as exhibits to the Registration Statement which are not described or filed as required. All agreements between the Company and third parties expressly referenced in the Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any, are legal, valid and binding obligations of the Company, enforceable in accordance with their respective terms, except to the extent enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws affecting creditors' rights generally and by general equitable principles and except to the extent that any indemnification provision thereof may be limited by public policy considerations in respect thereof.

(u) Except as set forth in the Registration Statement, the Prospectus or a Permitted Free Writing Prospectus, there are no actions, suits, claims, investigations, inquiries or proceedings pending or, to the best of the Company's knowledge, threatened to which the Company or any of the subsidiaries or any of their respective officers or directors is a party or of which any of its properties or other assets is subject at law or in equity, or before or by any federal, state, local or foreign governmental or regulatory commission, board, body, authority or agency which could result in a judgment, decree or order having a Company Material Adverse Effect.

(v) Except as otherwise may be disclosed therein, subsequent to the respective dates as of which information is given in the Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any, there has not been (i) any Company Material Adverse Effect, or any development which would reasonably be expected to cause a Company Material Adverse Effect, in the business, properties or assets described or referred to in the Registration Statement,

the Prospectus and the Permitted Free Writing Prospectuses, if any, or the results of operations, condition (financial or otherwise), net worth, business, prospects or operations of the Company and its subsidiaries, taken as a whole, (ii) any transaction which is material to the Company and its subsidiaries, taken as a whole, except transactions in the ordinary course of business, (iii) any obligation, direct or contingent, which is material to the Company and its subsidiaries, taken as a whole, incurred by the Company or any subsidiary, except obligations incurred in the ordinary course of business, (iv) any change in the capital stock or, except in the ordinary course of business, outstanding indebtedness of the Company or any subsidiary or (v) except for regular quarterly dividends on the outstanding shares of preferred stock (collectively, the "Preferred Stock") and the Common Stock, in amounts per share that are consistent with past practice and the descriptions thereof in the Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any, any dividend or distribution of any kind declared, paid or made by the Company on any class of its capital stock. There are no contingent obligations that are material to the Company and its subsidiaries, taken as a whole, which are not disclosed in the Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any.

(w) Except as set forth in the Registration Statement, the Prospectus or a Permitted Free Writing Prospectus, there are no Persons with registration or other similar rights to have any equity or debt securities, including securities which are convertible into or exchangeable for equity securities, registered pursuant to the Registration Statement or otherwise registered by the Company under the Act.

(x) The Company (i) does not have any issued and outstanding preferred stock, other than the shares of Preferred Stock, in such number and series, as are described in the Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any, (ii) has not failed to pay any dividend or sinking fund installment on preferred stock and (iii) has not defaulted on any installment on indebtedness for borrowed money or on any rental on one or more long term leases, which defaults would have a Company Material Adverse Effect on the financial position of the Company and its subsidiaries, taken as a whole. The Company has not filed a report pursuant to Section 13(a) or 15(d) of the Exchange Act since the filing of its last annual report on Form 10-K, indicating that it (i) has failed to pay any dividend or sinking fund installment on the Preferred Stock or (ii) has defaulted on any installment on indebtedness for borrowed money or on any rental on one or more long term leases, which defaults would have a Company Material Adverse Effect.

(y) Neither the Company nor any of its officers, directors and controlling Persons have, directly or indirectly, (i) taken any action designed to cause or to result in, or that has constituted or which might reasonably be expected to constitute, the stabilization or manipulation of the price of the Common Stock to facilitate the sale of the Shares, or (ii) (except pursuant to this Agreement, shares of the Company's Common Stock issued pursuant to the Company's dividend reinvestment and share purchase plan (the "DRSPP"), as may have been incurred in connection with the Company's publicly disclosed repurchase of Common Stock and the retirement of the Company's long-term indebtedness) (A) sold, bid for, purchased, or paid anyone any compensation for soliciting purchases of, the Shares or, (B) other than as disclosed in the Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any, during the one hundred eighty (180) day period preceding the date of this Agreement, paid or agreed to pay to any Person any compensation for soliciting another to purchase any other securities of the Company.

(z) The Company has applied to have the Shares listed on the NYSE, and the Shares will have been approved for listing on the NYSE as of the time of purchase, subject only to official notice of issuance.

(aa) Neither the Company nor any of its affiliates, except for Arcola, (i) is required to register as a "broker" or "dealer" in accordance with the provisions of the Exchange Act or (ii) directly or indirectly through one or more intermediaries, controls or has any other association with (within the meaning of Article I of the Bylaws of the Financial Industry Regulatory Authority, Inc. ("FINRA")) any member firm of FINRA.

(ab) Any certificate signed by any officer of the Company delivered to the Sales Agent or to counsel for the Sales Agent pursuant to or in connection with this Agreement shall be deemed a representation and warranty by the Company to the Sales Agent as to the matters covered thereby.

(ac) As of the date of this Agreement, the Company has no plan or intention to materially alter its capital investment policy or investment allocation strategy, both as described in the Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any, and is in compliance with its stated capital investment policy and investment allocation strategy. Each of the Company and its subsidiaries has good and marketable title to all of the properties and assets owned by them, in each case free and clear of any security interests, liens, encumbrances, equities, claims and other defects (except for any security interest, lien, encumbrance or claim that may otherwise exist under any applicable repurchase agreement or loan agreement), except such as do not have a Company Material Adverse Effect and do not interfere with the use made or proposed to be made of such property or asset by the Company or any subsidiary, and except as described in or contemplated by the Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any. The Company owns no real property that is material, on an individual basis, to the Company. Any real property and buildings held under lease by the Company or any subsidiary are held under valid, existing and enforceable leases, with such exceptions as are disclosed in the Prospectus or are not material and do not interfere with the use made or proposed to be made of such property and buildings by the Company.

(ad) The Company has filed all federal and material state and foreign income and franchise tax returns required to be filed on or prior to the date hereof and has paid taxes shown as due thereon (or that are otherwise due and payable), other than taxes which are being contested in good faith and for which adequate reserves have been established in accordance with generally accepted accounting principles. The Company has no knowledge, after due inquiry, of any tax deficiency which has been asserted or threatened against the Company. To the knowledge of the Company, there are no tax returns of the Company that are currently being audited by federal, state or local taxing authorities or agencies which would have a Company Material Adverse Effect.

(ae) The Company owns or possesses adequate license or other rights to use all patents, trademarks, service marks, trade names, copyrights, software and design licenses, trade secrets, manufacturing processes, other intangible property rights and know-how (collectively, "Intangibles") necessary to entitle the Company to conduct its business as described in the Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any, and the Company has not received notice of infringement of or conflict with (and the Company knows of no such infringement of or conflict with) asserted rights of others with respect to any Intangibles which could have a Company Material Adverse Effect.

(af) The Company maintains a system of internal accounting controls sufficient to provide reasonable assurance that (i) transactions are executed in accordance with management's general or specific authorizations, (ii) transactions are recorded as necessary to permit preparation of financial statements in conformity with generally accepted accounting principles as applied in the United States and to maintain asset accountability, (iii) access to assets is

permitted only in accordance with management's general or specific authorization, (iv) the recorded accountability for assets is compared with the existing assets at reasonable intervals and appropriate action is taken with respect to any differences and (v) the interactive data in eXtensible Business Reporting Language incorporated by reference in the Registration Statement, the Prospectus and any Permitted Free Writing Prospectus fairly present the information called for in all material respects and is prepared in accordance with the Commission's rules and guidelines applicable thereto.

(ag) The Company has established and maintains disclosure controls and procedures (as such term is defined in Rule 13a-14 and 15d-14 under the Exchange Act); such disclosure controls and procedures are designed to ensure that material information relating to the Company is made known to the Company's Chief Executive Officer and its Chief Financial Officer, and such disclosure controls and procedures are effective to perform the functions for which they were established; any significant material weaknesses in internal controls have been identified for the Company's Chief Executive Officer and its Chief Financial Officer; and since the date of the most recent evaluation of such disclosure controls and procedures, there have been no significant changes in internal controls or in other factors that could significantly affect internal controls.

(ah) The Company is insured by insurers of recognized financial responsibility against such losses and risks and in such amounts as are prudent and customary in the business in which it is engaged. The Company has no reason to believe that it will not be able to renew its existing insurance coverage as and when such coverage expires or to obtain similar coverage from similar insurers as may be necessary to continue its business at a cost that would not have a Company Material Adverse Effect.

(ai) Except as set forth in the Registration Statement, the Prospectus or a Permitted Free Writing Prospectus, the Company is not in violation, and has not received notice of any violation with respect to, any applicable environmental, safety or similar law applicable to the business of the Company. The Company has received all permits, licenses or other approvals required of them under applicable federal and state occupational safety and health and environmental laws and regulations to conduct its business, and the Company is in compliance with all terms and conditions of any such permit, license or approval, except any such violation of law or regulation, failure to receive required permits, licenses or other approvals or failure to comply with the terms and conditions of such permits, licenses or approvals which could not, singly or in the aggregate, have a Company Material Adverse Effect.

(aj) Neither the Company nor any of its subsidiaries has incurred any liability for any finder's fees or similar payments in connection with the transactions herein contemplated, except as may otherwise exist with respect to the Sales Agent pursuant to this Agreement.

(ak) Except as set forth in the Registration Statement, the Prospectus or a Permitted Free Writing Prospectus, there are no existing or threatened labor disputes with the employees of the Company which are likely to have individually or in the aggregate a Company Material Adverse Effect.

(al) No relationship, direct or indirect, exists between or among the Company or any of its subsidiaries, on the one hand, and the directors, officers and stockholders of the Company, on the other hand, which is required by the Act to be described in the Registration Statement and the Prospectus that is not so described.

(am) The Company, since its date of inception, has been, and upon the sale of the Shares will continue to be, organized and operated in conformity with the requirements for

qualification and taxation as a "real estate investment trust" (a "REIT") under Sections 856 through 860 of the Internal Revenue Code of 1986, as amended and the regulations and published interpretations thereunder (collectively, the "Code"), for all taxable years commencing with its taxable year ended December 31, 1997. The proposed method of operation of the Company as described in Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any, will enable the Company to continue to meet the requirements for qualification and taxation as a REIT under the Code, and no actions have been taken (or not taken which are required to be taken) which would cause such qualification to be lost. The Company intends to continue to operate in a manner which would permit it to qualify as a REIT under the Code. The Company has no intention of changing its operations or engaging in activities which would cause it to fail to qualify, or make economically undesirable its continued qualification, as a REIT.

(an) Neither the Company nor any subsidiary is and, after giving effect to the offering and sale of the Shares, will be required to register as an "investment company" or an entity "controlled" by an "investment company," as such terms are defined in the Investment Company Act of 1940, as amended (the "Investment Company Act").

(ao) To the Company's knowledge, no relationship, direct or indirect, exists between or among the Company or any subsidiary, on the one hand, and the officers, 10% stockholders or directors of the Company or any subsidiary, on the other hand, which is required by the rules of FINRA to be described in the Registration Statement and the Prospectus which is not so described.

(ap) The Company has not, directly or indirectly, including through any subsidiary, extended credit, arranged to extend credit, or renewed any extension of credit, in the form of a personal loan, to or for any director or executive officer of the Company, or to or for any family member or affiliate of any director or executive officer of the Company.

(aq) Neither the Company nor any of the subsidiaries nor, to the Company's knowledge, any employee or agent of the Company or the subsidiaries has made any payment of funds of the Company or the subsidiaries or received or retained any funds in violation of any law, rule or regulation, which payment, receipt or retention of funds is of a character required to be disclosed in the Registration Statement or the Prospectus.

(ar) The Company is in compliance with all applicable provisions of the Sarbanes-Oxley Act of 2002 and the rules and regulations promulgated thereunder.

(as) The Common Stock is an "actively traded security" excepted from the requirements of Rule 101 of Regulation M under the Exchange Act by subsection (c)(1) of such rule.

(at) Other than any Terms Agreement or the Alternative Agreements, the Company has not entered into any other sales agency or distribution agreements or similar arrangements with any agent or other representative in respect of the Shares and the equity shelf program established by the Distribution Agreements, the terms of which have not been properly and duly waived.

(au) The operations of the Company and its subsidiaries are and have been conducted at all times in material compliance with all applicable financial recordkeeping and reporting requirements, including those of the Bank Secrecy Act, as amended by Title III of the Uniting and Strengthening America by Providing Appropriate Tools Required to intercept and Obstruct Terrorism Act of 2001 (USA PATRIOT Act), as amended, and the applicable anti-money

laundering statutes of jurisdictions where the Company and its subsidiaries conduct business, the rules and regulations thereunder and any related or similar rules, regulations or guidelines, issued, administered or enforced by any governmental agency (collectively, the "Anti-Money Laundering Laws"), and no action, suit or proceeding by or before any court or governmental agency, authority or body or any arbitrator involving the Company or any of its subsidiaries with respect to Anti-Money Laundering Laws is pending or, to the best knowledge of the Company, threatened.

(av) (A) Neither the Company nor any of its subsidiaries, nor any director, officer or employee thereof, nor, to the Company's knowledge, any agent, affiliate or representative of the Company or any of them, is an individual or entity ("Covered Person") that is, or is owned or controlled by a Covered Person that is:

(i) the subject of any sanctions administered or enforced by the U.S. Department of Treasury's Office of Foreign Assets Control ("OFAC"), the United Nations Security Council, the European Union, His Majesty's Treasury or other relevant sanctions authority (collectively, "Sanctions"); nor

(ii) located, organized or resident in a country or territory that is the subject of Sanctions (including, without limitation, the so-called Donetsk People's Republic, the so-called Luhansk People's Republic, the Kherson, the non-government controlled areas of the Kherson and Zaporizhzhia regions of Ukraine, and any other Covered Region of Ukraine identified pursuant to Executive Order 14065, the Crimea region of Ukraine, Cuba, Iran, North Korea, Syria and Venezuelan State-owned entities).

(A) The Company will not use the proceeds of the offering, or lend, contribute or otherwise make available such proceeds to any subsidiary, joint venture partner or other Covered Person:

(i) to fund or facilitate any activities or business of or with any Covered Person or in any country or territory that, at the time of such funding or facilitation, is the subject of Sanctions; or

(ii) in any other manner that will result in a violation of Sanctions by any Covered Person (including any Covered Person participating in the offering, whether as underwriter, advisor, investor or otherwise).

(B) The Company and its subsidiaries have not knowingly engaged in, are not now knowingly engaged in, and will not engage in, any dealings or transactions with any Covered Person, or in any country or territory, that at the time of the dealing or transaction is or was the subject of Sanctions.

(C) Neither the Company nor any of its subsidiaries, nor any director, officer or, to the Company's knowledge, employee thereof, nor, to the Company's knowledge, any agent, affiliate or representative of the Company or any of them: (i) has used any corporate funds for any unlawful contribution, gift, entertainment or other unlawful expense relating to political activity; (ii) has made any direct or indirect unlawful contribution or payment to any official of, or candidate for, or any employee of, any federal, state or foreign office from corporate funds; (iii) has made any bribe, unlawful rebate, payoff, influence payment, kickback or other unlawful payment; or (iv) is aware of or has taken any action, directly or indirectly, that would result in a violation by such persons of the OECD Convention on Bribery of Foreign Public Officials in International

Business Transactions, the Foreign Corrupt Practices Act of 1977, as amended, and the rules and regulations thereunder (collectively, the "FCPA") or any similar law or regulation to which the Company, any of its subsidiaries, any director, officer, agent, employee, affiliate or other person associated with or acting on behalf of the Company or any of its subsidiaries is subject. The Company, its subsidiaries and their affiliates have each conducted its businesses in compliance with the FCPA and any applicable similar law or regulation and have instituted and maintain policies and procedures designed to ensure, and which are reasonably expected to continue to ensure, continued compliance therewith.

SECTION 3. Reserved.

SECTION 4. Sale and Delivery of Securities. (a) On the basis of the representations, warranties and agreements herein contained, but subject to the terms and conditions herein set forth, the Company agrees to issue and sell through the Sales Agent, as sales agent, and the Sales Agent agrees to use its commercially reasonable efforts to sell, as sales agent for the Company, the Shares on the following terms.

(i) The Shares are to be sold on a daily basis or otherwise as shall be agreed to by the Company and the Sales Agent on any day that (A) is a trading day for the NYSE (other than a day on which the NYSE is scheduled to close prior to its regular weekday closing time), (B) the Company has instructed the Sales Agent by telephone (confirmed promptly by electronic mail) (or as otherwise agreed to by the Company and the Sales Agent) from any of the individuals listed as authorized representatives of the Company on Schedule B hereto (the "Authorized Company Representatives") to make such sales and (C) the Company has satisfied its obligations under Section 8 of this Agreement. The Company will designate the maximum amount of the Shares to be sold by the Sales Agent daily as agreed to by the Sales Agent and in any event not in excess of the amount available for issuance under the currently effective Registration Statement relating to the sale of up to $2,000,000,000 of Shares as described in the prospectus supplement dated May 8, 2025, or any Registration Statement filed pursuant to Section 5(g), or in a number in excess of the number of Shares authorized from time to time to be issued and sold under this Agreement by the Company's board of directors, or a duly authorized committee thereof, and notified to the Sales Agent in writing (a "Placement Notice").

Subject to the terms and conditions hereof, the Sales Agent shall use its commercially reasonable efforts to offer and sell all of the Shares designated; provided, however, that the Sales Agent shall have no obligation to offer or sell any Shares, and the Company acknowledges and agrees that the Sales Agent shall have no such obligation, in the event an offer or sale of the Shares on behalf of the Company may in the judgment of the Sales Agent constitute the sale of a "block" under Rule 10b-18(a)(5) under the Exchange Act or a "distribution" within the meaning of Rule 100 of Regulation M under the Exchange Act or the Sales Agent reasonably believes it may be deemed an "underwriter" under the Act in a transaction that is other than by means of ordinary brokers' transactions between members of the NYSE that qualify for delivery of a Prospectus to the NYSE in accordance with Rule 153 under the Act (such transactions are hereinafter referred to as "At-the-Market Offerings").

(ii) Notwithstanding the foregoing, the Company, through any of the Authorized Company Representatives, may instruct the Sales Agent by telephone

(confirmed promptly by electronic mail) (or as otherwise agreed to by the Company and the Sales Agent) not to sell the Shares if such sales cannot be effected at or above the price designated by the Company in any such instruction. In addition, the Company or the Sales Agent may, upon notice to the other party hereto by telephone (confirmed promptly by electronic mail) (or as otherwise agreed to by the Company and the Sales Agent), suspend the offering of the Shares; provided, however, that such suspension shall not affect or impair the parties' respective obligations with respect to the Shares sold hereunder prior to the giving of such notice.

(iii) The Sales Agent hereby covenants and agrees not to make any sales of the Shares on behalf of the Company, pursuant to this Section 4(a), other than (A) by means of At-the-Market Offerings and (B) such other sales of the Shares on behalf of the Company in its capacity as agent of the Company as shall be agreed by the Company and the Sales Agent.

(iv) The compensation to the Sales Agent, as an agent of the Company, for sales of the Shares shall be up to 1.25% of the gross sales price of the Shares sold pursuant to this Section 4(a) or such lower amount as otherwise mutually agreed upon by the Company and the Sales Agent from time to time. The remaining proceeds, after further deduction for any transaction fees imposed by any governmental or self-regulatory organization in respect of such sales, shall constitute the net proceeds to the Company for such Shares (the "Net Proceeds").

(v) The Sales Agent shall provide written confirmation to the Company following the close of trading on the NYSE each day in which the Shares are sold under this Section 4(a) setting forth the amount of the Shares sold on such day, the Net Proceeds to the Company and the compensation payable by the Company to the Sales Agent with respect to such sales.

(vi) Settlement for sales of the Shares pursuant to this Section 4(a) will occur on the first business day following the date on which such sales are made or such other date as may be agreed by the Company and the Sales Agent (each such date, a "Settlement Date"). On each Settlement Date, the Shares sold through the Sales Agent for settlement on such date shall be issued and delivered by the Company to the Sales Agent against payment of the Net Proceeds for the sale of such Shares. Settlement for all such Shares shall be effected by free delivery of the Shares by the Company or its transfer agent to the Sales Agent's account, or to the account of the Sales Agent's designee, at The Depository Trust Company through its Deposit and Withdrawal at Custodian System ("DWAC") or by such other means of delivery as may be mutually agreed upon by the parties hereto, which in all cases shall be freely tradable, transferable, registered shares in good deliverable form, in return for payments in same day funds delivered to the account designated by the Company. If the Company, or its transfer agent (if applicable), shall default on its obligation to deliver the Shares on any Settlement Date, the Company shall (A) indemnify and hold the Sales Agent harmless against any loss, claim or damage arising from or as a result of such default by the Company and (B) pay the Sales Agent any commission to which it would otherwise be entitled absent such default. The Authorized Company Representatives shall be the contact persons for the Company for all matters related to the settlement of the transfer of the Shares through DWAC for purposes of this Section 4(a)(vi).

(vii) At each Time of Sale, Settlement Date and Representation Date (as defined in Section 5(q)), the Company shall be deemed to have affirmed each of their respective representations and warranties contained in this Agreement. Any obligation of

the Sales Agent to use its commercially reasonable efforts to sell the Shares on behalf of the Company shall be subject to the continuing accuracy of the representations and warranties of the Company herein, to the performance by the Company of its obligations hereunder and to the continuing satisfaction of the additional conditions specified in Section 8 of this Agreement.

(a) (i) If the Company wishes to issue and sell the Shares other than as set forth in Section 4(a) of this Agreement (each, a "Placement"), it will notify the Sales Agent of the proposed terms of such Placement. If the Sales Agent, acting as principal, wishes to accept such proposed terms (which it may decline to do for any reason in its sole discretion) or, following discussions with the Company, wishes to accept amended terms, the Sales Agent and the Company will enter into a Terms Agreement setting forth the terms of such Placement. In the event of a conflict between the terms of this Agreement and the terms of any Terms Agreement, the terms of such Terms Agreement will control.

(b) (i) Under no circumstances shall the aggregate number of Shares sold pursuant to this Agreement exceed the number of Shares authorized from time to time to be issued and sold under this Agreement by the Company's board of directors, or a duly authorized committee thereof, and notified to the Sales Agent in writing.

(i) If either party has reason to believe that the exemptive provisions set forth in Rule 101(c)(1) of Regulation M under the Exchange Act are not satisfied with respect to the Shares, it shall promptly notify the other party and sales of the Shares under this Agreement shall be suspended until that or other exemptive provisions have been satisfied in the judgment of each party.

(c) Each sale of the Shares to or through the Sales Agent shall be made in accordance with the terms of this Agreement or, if applicable, a Terms Agreement.

(d) Any offer, solicitation or sale of the Shares shall be effected by or through only one of the Agents on any single trading day.

(e) Subject to the limitations set forth herein and as may be mutually agreed upon by the Company and the Sales Agent, sales pursuant to this Agreement may not be requested by the Company and need not be made by the Sales Agent during any period in which the Company is or could be deemed to be, in possession of material non-public information.

(f) Notwithstanding any other provision of this Agreement, the Company shall not offer, sell or deliver, or request the offer or sale, of any Shares pursuant to this Agreement at any time during the period from and including the time the Company issues a press release containing, or shall otherwise publicly announce, its earnings, revenues or other operating results for a fiscal period or periods (each, an "Earnings Announcement") through and including the Representation Date that occurs in connection with the Company filing a Quarterly Report on Form 10-Q or an Annual Report on Form 10-K (a "Filing Time") that includes consolidated financial statements as of and for the same fiscal period or periods, as the case may be, covered by such Earnings Announcement, unless the Company shall first (i) prepare and deliver to the Sales Agent (with a copy to counsel for the Sales Agent) a Current Report on Form 8-K that includes substantially the same financial and related information that was included in such Earnings Announcement (other than any earnings projections and similar forward-looking data and officers' quotations) (each, an "Earnings 8-K"), in form and substance reasonably satisfactory to the Sales Agent, and, prior to its filing, obtain the written consent of the Sales Agent to such filing (which consent shall not be unreasonably withheld), (ii) provide the Sales Agent with the officers' certificates, opinions and letters of counsels and accountants' letter

specified in Sections 5(q) through 5(u), inclusive, hereof, (iii) afford the Sales Agent the opportunity to conduct a due diligence review in accordance with Section 5(v) hereof prior to filing such Earnings 8-K and (iv) file (rather than furnish) such Earnings 8-K with the Commission. For purposes of clarity, the parties hereto agree that (A) the delivery of any officers' certificates, opinions or letters of counsel or accountants' letter pursuant to this Section 4(g) shall not relieve the Company from any of its obligations under this Agreement with respect to any Quarterly Report on Form 10-Q or Annual Report on Form 10-K, as the case may be, including, without limitation, the obligation to deliver officers' certificates, opinions and letters of counsel and accountants' letters as provided in Sections 5(q) through 5(u), inclusive, hereof, and (B) this Section 4(g) shall in no way affect or limit the operation of Section 4(d) hereof, which shall have independent application.

(g) The Company acknowledges and agrees that (A) there can be no assurance that the Sales Agent will be successful in selling the Shares, (B) the Sales Agent will incur no liability or obligation to the Company or any other person or entity if it does not sell Shares for any reason other than a failure by the Sales Agent to use its commercially reasonable efforts consistent with its normal trading and sales practices and applicable law and regulations to sell such Shares in accordance with the terms of this Agreement, and (C) the Sales Agent shall be under no obligation to purchase Shares on a principal basis pursuant to this Agreement, except as otherwise specifically agreed by the Sales Agent and the Company.

SECTION 5. Covenants of the Company. The Company agrees with the Sales Agent:

(a) During the period in which a prospectus relating to the Shares is required to be delivered under the Act (whether physically, deemed to be delivered pursuant to Rule 153 or through compliance with Rule 172 under the Act or any similar rule), to notify the Sales Agent promptly of the time when any subsequent amendment to the Registration Statement has become effective or any subsequent supplement to the Basic Prospectus, the Prospectus or any Permitted Free Writing Prospectus has been filed; to prepare and file with the Commission, promptly upon the Sales Agent's request, any amendments or supplements to the Registration Statement, the Basic Prospectus, the Prospectus or any Permitted Free Writing Prospectus that, in the Sales Agent's reasonable opinion, may be necessary or advisable in connection with the offering of the Shares by the Sales Agent; and to cause each amendment or supplement to the Basic Prospectus or the Prospectus to be filed with the Commission as required pursuant to the applicable paragraph of Rule 424(b) of the Act or, in the case of any Incorporated Document, to be filed with the Commission as required pursuant to the Exchange Act, within the time period prescribed.

(b) To promptly advise the Sales Agent, confirming such advice in writing, of any suspension of the Sales Agent's obligations under Rule 15c2-8 under the Exchange Act or any request by the Commission for amendments or supplements to the Registration Statement, the Basic Prospectus, the Prospectus or any Permitted Free Writing Prospectus or for additional information with respect thereto, or of notice of examination, institution of proceedings for, or the entry of a stop order suspending the effectiveness of the Registration Statement and, if the Commission should enter a stop order suspending the effectiveness of the Registration Statement, to use its best efforts to obtain the lifting or removal of such order as soon as possible; to promptly advise the Sales Agent of any proposal to amend or supplement the Registration Statement, the Basic Prospectus or the Prospectus, and to provide the Sales Agent and its counsel copies of any such documents for review and comment a reasonable amount of time prior to any proposed filing and to file no such amendment or supplement (other than any prospectus supplement relating to the offering of other securities (including, without limitation, the Common Stock)) to which the Sales Agent shall have objected in writing.

(c) To make available to the Sales Agent, as soon as practicable after this Agreement becomes effective, and thereafter from time to time to furnish to the Sales Agent, as many copies of the Prospectus (or of the Prospectus as amended or supplemented if the Company shall have made any amendments or supplements thereto after the effective date of the Registration Statement) as the Sales Agent may request for the purposes contemplated by the Act; in case the Sales Agent is required to deliver (whether physically, deemed to be delivered pursuant to Rule 153 or through compliance with Rule 172 under the Act or any similar rule), in connection with the sale of the Shares, a prospectus after the nine-month period referred to in Section 10(a)(3) of the Act, or after the time a post-effective amendment to the Registration Statement is required pursuant to Item 512(a) of Regulation S-K under the Act, the Company will prepare, at its expense, promptly upon request such amendment or amendments to the Registration Statement and the Prospectus as may be necessary to permit compliance with the requirements of Section 10(a)(3) of the Act or Item 512(a) of Regulation S-K under the Act, as the case may be.

(d) Subject to Section 5(b) hereof, to file promptly all reports and documents and any preliminary or definitive proxy or information statement required to be filed by the Company with the Commission in order to comply with the Exchange Act for so long as a prospectus is required by the Act to be delivered (whether physically, deemed to be delivered pursuant to Rule 153 or through compliance with Rule 172 under the Act or any similar rule) in connection with any sale of Shares; and to provide the Sales Agent, for its review and comment, with a copy of such reports and statements and other documents to be filed by the Company pursuant to Section 13, 14 or 15(d) of the Exchange Act during such period a reasonable amount of time prior to any proposed filing, and to file no such report, statement or document to which the Sales Agent shall have objected in writing; and to promptly notify the Sales Agent of such filing.

(e) To pay the fees applicable to the Registration Statement in connection with the offering of the Shares within the time required by Rule 456(b)(1) (i) under the Act (without reliance on the proviso to Rule 456(b)(1)(i) under the Act) and in compliance with Rule 456(b) and Rule 457(r) under the Act.

(f) If at any time when Shares remain unsold by the Sales Agent the Company receives from the Commission a notice pursuant to Rule 401(g)(2) under the Act or otherwise ceases to be eligible to use the automatic shelf registration statement form, the Company will (a) promptly notify the Sales Agent, (b) promptly file a new registration statement or post-effective amendment on the proper form relating to the Shares, in a form satisfactory to the Sales Agent, (c) use its best efforts to cause such registration statement or post-effective amendment to be declared effective as soon as practicable (if such filing is not otherwise effective immediately pursuant to Rule 462 under the Act) and (d) promptly notify the Sales Agent of such effectiveness. The Company will take all other action necessary or appropriate to permit the public offering and sale of the Shares to continue as contemplated in the Registration Statement that was the subject of the notice under Rule 401(g)(2) under the Act or for which the Company has otherwise become ineligible. References herein to the Registration Statement relating to the Shares shall include such new registration statement or post-effective amendment, as the case may be.

(g) If immediately prior to the third anniversary (the "Renewal Deadline") of the initial effective date of the Registration Statement, any of the Shares remain unsold by the Sales Agent, the Company will, prior to the Renewal Deadline file, if it has not already done so and is eligible to do so, a new automatic shelf registration statement relating to the Shares, in a form satisfactory to the Sales Agent. If the Company is not eligible to file an automatic shelf registration statement, the Company will, prior to the Renewal Deadline, if it has not already done so, file a new shelf registration statement relating to the Shares, in a form satisfactory to the

Sales Agent, and will use its best efforts to cause such registration statement to be declared effective within 180 days after the Renewal Deadline. The Company will take all other action necessary or appropriate to permit the public offering and sale of the Shares to continue as contemplated in the expired registration statement. References herein to the Registration Statement shall include such new automatic shelf registration statement or such new shelf registration statement, as the case may be.

(h) To promptly notify the Sales Agent of the happening of any event that could require the making of any change in the Prospectus then being used so that the Prospectus would not include an untrue statement of material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they are made, not misleading, and, during any period during which a prospectus is required to be delivered (whether physically, deemed to be delivered pursuant to Rule 153 or through compliance with Rule 172 under the Act or any similar rule) in connection with any sale of Shares, subject to Section 5(b), to prepare and furnish, at the Company's expense, to the Sales Agent promptly such amendments or supplements to such Prospectus as may be necessary to reflect any such change.

(i) To furnish such information as may be required and otherwise to cooperate in qualifying the Shares for offering and sale under the securities or blue sky laws of such states or other jurisdictions as the Sales Agent may designate and to maintain such qualifications in effect so long as required for the distribution of the Shares; provided, however, that the Company shall not be required to qualify as a foreign corporation or to consent to the service of process under the laws of any such jurisdiction (except service of process with respect to the offering and sale of the Shares); and to promptly advise the Sales Agent of the receipt by the Company of any notification with respect to the suspension of the qualification of the Shares for offer or sale in any jurisdiction or the initiation or threatening of any proceeding for such purpose.

(j) To make generally available to its security holders, and to deliver to the Sales Agent, an earnings statement of the Company (which will satisfy the provisions of Section 11(a) of the Act) covering a period of twelve months beginning after the effective date of the Registration Statement (as defined in Rule 158(c) of the Act) as soon as is reasonably practicable after the termination of such twelve-month period but not later than eighteen months after the effective date of the Registration Statement (as such date is defined in Rule 158(c) under the Act).

(k) To apply the net proceeds from the sale of the Shares in the manner set forth under the caption "Use of Proceeds" in the Prospectus Supplement or, if not so specified, in the Prospectus, and if not so specified, in the Basic Prospectus.

(l) Until the settlement of sale of all Common Stock being offered pursuant to this Agreement, at any time that sales of the Common Stock have been made but not settled or at any time the Company has outstanding with the Sales Agent any instructions to sell the Common Stock but such instructions have not been fulfilled or cancelled, the Company will not sell, offer to sell, contract or agree to sell, hypothecate, pledge, grant any option to sell or otherwise dispose of or agree to dispose of, directly or indirectly, any shares of the Common Stock or securities convertible into or exchangeable or exercisable for the Common Stock or warrants or other rights to purchase the Common Stock or any other securities of the Company that are substantially similar to the Common Stock or permit the registration under the Act of any shares of the Common Stock, including pursuant to another Distribution Agreement, in each case without giving the Sales Agent at least three business days' prior written notice specifying the nature of the proposed sale and the date of such proposed sale. Notwithstanding the foregoing, the Company may (i) register the offer and sale of the Shares through the Sales Agent pursuant to

this Agreement; (ii) issue Common Stock, restricted stock, options or other units or awards pursuant to the Company's long term stock incentive plans as currently in effect (or file a Form S-8 related to such plans) or pursuant to the exercise of employee stock options or other awards; (iii) issue Common Stock pursuant to the DRSPP or any successor dividend reinvestment or share purchase plan (or the filing of a Form S-3 related to such a plan) and (iv) offer or issue any series of preferred stock that is not convertible into shares of Common Stock other than in connection with a "change of control." For the avoidance of doubt, the Company will not be prohibited from issuing Common Stock upon the election by a holder of Preferred Stock to convert Preferred Stock into Common Stock. In the event that notice of a proposed sale is provided by the Company pursuant to this Section 5(l), the Sales Agent may suspend activity under this program for such period of time as may be requested by the Company or as may be deemed appropriate by the Sales Agent.

(m) Not, at any time at or after the execution of this Agreement, to offer or sell any Shares by means of any "prospectus" (within the meaning of the Act), or use any "prospectus" (within the meaning of the Act) in connection with the offer or sale of the Shares, in each case other than the Prospectus.

(n) The Company will not, and will cause its subsidiaries not to, take, directly or indirectly, any action designed, or which will constitute, or has constituted, or might reasonably be expected to cause or result in the stabilization or manipulation of the price of any security of the Company to facilitate the sale or resale of the Shares.

(o) To use its best efforts to cause the Common Stock to be listed on the NYSE and to maintain such listing.

(p) To advise the Sales Agent immediately after it shall have received notice or obtain knowledge thereof, of any information or fact that would alter or affect any opinion, certificate, letter and other document provided to the Sales Agent pursuant to Section 8 herein.

(q) Upon commencement of the offering of the Shares under this Agreement, and within four trading days of each time that (i) the Registration Statement or the Prospectus shall be amended or supplemented (other than pursuant to subclause (ii) below and other than a prospectus supplement filed pursuant to Rule 424(b) under the Act relating solely to the offering of securities other than the Shares), (ii) there is filed with the Commission any document incorporated by reference into the Prospectus (other than a Current Report on Form 8-K, unless the Sales Agent shall otherwise reasonably request), or (iii) otherwise as the Sales Agent may reasonably request (the date of commencement of the offering of the Shares under this Agreement and each date referred to in subclauses (i), (ii) and (iii) above, each a "Representation Date"), the Company shall furnish or cause to be furnished to the Sales Agent forthwith a certificate dated as of such delivery date, in form satisfactory to the Sales Agent to the effect that the statements contained in the certificate referred to in Section 8(e)(i) of this Agreement which were last furnished to the Sales Agent are true and correct as of such delivery date, as though made at and as of such date (except that such statements shall be deemed to relate to the Registration Statement and the Prospectus as amended and supplemented to such date) or, in lieu of such certificate, a certificate of the same tenor as the certificate referred to in said Section 8(e)(i), modified as necessary to relate to the Registration Statement and the Prospectus as amended and supplemented to the time of delivery of such certificate. The requirement to provide a certificate under this Section 5(q) shall be waived for any Representation Date occurring at a time at which no Placement Notice is pending, which waiver shall continue until the earlier to occur of the date the Company delivers a Placement Notice hereunder or under any Alternative Agreement (which for such calendar quarter shall be considered a Representation Date) and the next occurring Representation Date. Notwithstanding the foregoing, if the

Company subsequently decides to sell Shares through the Sales Agent or any Alternative Agent following a Representation Date when the Company relied on such waiver and did not provide the Agents with a certificate under this Section 5(q), then before the Company delivers the Placement Notice or the Sales Agent or any Alternative Agent sells any Shares, the Company shall provide the Sales Agent with such certificate, dated the date of the Placement Notice.

(r) On or prior to four trading days after each Representation Date with respect to which the Company is obligated to deliver a certificate under Section 8(e) for which no waiver is applicable, the Company shall furnish or cause to be furnished forthwith to the Sales Agent written opinions of (i) Davis Polk & Wardwell LLP, special counsel for the Company (including negative assurance), (ii) Hunton Andrews Kurth LLP, tax counsel for the Company, (iii) Venable LLP, Maryland counsel for the Company and (iv) Anthony C. Green, Chief Corporate Officer, Chief Legal Officer and Secretary for the Company or other counsels satisfactory to the Sales Agent, dated and delivered as of such delivery date, in form and substance satisfactory to the Sales Agent, of the same tenor as the opinions referred to in Section 8(c) of this Agreement, but modified as necessary to relate to the Registration Statement and the Prospectus as amended and supplemented to the time of delivery of such opinions.

(s) On or prior to four trading days after each Representation Date with respect to which the Company is obligated to deliver a certificate under Section 8(e) for which no waiver is applicable, the Company shall furnish or cause to be furnished to the Sales Agent forthwith a certificate of the Secretary of the Company, dated and delivered as of such delivery date, in form and substance satisfactory to the Sales Agent.

(t) On or prior to four trading days after each Representation Date with respect to which the Company is obligated to deliver a certificate under Section 8(e) for which no waiver is applicable, Cravath, Swaine & Moore LLP, counsel to the Sales Agent, shall deliver a written opinion, dated and delivered as of such delivery date, in form and substance satisfactory to the Sales Agent.

(u) On or prior to four trading days after each Representation Date with respect to which the Company is obligated to deliver a certificate under Section 8(e) for which no waiver is applicable, the Company shall cause the Accountants or other independent accountants satisfactory to the Sales Agent, forthwith to furnish to the Sales Agent a letter, dated as of such delivery date, in form and substance satisfactory to the Sales Agent, of the same tenor as the letter referred to in Section 8(d) of this Agreement but modified to relate to the Registration Statement and the Prospectus, as amended and supplemented to the date of such letter. Notwithstanding anything else contained herein to the contrary, other than as set forth in this Section 5(u) and Section 8(d) of this Agreement the Company shall be under no additional obligations to cause the Accountants to provide a letter to the Sales Agent, provided however, so long as this Agreement remains in effect, to the extent the Sales Agent reasonably believes it needs such a letter at some time other than as required under this Section 5(u) and Section 8(d), the Sales Agent may suspend the offering of the Shares in accordance with Section 4(a)(ii) of this Agreement, if such letter is not delivered.

(v) At each Representation Date with respect to which the Company is obligated to deliver a certificate under Section 8(e) for which no waiver is applicable, to conduct a due diligence session, in form and substance, satisfactory to the Sales Agent, which shall include representatives of the management and the accountants of the Company.

(w) That the Company consents to the Sales Agent trading in the Common Stock for the Sales Agent's own account and for the account of its clients at the same time as sales of the Shares occur pursuant to this Agreement.

(x) If to the knowledge of the Company, any condition set forth in Section 8(a) or Section 8(h) of this Agreement shall not have been satisfied on the applicable Settlement Date, to offer to any person who has agreed to purchase the Shares from the Company as the result of an offer to purchase solicited by the Sales Agent the right to refuse to purchase and pay for such Shares.

(y) To disclose in its quarterly reports on Form 10-Q and in its annual report on Form 10-K the number of the Shares sold through or to the Sales Agent under this Agreement, the Net Proceeds to the Company and the compensation paid by the Company with respect to sales of the Shares pursuant to this Agreement during the relevant quarter.

(z) To ensure that prior to instructing the Sales Agent to sell Shares the Company shall have obtained all necessary corporate authority for the offer and sale of such Shares.

(aa) That each acceptance by the Company of an offer to purchase the Shares hereunder shall be deemed to be an affirmation to the Sales Agent that the representations and warranties of the Company contained in or made pursuant to this Agreement are true and correct as of the date of such acceptance as though made at and as of such date, and an undertaking that such representations and warranties will be true and correct as of the Settlement Date for the Shares relating to such acceptance, as though made at and as of such date (except that such representations and warranties shall be deemed to relate to the Registration Statement and the Prospectus as amended and supplemented relating to such Shares).

(ab) The Company has been organized and operated in conformity with the requirements for qualification and taxation of the Company as a REIT under the Code, and the Company's proposed methods of operation will enable the Company to continue to meet the requirements for qualification and taxation as a REIT under the Code.

(ac) The Company has retained the Accountants as its qualified accountants and qualified tax experts (i) to test procedures and conduct annual compliance reviews designed to determine compliance with the REIT provisions of the Code and the Company's exempt status under the Investment Company Act and (ii) to otherwise assist the Company in monitoring appropriate accounting systems and procedures designed to determine compliance with the REIT provisions of the Code and the Company's exempt status under the Investment Company Act.

SECTION 6. Reserved.

SECTION 7. Payment of Expenses. The Company agrees with the Sales Agent that whether or not the transactions contemplated hereunder are consummated or this Agreement is terminated, to pay all of its expenses incident to the performance of its obligations hereunder, including, but not limited to, such costs, expenses, fees and taxes in connection with (i) the preparation and filing of the Registration Statement, the Basic Prospectus, the Prospectus Supplement, the Prospectus, each Permitted Free Writing Prospectus and any amendments or supplements thereto, and the printing and furnishing of copies of each thereof to the Sales Agent (including costs of mailing and shipment), (ii) the registration, issue, sale and delivery of the Shares including any stock or transfer taxes and stamp or similar duties payable upon the sale, issuance or delivery of the Shares, (iii) the producing, word processing and/or printing of this Agreement, any Powers of Attorney and any closing documents (including compilations thereof) and the reproduction and/or printing and furnishing of copies of each thereof to the Sales Agent (including costs of mailing and shipment), (iv) the qualification of the Shares for offering and sale under state laws and the determination of their eligibility for investment under state law as aforesaid (including the reasonable legal fees and filing fees and other disbursements of counsel for the Sales Agent) and the printing and furnishing of copies of any blue sky surveys to the

Sales Agent, (v) the listing of the Shares on any securities exchange or qualification of the Shares for quotation on the NYSE and any registration thereof under the Exchange Act and (vi) any filing for review of the public offering of the Shares by FINRA, including the reasonable legal fees and disbursements of counsel for the Sales Agent relating to FINRA matters. The Sales Agent will pay all of its other out-of-pocket costs and expenses incurred in connection with entering into this Agreement and the transactions contemplated by this Agreement, including, without limitation, travel, reproduction, printing and similar expenses.

SECTION 8. Conditions of Sales Agent's Obligations. The obligations of the Sales Agent hereunder are subject to (i) the accuracy of the representations and warranties on the part of the Company on the date hereof, any applicable date referred to in Section 5(q) of this Agreement and as of each Settlement Date, (ii) the performance by the Company of its obligations hereunder and (iii) to the following additional conditions precedent.

(a) (i) No stop order with respect to the effectiveness of the Registration Statement shall have been issued under the Act or proceedings initiated under Section 8(d) or 8(e) of the Act, and no order directed at or in relation to any document incorporated by reference therein and no order preventing or suspending the use of the Prospectus has been issued by the Commission, the Commission shall not have notified the Company of any objection to the use of the form of the Registration Statement or any post-effective amendment thereto, and no suspension of the qualification of the Shares for offering or sale in any jurisdiction, or to the knowledge of the Company or the Sales Agent of the initiation or threatening of any proceedings for any of such purposes, has occurred; (ii) the Registration Statement and all amendments thereto, or modifications thereof, if any, shall not contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading; (iii) none of the Basic Prospectus or the Prospectus, and no amendment or supplement thereto, or modification thereof, if any, shall include an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary in order to make the statements therein, in the light of the circumstances under which they are made, not misleading; (iv) no Prospectus, together with any combination of one or more of the Permitted Free Writing Prospectuses, if any, and no amendment or supplement thereto, shall include an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they are made, not misleading; and (v) none of the Permitted Free Writing Prospectuses, if any, shall include an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they are made, not misleading.

(b) Subsequent to the respective dates as of which information is given in the Registration Statement, the Basic Prospectus, the Prospectus and the Permitted Free Writing Prospectuses, if any, (i) no material and unfavorable change, financial or otherwise (other than as referred to in the Registration Statement and the Prospectus), in the business, condition, net worth or prospects of the Company and its subsidiaries, taken as a whole, in the judgment of the Sales Agent, shall occur or become known and (ii) no transaction which is material and unfavorable to the Company or any of its subsidiaries, taken as a whole (other than as referred to in the Registration Statement and Prospectus), in the judgment of the Sales Agent, shall have been entered into by the Company or any of its subsidiaries.

(c) The Company shall furnish to the Sales Agent, at every date specified in Section 5(r) of this Agreement for which no waiver is applicable, the opinions of Davis Polk & Wardwell LLP, Hunton Andrew Kurth LLP, Venable LLP and the Chief Legal Officer of the Company addressed to the Sales Agent, and dated as of such date, and in form satisfactory to the Sales Agent, in the form set forth in Exhibits A-1, A-2, A-3 and A-4 hereto.

(d) At the dates specified in Section 5(u) of this Agreement, the Sales Agent shall have received from the Accountants letters dated the date of delivery thereof and addressed to the Sales Agent in form and substance satisfactory to the Sales Agent.

(e) (i) The Company shall deliver to the Sales Agent, on or prior to four trading days after each Representation Date specified in Section 5(q) of this Agreement, a certificate of two of its executive officers to the effect that (i) the representations and warranties of the Company as set forth in this Agreement are true and correct as of such delivery date, (ii) the Company has performed such of its obligations under this Agreement as are to be performed at or before each such delivery date and (iii) the conditions set forth in paragraphs (a) and (b) of this Section 8 have been met. The certificate shall also state that the Shares have been duly and validly authorized by the Company, that all corporate action required to be taken for the issuance and sale of the Shares has been validly and sufficiently taken, and that the Company's Board of Directors or any other body with authority has not revoked, rescinded or otherwise modified or withdrawn such authorization or corporate action.

(f) The Sales Agent shall have received, at every date specified in Section 5(t) of this Agreement, the favorable opinion of Cravath, Swaine & Moore LLP, counsel to the Sales Agent, dated as of such date, and in form and substance satisfactory to the Sales Agent.

(g) The Sales Agent shall have received, at every date specified in Section 5(s) of this Agreement, a certificate of the Secretary of the Company, dated as of such date, and in form and substance satisfactory to the Sales Agent.

(h) All filings with the Commission required by Rule 424 under the Act to have been filed by the Settlement Date shall have been made within the applicable time period prescribed for such filing by Rule 424.

(i) The Shares shall have been approved for listing on the NYSE, subject only to notice of issuance at or prior to the Settlement Date.

For purposes of clarity and without limitation to any other provision of this Section 8 or elsewhere in this Agreement, the Company and the Sales Agent agree that the Sales Agent's obligations, if any, to solicit purchases of Shares on an agency basis or otherwise take any action pursuant to a Placement Notice shall, unless otherwise agreed in writing by the Sales Agent, be suspended during the period from and including a Representation Date for which certificates are required to be delivered pursuant to Section 5(q) through and including the time the Sales Agent shall have received the documents described in Sections 8(c) through 8(g), inclusive.

SECTION 9. Indemnification and Contribution.

(a) The Company agrees to indemnify, defend and hold harmless the Sales Agent and its affiliates, its and their directors, officers, employees and agents and any person who controls the Sales Agent within the meaning of Section 15 of the Act or Section 20 of the Exchange Act, and the successors and assigns of all of the foregoing persons, from and against any loss, damage, expense, liability or claim (including the reasonable cost of investigation) which the Sales Agent or any such person may incur under the Act, the Exchange Act, the common law or otherwise, insofar as such loss, damage, expense, liability or claim arises out of or is based upon (i) any untrue statement or alleged untrue statement of a material fact contained in the Registration Statement (or in the Registration Statement as amended by any post-effective amendment thereof by the Company) or arises out of or is based upon any omission or alleged omission to state a material fact required to be stated therein or necessary to make the statements

therein not misleading, except insofar as any such loss, damage, expense, liability or claim arises out of or is based upon any untrue statement or alleged untrue statement of a material fact contained in, and in conformity with information furnished in writing by or on behalf of the Sales Agent to the Company expressly for use in, the Registration Statement or arises out of or is based upon any omission or alleged omission to state a material fact in the Registration Statement in connection with such information, which material fact was not contained in such information and which material fact was required to be stated in such Registration Statement or was necessary to make such information not misleading or (ii) any untrue statement or alleged untrue statement of a material fact included in any Prospectus (the term Prospectus for the purpose of this Section 9 being deemed to include the Basic Prospectus, the Prospectus Supplement, the Prospectus and any amendments or supplements to the foregoing), in any Permitted Free Writing Prospectus, in any "issuer information" (as defined in Rule 433 under the Act) of the Company or in any Prospectus together with any combination of one or more of the Permitted Free Writing Prospectuses, if any, or arises out of or is based upon any omission or alleged omission to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading, except, with respect to such Prospectus or Permitted Free Writing Prospectus, insofar as any such loss, damage, expense, liability or claim arises out of or is based upon any untrue statement or alleged untrue statement of a material fact contained in, and in conformity with information furnished in writing by or on behalf of the Sales Agent to the Company expressly for use in, such Prospectus or Permitted Free Writing Prospectus or arises out of or is based upon any omission or alleged omission to state a material fact in such Prospectus or Permitted Free Writing Prospectus in connection with such information, which material fact was not contained in such information and which material fact was necessary in order to make the statements in such information, in the light of the circumstances under which they were made, not misleading.

If any action, suit or proceeding (together, a "Proceeding") is brought against the Sales Agent or any such person in respect of which indemnity may be sought against the Company pursuant to the foregoing paragraph, the Sales Agent or such person shall promptly notify the indemnifying party in writing of the institution of such Proceeding and the Company shall assume the defense of such Proceeding, including the employment of counsel reasonably satisfactory to such indemnified party and payment of all fees and expenses; provided, however, that the omission to so notify the Company shall not relieve the Company from any liability which the Company may have to the Sales Agent or any such person or otherwise except to the extent the Company was materially prejudiced by such omission. The Sales Agent or such person shall have the right to employ its or their own counsel in any such case, but the fees and expenses of such counsel shall be at the expense of the Sales Agent or of such person unless the employment of such counsel shall have been authorized in writing by the Company in connection with the defense of such Proceeding or the Company shall not have, within a reasonable period of time in light of the circumstances, employed counsel to have charge of the defense of such Proceeding or such indemnified party or parties shall have reasonably concluded that there may be defenses available to it or them which are different from, additional to or in conflict with those available to the Company (in which case the Company shall not have the right to direct the defense of such Proceeding on behalf of the indemnified party or parties), in any of which events such fees and expenses shall be borne by the Company, and paid as incurred (it being understood, however, that the Company shall not be liable for the expenses of more than one separate counsel (in addition to any local counsel) in any one Proceeding or series of related Proceedings in the same jurisdiction representing the indemnified parties who are parties to such Proceeding). The Company shall not be liable for any settlement of any Proceeding effected

without its written consent but if settled with the written consent of the Company, the Company agrees to indemnify and hold harmless the Sales Agent and any such person from and against any loss or liability by reason of such settlement. Notwithstanding the foregoing sentence, if at any time an indemnified party shall have requested the Company to reimburse the indemnified party for fees and expenses of counsel as contemplated by the second sentence of this paragraph, then the Company agrees that it shall be liable for any settlement of any Proceeding effected without its written consent if (i) such settlement is entered into more than 60 business days after receipt by the Company of the aforesaid request, (ii) the Company shall not have reimbursed the indemnified party in accordance with such request prior to the date of such settlement and (iii) such indemnified party shall have given the indemnifying party at least 30 days' prior notice of its intention to settle. The Company shall not, without the prior written consent of the indemnified party, effect any settlement of any pending or threatened Proceeding in respect of which any indemnified party is or may be a party and indemnity could have been sought hereunder by such indemnified party, unless such settlement includes an unconditional release of such indemnified party from all liability on claims that are the subject matter of such Proceeding and does not include an admission of fault or culpability or a failure to act, by or on behalf of such indemnified party.

(b) The Sales Agent agrees to indemnify, defend and hold harmless the Company, and each of its directors and each of the Company's officers, who signed the Registration Statement, and each person, if any, who controls the Company within the meaning of Section 15 of the Act or Section 20 of the Exchange Act, and the successors and assigns of all of the foregoing persons, from and against any loss, damage, expense, liability or claim (including the reasonable cost of investigation) which, jointly or severally, the Company or any such person may incur under the Act, the Exchange Act, the common law or otherwise, insofar as such loss, damage, expense, liability or claim arises out of or is based upon (i) any untrue statement or alleged untrue statement of a material fact contained in and, in conformity with information furnished in writing by or on behalf of the Sales Agent to the Company expressly for use with reference to the Sales Agent in the Registration Statement (or in the Registration Statement as amended by any post-effective amendment thereof by the Company), or arises out of or is based upon any omission or alleged omission to state a material fact in such Registration Statement in connection with such information, which material fact was not contained in such information and which material fact was required to be stated in such Registration Statement or was necessary to make such information not misleading or (ii) any untrue statement or alleged untrue statement of a material fact contained in, and in conformity with information furnished in writing by or on behalf of the Sales Agent to the Company expressly for use in, the Prospectus Supplement or a Permitted Free Writing Prospectus, or arises out of or is based upon any omission or alleged omission to state a material fact in the Prospectus Supplement or a Permitted Free Writing Prospectus in connection with such information, which material fact was not contained in such information and which material fact was necessary in order to make the statements in such information, in the light of the circumstances under which they were made, not misleading.

If any Proceeding is brought against the Company or any such person in respect of which indemnity may be sought against the Sales Agent pursuant to the foregoing paragraph, the Company or such person shall promptly notify the Sales Agent in writing of the institution of such Proceeding and the Sales Agent shall assume the defense of such Proceeding, including the employment of counsel reasonably satisfactory to such indemnified party and payment of all fees and expenses; *provided*, *however*, that the omission to so notify the Sales Agent shall not relieve the Sales Agent from any liability which the Sales Agent may have to the Company or

any such person or otherwise. The Company or such person shall have the right to employ its own counsel in any such case, but the fees and expenses of such counsel shall be at the expense of the Company such person unless the employment of such counsel shall have been authorized in writing by the Sales Agent in connection with the defense of such Proceeding or the Sales Agent shall not have, within a reasonable period of time in light of the circumstances, employed counsel to have charge of the defense of such Proceeding or such indemnified party or parties shall have reasonably concluded that there may be defenses available to it or them which are different from or additional to or in conflict with those available to the Sales Agent (in which case the Sales Agent shall not have the right to direct the defense of such Proceeding on behalf of the indemnified party or parties, but the Sales Agent may employ counsel and participate in the defense thereof but the fees and expenses of such counsel shall be at the expense of the Sales Agent), in any of which events such fees and expenses shall be borne by the Sales Agent and paid as incurred (it being understood, however, that the Sales Agent shall not be liable for the expenses of more than one separate counsel (in addition to any local counsel) in any one Proceeding or series of related Proceedings in the same jurisdiction representing the indemnified parties who are parties to such Proceeding). The Sales Agent shall not be liable for any settlement of any such Proceeding effected without the written consent of the Sales Agent but if settled with the written consent of the Sales Agent, the Sales Agent agrees to indemnify and hold harmless the Company and any such person from and against any loss or liability by reason of such settlement. Notwithstanding the foregoing sentence, if at any time an indemnified party shall have requested the Sales Agent to reimburse the indemnified party for fees and expenses of counsel as contemplated by the second sentence of this paragraph, then the Sales Agent agrees that it shall be liable for any settlement of any Proceeding effected without its written consent if (i) such settlement is entered into more than 60 business days after receipt by the Sales Agent of the aforesaid request, (ii) the Sales Agent shall not have reimbursed the indemnified party in accordance with such request prior to the date of such settlement and (iii) such indemnified party shall have given the Sales Agent at least 30 days' prior notice of its intention to settle. The Sales Agent shall not, without the prior written consent of the indemnified party, effect any settlement of any pending or threatened Proceeding in respect of which any indemnified party is a party and indemnity could have been sought hereunder by such indemnified party, unless such settlement includes an unconditional release of such indemnified party from all liability on claims that are the subject matter of such Proceeding.

(c) If the indemnification provided for in this Section 9 is unavailable to an indemnified party under subsections (a) and (b) of this Section 9 or insufficient to hold an indemnified party harmless in respect of any losses, damages, expenses, liabilities or claims referred to therein, then each applicable indemnifying party shall contribute to the amount paid or payable by such indemnified party as a result of such losses, damages, expenses, liabilities or claims (i) in such proportion as is appropriate to reflect the relative benefits received by the Company, on the one hand, and the Sales Agent, on the other hand, from the offering of the Shares or (ii) if the allocation provided by clause (i) above is not permitted by applicable law, in such proportion as is appropriate to reflect not only the relative benefits referred to in clause (i) above but also the relative fault of the Company, on the one hand, and of the Sales Agent, on the other, in connection with the statements or omissions which resulted in such losses, damages, expenses, liabilities or claims, as well as any other relevant equitable considerations. The relative benefits received by the Company, on the one hand, and the Sales Agent, on the other, shall be deemed to be in the same respective proportions as the total proceeds from the offering

(net of underwriting discounts and commissions but before deducting expenses) received by the Company, and the total underwriting discounts and commissions received by the Sales Agent, bear to the aggregate public offering price of the Shares. The relative fault of the Company, on the one hand, and of the Sales Agent, on the other, shall be determined by reference to, among other things, whether the untrue statement or alleged untrue statement of a material fact or omission or alleged omission relates to information supplied by the Company or by the Sales Agent and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission. The amount paid or payable by a party as a result of the losses, damages, expenses, liabilities and claims referred to in this subsection shall be deemed to include any legal or other fees or expenses reasonably incurred by such party in connection with investigating, preparing to defend or defending any Proceeding.

(d) The Company and the Sales Agent agree that it would not be just and equitable if contributions pursuant to this Section 9 were determined by pro rata allocation or by any other method of allocation which does not take account of the equitable considerations referred to in subsection (c) above. Notwithstanding the provisions of this Section 9, the Sales Agent shall not be required to contribute any amount in excess of commissions received by it under this Agreement. No person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation.

(e) The Company and the Sales Agent agree promptly to notify each other of the commencement of any Proceeding against it and, in the case of the Company, against any of the Company's officers or directors in connection with the issuance and sale of the Shares, or in connection with the Registration Statement, the Basic Prospectus, the Prospectus or any Permitted Free Writing Prospectus.

SECTION 10. Representations and Agreements to Survive Delivery. The indemnity and contribution agreements contained in Section 9 and the covenants, warranties and representations of the Company contained in this Agreement or in certificates delivered pursuant hereto shall remain in full force and effect regardless of any investigation made by or on behalf of the Sales Agent, its partners, directors or officers or any person (including each partner, officer or director of such person) who controls the Sales Agent within the meaning of Section 15 of the Act or Section 20 of the Exchange Act, or by or on behalf of the Company, its directors or officers or any person who controls the Company within the meaning of Section 15 of the Act or Section 20 of the Exchange Act, and shall survive any termination of this Agreement or the issuance and delivery of the Shares.

SECTION 11. Termination.

(a) The Company shall have the right, by giving written notice as hereinafter specified, to terminate the provisions of this Agreement relating to the solicitation of offers to purchase the Shares in its sole discretion at any time. Any such termination shall be without liability of any party to any other party except that (i) if any of the Shares have been sold through the Sales Agent for the Company, then Section 5(j) and Section 5(w) shall remain in full force and effect, (ii) with respect to any pending sale, through the Sales Agent for the Company, the obligations of the Company, including in respect of compensation of the Sales Agent, shall remain in full force and effect notwithstanding the termination and (iii) the provisions of Sections 7, 9, 10, 12, 13, 14, 18 and 20 of this Agreement shall remain in full force and effect notwithstanding such termination.

(b) The Sales Agent shall have the right, by giving written notice as hereinafter specified, to terminate the provisions of this Agreement relating to the solicitation of offers to

purchase the Shares in its sole discretion at any time. Any such termination shall be without liability of any party to any other party except that (i) if any of the Shares have been sold through the Sales Agent for the Company, then Section 5(j) and Section 5(w) shall remain in full force and effect and (ii) the provisions of Sections 7, 9, 10, 12, 13, 14, 18 and 20 of this Agreement shall remain in full force and effect notwithstanding such termination.

(c) This Agreement shall remain in full force and effect unless terminated pursuant to Sections 11(a) or 11(b) above or otherwise by mutual agreement of the parties; and shall automatically terminate on May 8, 2030; *provided* that any such termination by mutual agreement shall in all cases be deemed to provide that Sections 7, 9 and 10 shall remain in full force and effect.

(d) Any termination of this Agreement shall be effective on the date specified in such notice of termination; *provided* that such termination shall not be effective until the close of business on the date of receipt of such notice by the Sales Agent or the Company, as the case may be. If such termination shall occur prior to the Settlement Date for any sale of the Shares, such sale shall settle in accordance with the provisions of Section 4(a)(vi) of this Agreement.

SECTION 12. Notices. Except as otherwise herein provided, all statements, requests, notices and agreements under this Agreement shall be in writing and delivered by hand, overnight courier, mail or facsimile and, if to the Sales Agent, shall be sufficient in all respects if delivered or sent to Keefe, Bruyette & Woods, Inc., 787 Seventh Avenue, 5th Floor, New York, New York 10019, Attention: General Counsel, Email: NewYork7thAve-KBW-Legal@stifel.com, and a copy for information purposes to Andrew J. Pitts, Esq. and Ryan J. Patrone, Esq. at Cravath, Swaine & Moore LLP, Two Manhattan West, 375 Ninth Avenue, New York, New York 10001 and, if to the Company, it shall be sufficient in all respects if delivered or sent to the Company at the offices of the Company at 1211 Avenue of the Americas, New York, New York 10036, Attention: David L. Finkelstein with a copy for information purposes to Davis Polk & Wardwell LLP at 450 Lexington Avenue New York, New York 10017, Attention: Shane Tintle, facsimile number: (212) 450-4000, Email: shane.tintle@davispolk.com. Each party to this Agreement may change such address for notices by sending to the parties to this Agreement written notice of a new address for such purpose.

SECTION 13. Parties at Interest. The Agreement herein set forth has been and is made solely for the benefit of the Sales Agent, the Company and, to the extent provided in Section 9 of this Agreement, the controlling persons, directors and officers referred to in such section, and their respective successors, assigns, heirs, personal representatives and executors and administrators. No other person, partnership, association or corporation (including a purchaser, as such purchaser, from the Sales Agent) shall acquire or have any right under or by virtue of this Agreement.

SECTION 14. No Fiduciary Relationship. The Company hereby acknowledges that the Sales Agent is acting solely as sales agent and/or principal in connection with the purchase and sale of the Company's securities. The Company further acknowledges that the Sales Agent is acting pursuant to a contractual relationship created solely by this Agreement entered into on an arm's length basis, and in no event do the parties intend that the Sales Agent act or be responsible as a fiduciary to the Company or its management, stockholders or creditors or any other person in connection with any activity that the Sales Agent may undertake or have undertaken in furtherance of the purchase and sale of the Company's securities, either before or after the date hereof. The Sales Agent hereby expressly disclaims any fiduciary or similar obligations to the Company, either in connection with the transactions contemplated by this Agreement or any matters leading up to such transactions, and the Company hereby confirms its understanding and agreement to that effect. The Company and the Sales Agent agree that they

are each responsible for making their own independent judgments with respect to any such transactions and that any opinions or views expressed by the Sales Agent to the Company regarding such transactions, including, but not limited to, any opinions or views with respect to the price or market for the Company's securities, do not constitute advice or recommendations to the Company, nor shall the expression of such opinions or views constitute any solicitation of any action by the Sales Agent. The Company hereby (a) waives and releases, to the fullest extent permitted by law, any claims that the Company may have against the Sales Agent with respect to any breach or alleged breach of any fiduciary or similar duty to the Company in connection with the transactions contemplated by this Agreement or any matters leading up to such transactions and (b) agrees that none of the activities of the Sales Agent in connection with the transactions contemplated herein constitutes a recommendation, investment advice or solicitation of any action by the Sales Agent with respect to any entity or natural person. The Company has consulted its own legal, accounting, financial, regulatory and tax advisors to the extent deemed appropriate.

SECTION 15. Press Releases and Disclosure. The Company may issue a press release in compliance with Rule 134 under the Act describing the material terms of the transactions contemplated hereby as soon as practicable following the date hereof, and may file with the Commission a Current Report on Form 8-K describing the material terms of the transaction contemplated hereby, and the Company shall consult with the Sales Agent prior to making such disclosures, and the parties shall use all reasonable efforts, acting in good faith, to agree upon a text for such disclosures that is reasonably satisfactory to all parties. No party hereto shall issue thereafter any press release or like public statement (including, without limitation, any disclosure required in reports filed with the Commission pursuant to the Exchange Act) related to this Agreement or any of the transactions contemplated hereby without the prior written approval of the other parties hereto, except as may be necessary or appropriate in the opinion of the party seeking to make disclosure to comply with the requirements of applicable law or stock exchange rules. If any such press release or like public statement is so required, the party making such disclosure shall consult with the other party prior to making such disclosure, and the parties shall use all reasonable efforts, acting in good faith, to agree upon a text for such disclosure that is reasonably satisfactory to all parties.

SECTION 16. Adjustments for Stock Splits. The parties acknowledge and agree that all share related numbers contained in this Agreement shall be adjusted to take into account any stock split effected with respect to the Shares.

SECTION 17. Entire Agreement. This Agreement constitutes the entire agreement and supersedes all other prior and contemporaneous agreements and undertakings, both written and oral, among the parties hereto with regard to the subject matter hereof. The Company and the Sales Agent hereby confirm and agree that the Distribution Agency Agreement, dated September 20, 2024 (as amended, supplemented or otherwise modified from time to time, the "Prior Sales Agreement"), between the Company and the Sales Agent is hereby deemed to be terminated, effective as of May 8, 2025, pursuant to Section 11(a) thereof and, except as provided in Section 11 thereof, is of no further force and effect.

SECTION 18. Counterparts; Electronic Signatures. This Agreement may be signed by the parties in one or more counterparts which together shall constitute one and the same agreement among the parties. Delivery of this Agreement by one party to the other may be made by facsimile, electronic mail (including any electronic signature complying with the New York Electronic Signatures and Records Act (N.Y. State Tech. §§ 301-309), as amended from time to time, or other applicable law) or other transmission method, and the parties hereto agree that any counterpart so delivered shall be deemed to have been duly and validly delivered and be valid and effective for all purposes.

SECTION 19. Law; Construction. This Agreement and any claim, counterclaim or dispute of any kind or nature whatsoever arising out of or in any way relating to this Agreement ("Claim"), directly or indirectly, shall be governed by, and construed in accordance with, the internal laws of the State of New York.

SECTION 20. Headings. The Section headings in this Agreement have been inserted as a matter of convenience of reference and are not a part of this Agreement.

SECTION 21. Submission to Jurisdiction. Except as set forth below, no Claim may be commenced, prosecuted or continued in any court other than the courts of the State of New York located in the City and County of New York or in the United States District Court for the Southern District of New York, which courts shall have jurisdiction over the adjudication of such matters, and the Company consents to the non-exclusive jurisdiction of such courts and personal service with respect thereto. The Company hereby consents to personal jurisdiction, service and venue in any court in which any Claim arising out of or in any way relating to this Agreement is brought by any third party against the Sales Agent or any indemnified party. Each of the Sales Agent and the Company (on its behalf and, to the extent permitted by applicable law, on behalf of its stockholders and affiliates) waives all right to trial by jury in any action, proceeding or counterclaim (whether based upon contract, tort or otherwise) in any way arising out of or relating to this Agreement. The Company agrees that a final judgment in any such action, proceeding or counterclaim brought in any such court shall be conclusive and binding upon the Company and may be enforced in any other courts in the jurisdiction of which the Company is or may be subject, by suit upon such judgment.

SECTION 22. Successors and Assigns. This Agreement shall be binding upon the Sales Agent, the Company and their successors and assigns and any successor or assign of any substantial portion of the Company's and the Sales Agent's respective businesses and/or assets.

SECTION 23. Recognition of the U.S. Special Resolution Regimes. In the event that the Sales Agent that is a Covered Entity becomes subject to a proceeding under a U.S. Special Resolution Regime, the transfer from the Sales Agent of this Agreement, and any interest and obligation in or under this Agreement, will be effective to the same extent as the transfer would be effective under the U.S. Special Resolution Regime if this Agreement, and any such interest and obligation, were governed by the laws of the United States or a state of the United States.

In the event that the Sales Agent that is a Covered Entity or a BHC Act Affiliate of such Sales Agent becomes subject to a proceeding under a U.S. Special Resolution Regime, Default Rights under this Agreement that may be exercised against such Sales Agent are permitted to be exercised to no greater extent than such Default Rights could be exercised under the U.S. Special Resolution Regime if this Agreement were governed by the laws of the United States or a state of the United States.

For purposes of this Section 23, a "BHC Act Affiliate" has the meaning assigned to the term "affiliate" in, and shall be interpreted in accordance with, 12 U.S.C. § 1841(k). "Covered Entity" means any of the following: (i) a "covered entity" as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 252.82(b); (ii) a "covered bank" as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 47.3(b); or (iii) a "covered FSI" as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 382.2(b). "Default Right" has the meaning assigned to that term in, and shall be interpreted in accordance with, 12 C.F.R. §§ 252.81, 47.2 or 382.1, as applicable. "U.S. Special Resolution Regime" means each of (i) the

Federal Deposit Insurance Act and the regulations promulgated thereunder and (ii) Title II of the Dodd-Frank Wall Street Reform and Consumer Protection Act and the regulations promulgated thereunder.

If the foregoing correctly sets forth the understanding among the Company and the Sales Agent, please so indicate in the space provided below for that purpose, whereupon this Agreement and your acceptance shall constitute a binding agreement among the Company and the Sales Agent. Alternatively, the execution of this Agreement by the Company and its acceptance by or on behalf of the Sales Agent may be evidenced by an exchange of telegraphic or other written communications.

Very truly yours,

ANNALY CAPITAL MANAGEMENT, INC.

By: /s/ David L. Finkelstein
Name: David L. Finkelstein
Title: Chief Executive Officer and
Co-Chief Investment Officer

[***Signature Page to Distribution Agency Agreement***]

ACCEPTED as of the date
first above written

KEEFE, BRUYETTE & WOODS, INC.

By: /s/ Edward B. Conway
Name: Edward B, Conway
Title: Managing Director

Schedule A
Permitted Free Writing Prospectuses

None.

Schedule B

Authorized Company Representatives

David Finkelstein, Chief Executive Officer and Co-Chief Investment Officer
Telephone: (212) 205-7256
Fax: (212) 696-0100
Email: dfinkelstein@annaly.com

Steve Campbell, President and Chief Operating Officer
Telephone: (212) 413-1885
Fax: (212) 696-0100
Email: scampbell@annaly.com

Serena Wolfe, Chief Financial Officer
Telephone: (212) 626-2308
Fax: (212) 696-0100
Email: swolfe@annaly.com

Anthony Green, Chief Corporate Officer, Chief Legal Officer and Secretary
Telephone: (646) 728-7668
Fax: (212) 696-0100
Email: agreen@annaly.com

Exhibit A-1

Opinion of Davis Polk & Wardwell LLP

See attached.

Exhibit A-2

Opinion of Hunton Andrew Kurth LLP

See attached.

Exhibit A-3

Opinion of Venable LLP

See attached.

Exhibit A-4

Opinion of the Company's Chief Legal Officer

See attached.

ANNALY CAPITAL MANAGEMENT, INC.

Shares of Common Stock
(par value $0.01 per share)

DISTRIBUTION AGENCY AGREEMENT

May 8, 2025

Morgan Stanley & Co. LLC
1585 Broadway
New York, New York 10036

Ladies and Gentlemen:

Annaly Capital Management, Inc., a Maryland corporation (the "Company"), agrees with Morgan Stanley & Co. LLC (the "Sales Agent"), to issue and sell from time to time through the Sales Agent, as sales agent and/or principal, shares of its common stock, par value $0.01 per share (the "Common Stock"), on the terms set forth in this agreement (this "Agreement").

The Company is concurrently entering into separate distribution agency agreements (the "Alternative Agreements"), each dated of even date herewith, with Barclays Capital Inc., BNP Paribas Securities Corp., BofA Securities, Inc., BTIG, LLC, Citizens JMP Securities, LLC, Goldman Sachs & Co. LLC, J.P. Morgan Securities LLC, Keefe, Bruyette & Woods, Inc., Piper Sandler & Co., RBC Capital Markets, LLC, UBS Securities LLC and Wells Fargo Securities, LLC (each, an "Alternative Agent," and together with the Sales Agent, the "Agents"), to issue and sell from time to time through each Alternative Agent, as sales agent and/or principal, shares of the Company's Common Stock (the "Shares") on the terms set forth in the Alternative Agreements. This Agreement and the Alternative Agreements are collectively referred to herein as the "Distribution Agreements."

SECTION 1. Description of Securities. The Company proposes to issue and sell through or to the Sales Agent, as sales agent and/or principal, the Shares on the terms set forth in Section 4 of this Agreement. The Company agrees that whenever it determines to sell the Shares directly to the Sales Agent as principal, it will enter into a separate agreement (each, a "Terms Agreement"), in form and substance satisfactory to the Sales Agent, relating to such sale in accordance with Section 4 of this Agreement.

SECTION 2. Representations and Warranties of the Company. The Company represents and warrants to and agrees with the Sales Agent that:

(a) An "automatic shelf registration statement" (the "registration statement") as defined in Rule 405 under the Securities Act of 1933, as amended, and the rules and regulations thereunder (collectively called the "Act"), on Form S-3 (File No. 333-282261) in respect of the Shares, including a form of prospectus, has been prepared and filed by the Company not earlier than three years prior to the date hereof, in conformity with the requirements of the Act, and the

rules and regulations of the Securities and Exchange Commission (the "Commission") thereunder (the "Rules and Regulations"). The registration statement contains certain information concerning the offering and sale of the Common Stock, including the Shares, and contains additional information concerning the Company and its business; the Commission has not issued an order preventing or suspending the use of the Basic Prospectus (as defined below), the Prospectus Supplement (as defined below), the Prospectus (as defined below) or any Permitted Free Writing Prospectus (as defined below), or the effectiveness of the Registration Statement (as defined below), and no proceeding for that purpose or pursuant to Section 8A of the Act has been instituted or, to the Company's knowledge, threatened by the Commission. Except where the context otherwise requires, "Registration Statement," as used herein, means the registration statement, as amended at the time of such registration statement's effectiveness for purposes of Section 11 of the Act, as such section applies to the Sales Agent, as well as any new registration statement, post-effective amendment or new automatic shelf registration statement as may have been filed pursuant to Section 5(f) or (g) of this Agreement, including (1) all documents filed as a part thereof or incorporated or deemed to be incorporated by reference therein, (2) any information contained or incorporated by reference in a prospectus filed with the Commission pursuant to Rule 424(b) under the Act, to the extent such information is deemed, pursuant to Rule 430B or Rule 430C under the Act, to be part of the registration statement at the time of such registration statement's effectiveness for purposes of Section 11 of the Act, as such section applies to the Sales Agent, and (3) any registration statement filed to register the offer and sale of Shares pursuant to Rule 462(b) under the Act. Except where the context otherwise requires, "Basic Prospectus," as used herein, means the prospectus filed as part of each Registration Statement, together with any amendments or supplements thereto as of the date of this Agreement. Except where the context otherwise requires, "Prospectus Supplement," as used herein, means the final prospectus supplement, relating to the Shares, filed by the Company with the Commission pursuant to Rule 424(b) under the Act on or before the second business day after the date hereof (or such earlier time as may be required under the Act), or if after such date, the most recently filed final prospectus supplement relating to the Shares, in the form furnished by the Company to the Sales Agent in connection with the offering of the Shares. Except where the context otherwise requires, "Prospectus," as used herein, means the Prospectus Supplement together with the Basic Prospectus attached to or used with the Prospectus Supplement. "Permitted Free Writing Prospectuses," as used herein, means the documents listed on Schedule A attached hereto. Any reference herein to the registration statement, the Registration Statement, the Basic Prospectus, the Prospectus Supplement, the Prospectus or any Permitted Free Writing Prospectus shall be deemed to refer to and include the documents, if any, incorporated by reference, or deemed to be incorporated by reference, therein (the "Incorporated Documents"), including, unless the context otherwise requires, the documents, if any, filed as exhibits to such Incorporated Documents. Any reference herein to the terms "amend," "amendment" or "supplement" with respect to the Registration Statement, the Basic Prospectus, the Prospectus Supplement, the Prospectus or any Permitted Free Writing Prospectus shall be deemed to refer to and include the filing of any document under the Securities Exchange Act of 1934, as amended, and the rules and regulations thereunder (collectively, the "Exchange Act") on or after the initial effective date of the Registration Statement, or the date of the Basic Prospectus, the Prospectus Supplement, the Prospectus or such Permitted Free Writing Prospectus, as the case may be, and deemed to be incorporated therein by reference.

(b) The Registration Statement complied when it became effective, complies as of the date hereof and, as amended or supplemented, at each deemed effective date with respect to the Sales Agent pursuant to Rule 430(B)(f)(2) of the Act, at each Settlement Date (as defined in Section 4(a)(vi) hereof), and at all times during which a prospectus is required by the Act to be delivered (whether physically, deemed to be delivered pursuant to Rule 153 or through compliance with Rule 172 under the Act or any similar rule) in connection with any sale of Shares, will comply, in all material respects, with the requirements of the Act, and the

Registration Statement did not and will not, at or during such times, contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading; the conditions to the use of Form S-3 in connection with the offering and sale of the Shares as contemplated hereby have been satisfied; the Registration Statement meets, and the offering and sale of the Shares as contemplated hereby complies with, the requirements of Rule 415 under the Act (including, without limitation, Rule 415(a)(5)); the Basic Prospectus complied or will comply, at the time it was or will be filed with the Commission, complies as of the date hereof (if filed with the Commission on or prior to the date hereof) and, as of the time of each sale of Shares pursuant to this Agreement (each, a "Time of Sale"), at each Settlement Date and at all times during which a prospectus is required by the Act to be delivered (whether physically, deemed to be delivered pursuant to Rule 153 or through compliance with Rule 172 under the Act or any similar rule) in connection with any sale of Shares, will comply, in all material respects, with the requirements of the Act; at no time during the period that begins on the earlier of the date of the Basic Prospectus and the date the Basic Prospectus was filed with the Commission and ends on each Settlement Date did or will the Basic Prospectus, as then amended or supplemented, include an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; the Prospectus will comply, as of the date that it is filed with the Commission, the date of the Prospectus Supplement, each Time of Sale, each Settlement Date, and at all times during which a prospectus is required by the Act to be delivered (whether physically, deemed to be delivered pursuant to Rule 153 or through compliance with Rule 172 under the Act or any similar rule) in connection with any sale of Shares, in all material respects, with the requirements of the Act (including, without limitation, Section 10(a) of the Act); at no time during the period that begins on the date of the Prospectus Supplement and ends at the later of each Settlement Date and the end of the period during which a prospectus is required by the Act to be delivered (whether physically, deemed to be delivered pursuant to Rule 153 or through compliance with Rule 172 under the Act or any similar rule) in connection with any sale of Shares did or will the Prospectus, as then amended or supplemented, either alone or together with any combination of one or more of the then issued Permitted Free Writing Prospectuses, if any, include an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; at no time during the period that begins on the date of such Permitted Free Writing Prospectus and ends at each Settlement Date did or will any Permitted Free Writing Prospectus include an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided, however, that the Company makes no representation or warranty with respect to any statement contained in the Registration Statement, the Basic Prospectus, the Prospectus or any Permitted Free Writing Prospectus in reliance upon and in conformity with information concerning the Sales Agent and furnished in writing by or on behalf of the Sales Agent expressly for use in the Registration Statement, the Basic Prospectus, the Prospectus or such Permitted Free Writing Prospectus; each Incorporated Document, at the time such document was filed with the Commission or at the time such document became effective, as applicable, complied, in all material respects, with the requirements of the Exchange Act and did not include an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(c) (i) At the time of filing of the Registration Statement, (ii) at the time of the most recent amendment thereto for the purposes of complying with Section 10(a)(3) of the Act or otherwise (whether such amendment was by post-effective amendment, incorporated report filed pursuant to Section 13 or 15(d) of the Exchange Act or form of prospectus), (iii) at the time the Company or any person acting on its behalf (within the meaning, for this clause only, of Rule 163(c) of the Act) made any offer relating to the Shares in reliance on the exemption of

Rule 163 of the Act and (iv) at the date hereof, the Company is a "well-known seasoned issuer" as defined in Rule 405 of the Act ("Rule 405"), including not having been and not being an "ineligible issuer" as defined by Rule 405. The Registration Statement is an "automatic shelf registration statement," as defined in Rule 405, and the Shares, since their registration on the Registration Statement, have been and remain eligible for registration by the Company on a Rule 405 "automatic shelf registration statement." The Company has not received from the Commission any notice pursuant to Rule 401(g)(2) of the Act objecting to the use of the automatic shelf registration statement form.

(d) Prior to the execution of this Agreement, the Company has not, directly or indirectly, offered or sold any Shares by means of any "prospectus" (within the meaning of the Act) or used any "prospectus" (within the meaning of the Act) in connection with the offer or sale of the Shares; the Company has not, directly or indirectly, prepared, used or referred to any Permitted Free Writing Prospectus except in compliance with Rule 163 or with Rules 164 and 433 under the Act; assuming that any such Permitted Free Writing Prospectus is so sent or given after the Registration Statement was filed with the Commission (and after such Permitted Free Writing Prospectus was, if required pursuant to Rule 433(d) under the Act, filed with the Commission), the sending or giving, by the Sales Agent, of any Permitted Free Writing Prospectus will satisfy the provisions of Rule 164 or Rule 433 (without reliance on subsections (b), (c) and (d) of Rule 164); the conditions set forth in one or more of subclauses (i) through (iv), inclusive, of Rule 433(b)(1) under the Act are satisfied, and the registration statement relating to the offering of the Shares contemplated hereby, as initially filed with the Commission, includes a prospectus that, other than by reason of Rule 433 or Rule 431 under the Act, satisfies the requirements of Section 10 of the Act; neither the Company nor the Sales Agent is disqualified, by reason of subsection (f) or (g) of Rule 164 under the Act, from using, in connection with the offer and sale of the Shares, "free writing prospectuses" (as defined in Rule 405 under the Act) pursuant to Rules 164 and 433 under the Act; the Company is not an "ineligible issuer" (as defined in Rule 405 under the Act) as of the eligibility determination date for purposes of Rules 164 and 433 under the Act with respect to the offering of the Shares contemplated by the Registration Statement; the parties hereto agree and understand that the content of any and all "road shows" (as defined in Rule 433 under the Act) related to the offering of the Shares contemplated hereby is solely the property of the Company.

(e) The Company has an authorized and outstanding capitalization as set forth in the consolidated balance sheet included or incorporated by reference in the Registration Statement, the Prospectus or any Permitted Free Writing Prospectus or as of the Company's then most recently completed quarter or fiscal year, contained in the Company's quarterly report on Form 10-Q or the Company's annual report on Form 10-K, as applicable, at the indicated date, and there has been no material change in such information since the Company's then most recently completed quarter or fiscal year (subject to the issuance of shares of Common Stock upon exercise of stock options and warrants disclosed as outstanding in the Registration Statement (excluding the exhibits thereto) and the Prospectus and the grant of options under existing stock option plans described in the Registration Statement (excluding the exhibits thereto), the Basic Prospectus and the Prospectus).

(f) The consolidated financial statements of the Company, together with the related schedules and notes thereto, set forth or included or incorporated by reference in the Registration Statement, the Prospectus or any Permitted Free Writing Prospectus are accurate in all material respects and fairly present the financial condition of the Company on a consolidated basis as of the dates indicated and the results of operations, changes in financial position, stockholders' equity and cash flows for the periods therein specified are in conformity with generally accepted accounting principles consistently applied throughout the periods involved (except as otherwise stated therein). The selected financial and statistical data included or incorporated by reference

in the Registration Statement and the Prospectus present fairly the information shown therein and, to the extent based upon or derived from the financial statements, have been compiled on a basis consistent with the financial statements presented therein. No other financial statements are required to be set forth or to be incorporated by reference in the Registration Statement or the Prospectus under the Act. The interactive data in eXtensible Business Reporting Language included or incorporated by reference in the Registration Statement, the Prospectus or any Permitted Free Writing Prospectus fairly present the information called for in all material respects and have been prepared in accordance with the Commission's rules and guidelines applicable thereto.

(g) The Prospectus and any Permitted Free Writing Prospectus delivered to the Sales Agent for use in connection with this offering will be, identical to the versions of the Prospectus and any Permitted Free Writing Prospectus, respectively, created to be transmitted to the Commission for filing via EDGAR, except to the extent permitted by Regulation S-T.

(h) The Company and each of its subsidiaries has been duly formed or, if a corporation, incorporated and is validly existing as a limited liability company, limited partnership or corporation in good standing under the laws of the state of its formation or incorporation, as applicable, is duly qualified to do business and is in good standing as a foreign limited liability company, limited partnership or corporation, as applicable, in each jurisdiction in which its ownership or lease of property or assets or the conduct of its business requires such qualification, except where the failure to so qualify would not have a material adverse effect on the business, assets, properties, prospects, financial condition or results of operation of the Company and its subsidiaries taken as a whole (a "Company Material Adverse Effect"), and has full limited liability company, limited partnership or corporate, as applicable, power and authority necessary to own, hold, lease and/or operate its assets and properties, to conduct the business in which it is engaged and as described in the Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any, and to enter into and perform its obligations under this Agreement and to consummate the transactions contemplated hereby, and the Company and its subsidiary Arcola Securities, Inc. ("Arcola") are each in compliance in all material respects with the laws, orders, rules, regulations and directives issued or administered by such jurisdictions.

(i) The Company has no "significant subsidiaries" (as such term is defined in Rule 1-02 of Regulation S-X promulgated under the Securities Act), and has no other subsidiaries except as (i) set forth in Exhibit 21.1 to the Company's most recently filed annual report on Form 10-K, (ii) otherwise disclosed by the Company in the Registration Statement, the Prospectus or the Permitted Free Writing Prospectus, if any, or (iii) would not, individually or in the aggregate, be material to the Company. Complete and correct copies of the charter and of the bylaws of the Company and all amendments thereto have been delivered to the Sales Agent (or otherwise made available on EDGAR) and, except as set forth in the exhibits to, or incorporated by reference into, the Registration Statement, no changes therein will be made subsequent to the date hereof and prior to each Time of Sale and each Settlement Date.

(j) The Company is not in breach of, or in default under (nor has any event occurred which with notice, lapse of time or both would result in any breach of or constitute a default under), (i) its charter or bylaws or (ii) any obligation, agreement, covenant or condition contained in any contract, license, repurchase agreement, indenture, mortgage, deed of trust, bank loan or credit agreement, note, lease or other evidence of indebtedness, or any lease, contract or other agreement or instrument to which the Company is a party or by which it or any of its assets or properties may be bound or affected, the effect of which breach or default under this clause (ii) could have a Company Material Adverse Effect. The execution, delivery and performance of this Agreement, the issuance and sale of the Shares and the consummation of the transactions

contemplated hereby will not conflict with, or result in any breach of, constitute a default under or a Repayment Event (as defined below) under (nor constitute any event which with notice, lapse of time or both would result in any breach of, constitute a default under or a Repayment Event under), (i) any provision of the charter or bylaws of the Company, (ii) any provision of any contract, license, repurchase agreement, indenture, mortgage, deed of trust, bank loan or credit agreement, note, lease or other evidence of indebtedness, or any lease, contract or other agreement or instrument to which the Company is a party or by which the Company or any of its assets or properties may be bound or affected, the effect of which could have a Company Material Adverse Effect or (iii) under any federal, state, local or foreign law, regulation or rule or any decree, judgment or order applicable to the Company. As used herein, a "Repayment Event" means any event or condition which gives the holder of any note, debenture or other evidence of indebtedness (or any person acting on such holder's behalf) the right to require the repurchase, redemption or repayment of all or a portion of such indebtedness by the Company or any subsidiary.

(k) All of the issued and outstanding shares of capital stock, including the Common Stock, of the Company have been duly and validly authorized and issued and are fully paid and non-assessable, have been issued in compliance with all federal and state securities laws and were not issued in violation of any preemptive right, resale right, right of first refusal or similar right.

(l) This Agreement has been duly authorized, executed and delivered by the Company.

(m) Reserved.

(n) The capital stock of the Company, including the Shares, conforms and will conform in all material respects to the description thereof contained in the Registration Statement, the Prospectus or any Permitted Free Writing Prospectus and such description conforms to the rights set forth in the instruments defining the same. If certificated, the global certificates representing the Shares are in due and proper form and the holders of the Shares will not be subject to personal liability by reason of being such holders.

(o) The Shares have been duly and validly authorized by the Company for issuance and sale pursuant to this Agreement and, when issued and delivered against payment therefor as provided herein, will be duly and validly issued and fully paid and non-assessable, free and clear of any pledge, lien, encumbrance, security interest or other claim, and will be registered pursuant to Section 12 of the Exchange Act.

(p) No approval, authorization, consent or order of or filing with any national, state or local governmental or regulatory commission, board, body, authority or agency is required in connection with the issuance and sale of the Shares or the consummation by the Company of the transaction contemplated hereby other than (i) registration of the Shares under the Act, (ii) any necessary qualification under the securities or blue sky laws of the various jurisdictions in which the Shares are being offered by the Sales Agent and (iii) such approvals in connection with the approval of the listing of the Shares on the New York Stock Exchange LLC (the "NYSE").

(q) No person, as such term is defined in Rule 1-02 of Regulation S-X promulgated under the Act (each, a "Person"), has the right, contractual or otherwise, to cause the Company to issue to it any shares of capital stock or other securities of the Company upon the issue and sale of the Shares to the Sales Agent hereunder, nor does any Person have preemptive rights, co-sale rights, rights of first refusal or other rights to purchase or subscribe for any of the Shares or any securities or obligations convertible into or exchangeable for, or any contracts or commitments to

issue or sell any of, the Shares or any options, rights or convertible securities or obligations, other than those that have been expressly waived prior to the date hereof.

(r) Ernst & Young LLP (the "Accountants"), whose report on the consolidated financial statements of the Company is filed with the Commission as part of the Registration Statement and the Prospectus, are and, during the periods covered by their reports, were independent public accountants as required by the Act.

(s) Each of the Company and its subsidiaries has all necessary licenses, authorizations, consents and approvals and has made all necessary filings required under any federal, state, local or foreign law, regulation or rule, and has obtained all necessary permits, authorizations, consents and approvals from other Persons, in order to conduct its business as described in the Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any, except as such as could not have a Company Material Adverse Effect. Neither the Company nor any of its subsidiaries is required by any applicable law to obtain accreditation or certification from any governmental agency or authority in order to provide the products and services which it currently provides or which it proposes to provide as set forth in the Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any, except as such could not have a Company Material Adverse Effect. Neither the Company nor any of its subsidiaries is in violation of, or in default under, any such license, permit, authorization, consent or approval or any federal, state, local or foreign law, regulation or rule or any decree, order or judgment applicable to the Company or any of its subsidiaries, the effect of which could have a Company Material Adverse Effect.

(t) The descriptions in the Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any, of the legal or governmental proceedings, contracts, leases and other legal documents therein described present fairly in all material respects the information required to be shown, and there are no legal or governmental proceedings, contracts, leases or other documents of a character required to be described in the Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any, or to be filed as exhibits to the Registration Statement which are not described or filed as required. All agreements between the Company and third parties expressly referenced in the Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any, are legal, valid and binding obligations of the Company, enforceable in accordance with their respective terms, except to the extent enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws affecting creditors' rights generally and by general equitable principles and except to the extent that any indemnification provision thereof may be limited by public policy considerations in respect thereof.

(u) Except as set forth in the Registration Statement, the Prospectus or a Permitted Free Writing Prospectus, there are no actions, suits, claims, investigations, inquiries or proceedings pending or, to the best of the Company's knowledge, threatened to which the Company or any of the subsidiaries or any of their respective officers or directors is a party or of which any of its properties or other assets is subject at law or in equity, or before or by any federal, state, local or foreign governmental or regulatory commission, board, body, authority or agency which could result in a judgment, decree or order having a Company Material Adverse Effect.

(v) Except as otherwise may be disclosed therein, subsequent to the respective dates as of which information is given in the Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any, there has not been (i) any Company Material Adverse Effect, or any development which would reasonably be expected to cause a Company Material Adverse Effect, in the business, properties or assets described or referred to in the Registration Statement,

the Prospectus and the Permitted Free Writing Prospectuses, if any, or the results of operations, condition (financial or otherwise), net worth, business, prospects or operations of the Company and its subsidiaries, taken as a whole, (ii) any transaction which is material to the Company and its subsidiaries, taken as a whole, except transactions in the ordinary course of business, (iii) any obligation, direct or contingent, which is material to the Company and its subsidiaries, taken as a whole, incurred by the Company or any subsidiary, except obligations incurred in the ordinary course of business, (iv) any change in the capital stock or, except in the ordinary course of business, outstanding indebtedness of the Company or any subsidiary or (v) except for regular quarterly dividends on the outstanding shares of preferred stock (collectively, the "Preferred Stock") and the Common Stock, in amounts per share that are consistent with past practice and the descriptions thereof in the Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any, any dividend or distribution of any kind declared, paid or made by the Company on any class of its capital stock. There are no contingent obligations that are material to the Company and its subsidiaries, taken as a whole, which are not disclosed in the Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any.

(w) Except as set forth in the Registration Statement, the Prospectus or a Permitted Free Writing Prospectus, there are no Persons with registration or other similar rights to have any equity or debt securities, including securities which are convertible into or exchangeable for equity securities, registered pursuant to the Registration Statement or otherwise registered by the Company under the Act.

(x) The Company (i) does not have any issued and outstanding preferred stock, other than the shares of Preferred Stock, in such number and series, as are described in the Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any, (ii) has not failed to pay any dividend or sinking fund installment on preferred stock and (iii) has not defaulted on any installment on indebtedness for borrowed money or on any rental on one or more long term leases, which defaults would have a Company Material Adverse Effect on the financial position of the Company and its subsidiaries, taken as a whole. The Company has not filed a report pursuant to Section 13(a) or 15(d) of the Exchange Act since the filing of its last annual report on Form 10-K, indicating that it (i) has failed to pay any dividend or sinking fund installment on the Preferred Stock or (ii) has defaulted on any installment on indebtedness for borrowed money or on any rental on one or more long term leases, which defaults would have a Company Material Adverse Effect.

(y) Neither the Company nor any of its officers, directors and controlling Persons have, directly or indirectly, (i) taken any action designed to cause or to result in, or that has constituted or which might reasonably be expected to constitute, the stabilization or manipulation of the price of the Common Stock to facilitate the sale of the Shares, or (ii) (except pursuant to this Agreement, shares of the Company's Common Stock issued pursuant to the Company's dividend reinvestment and share purchase plan (the "DRSPP"), as may have been incurred in connection with the Company's publicly disclosed repurchase of Common Stock and the retirement of the Company's long-term indebtedness) (A) sold, bid for, purchased, or paid anyone any compensation for soliciting purchases of, the Shares or, (B) other than as disclosed in the Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any, during the one hundred eighty (180) day period preceding the date of this Agreement, paid or agreed to pay to any Person any compensation for soliciting another to purchase any other securities of the Company.

(z) The Company has applied to have the Shares listed on the NYSE, and the Shares will have been approved for listing on the NYSE as of the time of purchase, subject only to official notice of issuance.

(aa) Neither the Company nor any of its affiliates, except for Arcola, (i) is required to register as a "broker" or "dealer" in accordance with the provisions of the Exchange Act or (ii) directly or indirectly through one or more intermediaries, controls or has any other association with (within the meaning of Article I of the Bylaws of the Financial Industry Regulatory Authority, Inc. ("FINRA")) any member firm of FINRA.

(ab) Any certificate signed by any officer of the Company delivered to the Sales Agent or to counsel for the Sales Agent pursuant to or in connection with this Agreement shall be deemed a representation and warranty by the Company to the Sales Agent as to the matters covered thereby.

(ac) As of the date of this Agreement, the Company has no plan or intention to materially alter its capital investment policy or investment allocation strategy, both as described in the Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any, and is in compliance with its stated capital investment policy and investment allocation strategy. Each of the Company and its subsidiaries has good and marketable title to all of the properties and assets owned by them, in each case free and clear of any security interests, liens, encumbrances, equities, claims and other defects (except for any security interest, lien, encumbrance or claim that may otherwise exist under any applicable repurchase agreement or loan agreement), except such as do not have a Company Material Adverse Effect and do not interfere with the use made or proposed to be made of such property or asset by the Company or any subsidiary, and except as described in or contemplated by the Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any. The Company owns no real property that is material, on an individual basis, to the Company. Any real property and buildings held under lease by the Company or any subsidiary are held under valid, existing and enforceable leases, with such exceptions as are disclosed in the Prospectus or are not material and do not interfere with the use made or proposed to be made of such property and buildings by the Company.

(ad) The Company has filed all federal and material state and foreign income and franchise tax returns required to be filed on or prior to the date hereof and has paid taxes shown as due thereon (or that are otherwise due and payable), other than taxes which are being contested in good faith and for which adequate reserves have been established in accordance with generally accepted accounting principles. The Company has no knowledge, after due inquiry, of any tax deficiency which has been asserted or threatened against the Company. To the knowledge of the Company, there are no tax returns of the Company that are currently being audited by federal, state or local taxing authorities or agencies which would have a Company Material Adverse Effect.

(ae) The Company owns or possesses adequate license or other rights to use all patents, trademarks, service marks, trade names, copyrights, software and design licenses, trade secrets, manufacturing processes, other intangible property rights and know-how (collectively, "Intangibles") necessary to entitle the Company to conduct its business as described in the Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any, and the Company has not received notice of infringement of or conflict with (and the Company knows of no such infringement of or conflict with) asserted rights of others with respect to any Intangibles which could have a Company Material Adverse Effect.

(af) The Company maintains a system of internal accounting controls sufficient to provide reasonable assurance that (i) transactions are executed in accordance with management's general or specific authorizations, (ii) transactions are recorded as necessary to permit preparation of financial statements in conformity with generally accepted accounting principles as applied in the United States and to maintain asset accountability, (iii) access to assets is

permitted only in accordance with management's general or specific authorization, (iv) the recorded accountability for assets is compared with the existing assets at reasonable intervals and appropriate action is taken with respect to any differences and (v) the interactive data in eXtensible Business Reporting Language incorporated by reference in the Registration Statement, the Prospectus and any Permitted Free Writing Prospectus fairly present the information called for in all material respects and is prepared in accordance with the Commission's rules and guidelines applicable thereto.

(ag) The Company has established and maintains disclosure controls and procedures (as such term is defined in Rule 13a-14 and 15d-14 under the Exchange Act); such disclosure controls and procedures are designed to ensure that material information relating to the Company is made known to the Company's Chief Executive Officer and its Chief Financial Officer, and such disclosure controls and procedures are effective to perform the functions for which they were established; any significant material weaknesses in internal controls have been identified for the Company's Chief Executive Officer and its Chief Financial Officer; and since the date of the most recent evaluation of such disclosure controls and procedures, there have been no significant changes in internal controls or in other factors that could significantly affect internal controls.

(ah) The Company is insured by insurers of recognized financial responsibility against such losses and risks and in such amounts as are prudent and customary in the business in which it is engaged. The Company has no reason to believe that it will not be able to renew its existing insurance coverage as and when such coverage expires or to obtain similar coverage from similar insurers as may be necessary to continue its business at a cost that would not have a Company Material Adverse Effect.

(ai) Except as set forth in the Registration Statement, the Prospectus or a Permitted Free Writing Prospectus, the Company is not in violation, and has not received notice of any violation with respect to, any applicable environmental, safety or similar law applicable to the business of the Company. The Company has received all permits, licenses or other approvals required of them under applicable federal and state occupational safety and health and environmental laws and regulations to conduct its business, and the Company is in compliance with all terms and conditions of any such permit, license or approval, except any such violation of law or regulation, failure to receive required permits, licenses or other approvals or failure to comply with the terms and conditions of such permits, licenses or approvals which could not, singly or in the aggregate, have a Company Material Adverse Effect.

(aj) Neither the Company nor any of its subsidiaries has incurred any liability for any finder's fees or similar payments in connection with the transactions herein contemplated, except as may otherwise exist with respect to the Sales Agent pursuant to this Agreement.

(ak) Except as set forth in the Registration Statement, the Prospectus or a Permitted Free Writing Prospectus, there are no existing or threatened labor disputes with the employees of the Company which are likely to have individually or in the aggregate a Company Material Adverse Effect.

(al) No relationship, direct or indirect, exists between or among the Company or any of its subsidiaries, on the one hand, and the directors, officers and stockholders of the Company, on the other hand, which is required by the Act to be described in the Registration Statement and the Prospectus that is not so described.

(am) The Company, since its date of inception, has been, and upon the sale of the Shares will continue to be, organized and operated in conformity with the requirements for

qualification and taxation as a "real estate investment trust" (a "REIT") under Sections 856 through 860 of the Internal Revenue Code of 1986, as amended and the regulations and published interpretations thereunder (collectively, the "Code"), for all taxable years commencing with its taxable year ended December 31, 1997. The proposed method of operation of the Company as described in Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any, will enable the Company to continue to meet the requirements for qualification and taxation as a REIT under the Code, and no actions have been taken (or not taken which are required to be taken) which would cause such qualification to be lost. The Company intends to continue to operate in a manner which would permit it to qualify as a REIT under the Code. The Company has no intention of changing its operations or engaging in activities which would cause it to fail to qualify, or make economically undesirable its continued qualification, as a REIT.

(an) Neither the Company nor any subsidiary is and, after giving effect to the offering and sale of the Shares, will be required to register as an "investment company" or an entity "controlled" by an "investment company," as such terms are defined in the Investment Company Act of 1940, as amended (the "Investment Company Act").

(ao) To the Company's knowledge, no relationship, direct or indirect, exists between or among the Company or any subsidiary, on the one hand, and the officers, 10% stockholders or directors of the Company or any subsidiary, on the other hand, which is required by the rules of FINRA to be described in the Registration Statement and the Prospectus which is not so described.

(ap) The Company has not, directly or indirectly, including through any subsidiary, extended credit, arranged to extend credit, or renewed any extension of credit, in the form of a personal loan, to or for any director or executive officer of the Company, or to or for any family member or affiliate of any director or executive officer of the Company.

(aq) Neither the Company nor any of the subsidiaries nor, to the Company's knowledge, any employee or agent of the Company or the subsidiaries has made any payment of funds of the Company or the subsidiaries or received or retained any funds in violation of any law, rule or regulation, which payment, receipt or retention of funds is of a character required to be disclosed in the Registration Statement or the Prospectus.

(ar) The Company is in compliance with all applicable provisions of the Sarbanes-Oxley Act of 2002 and the rules and regulations promulgated thereunder.

(as) The Common Stock is an "actively traded security" excepted from the requirements of Rule 101 of Regulation M under the Exchange Act by subsection (c)(1) of such rule.

(at) Other than any Terms Agreement or the Alternative Agreements, the Company has not entered into any other sales agency or distribution agreements or similar arrangements with any agent or other representative in respect of the Shares and the equity shelf program established by the Distribution Agreements, the terms of which have not been properly and duly waived.

(au) The operations of the Company and its subsidiaries are and have been conducted at all times in material compliance with all applicable financial recordkeeping and reporting requirements, including those of the Bank Secrecy Act, as amended by Title III of the Uniting and Strengthening America by Providing Appropriate Tools Required to intercept and Obstruct Terrorism Act of 2001 (USA PATRIOT Act), as amended, and the applicable anti-money

laundering statutes of jurisdictions where the Company and its subsidiaries conduct business, the rules and regulations thereunder and any related or similar rules, regulations or guidelines, issued, administered or enforced by any governmental agency (collectively, the "Anti-Money Laundering Laws"), and no action, suit or proceeding by or before any court or governmental agency, authority or body or any arbitrator involving the Company or any of its subsidiaries with respect to Anti-Money Laundering Laws is pending or, to the best knowledge of the Company, threatened.

(av) (A) Neither the Company nor any of its subsidiaries, nor any director, officer or employee thereof, nor, to the Company's knowledge, any agent, affiliate or representative of the Company or any of them, is an individual or entity ("Covered Person") that is, or is owned or controlled by a Covered Person that is:

(i) the subject of any sanctions administered or enforced by the U.S. Department of Treasury's Office of Foreign Assets Control ("OFAC"), the United Nations Security Council, the European Union, His Majesty's Treasury or other relevant sanctions authority (collectively, "Sanctions"); nor

(ii) located, organized or resident in a country or territory that is the subject of Sanctions (including, without limitation, the so-called Donetsk People's Republic, the so-called Luhansk People's Republic, the Kherson, the non-government controlled areas of the Kherson and Zaporizhzhia regions of Ukraine, and any other Covered Region of Ukraine identified pursuant to Executive Order 14065, the Crimea region of Ukraine, Cuba, Iran, North Korea, Syria and Venezuelan State-owned entities).

(A) The Company will not use the proceeds of the offering, or lend, contribute or otherwise make available such proceeds to any subsidiary, joint venture partner or other Covered Person:

(i) to fund or facilitate any activities or business of or with any Covered Person or in any country or territory that, at the time of such funding or facilitation, is the subject of Sanctions; or

(ii) in any other manner that will result in a violation of Sanctions by any Covered Person (including any Covered Person participating in the offering, whether as underwriter, advisor, investor or otherwise).

(B) The Company and its subsidiaries have not knowingly engaged in, are not now knowingly engaged in, and will not engage in, any dealings or transactions with any Covered Person, or in any country or territory, that at the time of the dealing or transaction is or was the subject of Sanctions.

(C) Neither the Company nor any of its subsidiaries, nor any director, officer or, to the Company's knowledge, employee thereof, nor, to the Company's knowledge, any agent, affiliate or representative of the Company or any of them: (i) has used any corporate funds for any unlawful contribution, gift, entertainment or other unlawful expense relating to political activity; (ii) has made any direct or indirect unlawful contribution or payment to any official of, or candidate for, or any employee of, any federal, state or foreign office from corporate funds; (iii) has made any bribe, unlawful rebate, payoff, influence payment, kickback or other unlawful payment; or (iv) is aware of or has taken any action, directly or indirectly, that would result in a violation by such persons of the OECD Convention on Bribery of Foreign Public Officials in International

Business Transactions, the Foreign Corrupt Practices Act of 1977, as amended, and the rules and regulations thereunder (collectively, the "FCPA") or any similar law or regulation to which the Company, any of its subsidiaries, any director, officer, agent, employee, affiliate or other person associated with or acting on behalf of the Company or any of its subsidiaries is subject. The Company, its subsidiaries and their affiliates have each conducted its businesses in compliance with the FCPA and any applicable similar law or regulation and have instituted and maintain policies and procedures designed to ensure, and which are reasonably expected to continue to ensure, continued compliance therewith.

SECTION 3. Reserved.

SECTION 4. Sale and Delivery of Securities. (a) On the basis of the representations, warranties and agreements herein contained, but subject to the terms and conditions herein set forth, the Company agrees to issue and sell through the Sales Agent, as sales agent, and the Sales Agent agrees to use its commercially reasonable efforts to sell, as sales agent for the Company, the Shares on the following terms.

(i) The Shares are to be sold on a daily basis or otherwise as shall be agreed to by the Company and the Sales Agent on any day that (A) is a trading day for the NYSE (other than a day on which the NYSE is scheduled to close prior to its regular weekday closing time), (B) the Company has instructed the Sales Agent by telephone (confirmed promptly by electronic mail) (or as otherwise agreed to by the Company and the Sales Agent) from any of the individuals listed as authorized representatives of the Company on Schedule B hereto (the "Authorized Company Representatives") to make such sales and (C) the Company has satisfied its obligations under Section 8 of this Agreement. The Company will designate the maximum amount of the Shares to be sold by the Sales Agent daily as agreed to by the Sales Agent and in any event not in excess of the amount available for issuance under the currently effective Registration Statement relating to the sale of up to $2,000,000,000 of Shares as described in the prospectus supplement dated May 8, 2025, or any Registration Statement filed pursuant to Section 5(g), or in a number in excess of the number of Shares authorized from time to time to be issued and sold under this Agreement by the Company's board of directors, or a duly authorized committee thereof, and notified to the Sales Agent in writing (a "Placement Notice").

Subject to the terms and conditions hereof, the Sales Agent shall use its commercially reasonable efforts to offer and sell all of the Shares designated; provided, however, that the Sales Agent shall have no obligation to offer or sell any Shares, and the Company acknowledges and agrees that the Sales Agent shall have no such obligation, in the event an offer or sale of the Shares on behalf of the Company may in the judgment of the Sales Agent constitute the sale of a "block" under Rule 10b-18(a)(5) under the Exchange Act or a "distribution" within the meaning of Rule 100 of Regulation M under the Exchange Act or the Sales Agent reasonably believes it may be deemed an "underwriter" under the Act in a transaction that is other than by means of ordinary brokers' transactions between members of the NYSE that qualify for delivery of a Prospectus to the NYSE in accordance with Rule 153 under the Act (such transactions are hereinafter referred to as "At-the-Market Offerings").

(ii) Notwithstanding the foregoing, the Company, through any of the Authorized Company Representatives, may instruct the Sales Agent by telephone

(confirmed promptly by electronic mail) (or as otherwise agreed to by the Company and the Sales Agent) not to sell the Shares if such sales cannot be effected at or above the price designated by the Company in any such instruction. In addition, the Company or the Sales Agent may, upon notice to the other party hereto by telephone (confirmed promptly by electronic mail) (or as otherwise agreed to by the Company and the Sales Agent), suspend the offering of the Shares; provided, however, that such suspension shall not affect or impair the parties' respective obligations with respect to the Shares sold hereunder prior to the giving of such notice.

(iii) The Sales Agent hereby covenants and agrees not to make any sales of the Shares on behalf of the Company, pursuant to this Section 4(a), other than (A) by means of At-the-Market Offerings and (B) such other sales of the Shares on behalf of the Company in its capacity as agent of the Company as shall be agreed by the Company and the Sales Agent.

(iv) The compensation to the Sales Agent, as an agent of the Company, for sales of the Shares shall be up to 1.25% of the gross sales price of the Shares sold pursuant to this Section 4(a) or such lower amount as otherwise mutually agreed upon by the Company and the Sales Agent from time to time. The remaining proceeds, after further deduction for any transaction fees imposed by any governmental or self-regulatory organization in respect of such sales, shall constitute the net proceeds to the Company for such Shares (the "Net Proceeds").

(v) The Sales Agent shall provide written confirmation to the Company following the close of trading on the NYSE each day in which the Shares are sold under this Section 4(a) setting forth the amount of the Shares sold on such day, the Net Proceeds to the Company and the compensation payable by the Company to the Sales Agent with respect to such sales.

(vi) Settlement for sales of the Shares pursuant to this Section 4(a) will occur on the first business day following the date on which such sales are made or such other date as may be agreed by the Company and the Sales Agent (each such date, a "Settlement Date"). On each Settlement Date, the Shares sold through the Sales Agent for settlement on such date shall be issued and delivered by the Company to the Sales Agent against payment of the Net Proceeds for the sale of such Shares. Settlement for all such Shares shall be effected by free delivery of the Shares by the Company or its transfer agent to the Sales Agent's account, or to the account of the Sales Agent's designee, at The Depository Trust Company through its Deposit and Withdrawal at Custodian System ("DWAC") or by such other means of delivery as may be mutually agreed upon by the parties hereto, which in all cases shall be freely tradable, transferable, registered shares in good deliverable form, in return for payments in same day funds delivered to the account designated by the Company. If the Company, or its transfer agent (if applicable), shall default on its obligation to deliver the Shares on any Settlement Date, the Company shall (A) indemnify and hold the Sales Agent harmless against any loss, claim or damage arising from or as a result of such default by the Company and (B) pay the Sales Agent any commission to which it would otherwise be entitled absent such default. The Authorized Company Representatives shall be the contact persons for the Company for all matters related to the settlement of the transfer of the Shares through DWAC for purposes of this Section 4(a)(vi).

(vii) At each Time of Sale, Settlement Date and Representation Date (as defined in Section 5(q)), the Company shall be deemed to have affirmed each of their respective representations and warranties contained in this Agreement. Any obligation of

the Sales Agent to use its commercially reasonable efforts to sell the Shares on behalf of the Company shall be subject to the continuing accuracy of the representations and warranties of the Company herein, to the performance by the Company of its obligations hereunder and to the continuing satisfaction of the additional conditions specified in Section 8 of this Agreement.

(a) (i) If the Company wishes to issue and sell the Shares other than as set forth in Section 4(a) of this Agreement (each, a "Placement"), it will notify the Sales Agent of the proposed terms of such Placement. If the Sales Agent, acting as principal, wishes to accept such proposed terms (which it may decline to do for any reason in its sole discretion) or, following discussions with the Company, wishes to accept amended terms, the Sales Agent and the Company will enter into a Terms Agreement setting forth the terms of such Placement. In the event of a conflict between the terms of this Agreement and the terms of any Terms Agreement, the terms of such Terms Agreement will control.

(b) (i) Under no circumstances shall the aggregate number of Shares sold pursuant to this Agreement exceed the number of Shares authorized from time to time to be issued and sold under this Agreement by the Company's board of directors, or a duly authorized committee thereof, and notified to the Sales Agent in writing.

(i) If either party has reason to believe that the exemptive provisions set forth in Rule 101(c)(1) of Regulation M under the Exchange Act are not satisfied with respect to the Shares, it shall promptly notify the other party and sales of the Shares under this Agreement shall be suspended until that or other exemptive provisions have been satisfied in the judgment of each party.

(c) Each sale of the Shares to or through the Sales Agent shall be made in accordance with the terms of this Agreement or, if applicable, a Terms Agreement.

(d) Any offer, solicitation or sale of the Shares shall be effected by or through only one of the Agents on any single trading day.

(e) Subject to the limitations set forth herein and as may be mutually agreed upon by the Company and the Sales Agent, sales pursuant to this Agreement may not be requested by the Company and need not be made by the Sales Agent during any period in which the Company is or could be deemed to be, in possession of material non-public information.

(f) Notwithstanding any other provision of this Agreement, the Company shall not offer, sell or deliver, or request the offer or sale, of any Shares pursuant to this Agreement at any time during the period from and including the time the Company issues a press release containing, or shall otherwise publicly announce, its earnings, revenues or other operating results for a fiscal period or periods (each, an "Earnings Announcement") through and including the Representation Date that occurs in connection with the Company filing a Quarterly Report on Form 10-Q or an Annual Report on Form 10-K (a "Filing Time") that includes consolidated financial statements as of and for the same fiscal period or periods, as the case may be, covered by such Earnings Announcement, unless the Company shall first (i) prepare and deliver to the Sales Agent (with a copy to counsel for the Sales Agent) a Current Report on Form 8-K that includes substantially the same financial and related information that was included in such Earnings Announcement (other than any earnings projections and similar forward-looking data and officers' quotations) (each, an "Earnings 8-K"), in form and substance reasonably satisfactory to the Sales Agent, and, prior to its filing, obtain the written consent of the Sales Agent to such filing (which consent shall not be unreasonably withheld), (ii) provide the Sales Agent with the officers' certificates, opinions and letters of counsels and accountants' letter

specified in Sections 5(q) through 5(u), inclusive, hereof, (iii) afford the Sales Agent the opportunity to conduct a due diligence review in accordance with Section 5(v) hereof prior to filing such Earnings 8-K and (iv) file (rather than furnish) such Earnings 8-K with the Commission. For purposes of clarity, the parties hereto agree that (A) the delivery of any officers' certificates, opinions or letters of counsel or accountants' letter pursuant to this Section 4(g) shall not relieve the Company from any of its obligations under this Agreement with respect to any Quarterly Report on Form 10-Q or Annual Report on Form 10-K, as the case may be, including, without limitation, the obligation to deliver officers' certificates, opinions and letters of counsel and accountants' letters as provided in Sections 5(q) through 5(u), inclusive, hereof, and (B) this Section 4(g) shall in no way affect or limit the operation of Section 4(d) hereof, which shall have independent application.

(g) The Company acknowledges and agrees that (A) there can be no assurance that the Sales Agent will be successful in selling the Shares, (B) the Sales Agent will incur no liability or obligation to the Company or any other person or entity if it does not sell Shares for any reason other than a failure by the Sales Agent to use its commercially reasonable efforts consistent with its normal trading and sales practices and applicable law and regulations to sell such Shares in accordance with the terms of this Agreement, and (C) the Sales Agent shall be under no obligation to purchase Shares on a principal basis pursuant to this Agreement, except as otherwise specifically agreed by the Sales Agent and the Company.

SECTION 5. Covenants of the Company. The Company agrees with the Sales Agent:

(a) During the period in which a prospectus relating to the Shares is required to be delivered under the Act (whether physically, deemed to be delivered pursuant to Rule 153 or through compliance with Rule 172 under the Act or any similar rule), to notify the Sales Agent promptly of the time when any subsequent amendment to the Registration Statement has become effective or any subsequent supplement to the Basic Prospectus, the Prospectus or any Permitted Free Writing Prospectus has been filed; to prepare and file with the Commission, promptly upon the Sales Agent's request, any amendments or supplements to the Registration Statement, the Basic Prospectus, the Prospectus or any Permitted Free Writing Prospectus that, in the Sales Agent's reasonable opinion, may be necessary or advisable in connection with the offering of the Shares by the Sales Agent; and to cause each amendment or supplement to the Basic Prospectus or the Prospectus to be filed with the Commission as required pursuant to the applicable paragraph of Rule 424(b) of the Act or, in the case of any Incorporated Document, to be filed with the Commission as required pursuant to the Exchange Act, within the time period prescribed.

(b) To promptly advise the Sales Agent, confirming such advice in writing, of any suspension of the Sales Agent's obligations under Rule 15c2-8 under the Exchange Act or any request by the Commission for amendments or supplements to the Registration Statement, the Basic Prospectus, the Prospectus or any Permitted Free Writing Prospectus or for additional information with respect thereto, or of notice of examination, institution of proceedings for, or the entry of a stop order suspending the effectiveness of the Registration Statement and, if the Commission should enter a stop order suspending the effectiveness of the Registration Statement, to use its best efforts to obtain the lifting or removal of such order as soon as possible; to promptly advise the Sales Agent of any proposal to amend or supplement the Registration Statement, the Basic Prospectus or the Prospectus, and to provide the Sales Agent and its counsel copies of any such documents for review and comment a reasonable amount of time prior to any proposed filing and to file no such amendment or supplement (other than any prospectus supplement relating to the offering of other securities (including, without limitation, the Common Stock)) to which the Sales Agent shall have objected in writing.

(c) To make available to the Sales Agent, as soon as practicable after this Agreement becomes effective, and thereafter from time to time to furnish to the Sales Agent, as many copies of the Prospectus (or of the Prospectus as amended or supplemented if the Company shall have made any amendments or supplements thereto after the effective date of the Registration Statement) as the Sales Agent may request for the purposes contemplated by the Act; in case the Sales Agent is required to deliver (whether physically, deemed to be delivered pursuant to Rule 153 or through compliance with Rule 172 under the Act or any similar rule), in connection with the sale of the Shares, a prospectus after the nine-month period referred to in Section 10(a)(3) of the Act, or after the time a post-effective amendment to the Registration Statement is required pursuant to Item 512(a) of Regulation S-K under the Act, the Company will prepare, at its expense, promptly upon request such amendment or amendments to the Registration Statement and the Prospectus as may be necessary to permit compliance with the requirements of Section 10(a)(3) of the Act or Item 512(a) of Regulation S-K under the Act, as the case may be.

(d) Subject to Section 5(b) hereof, to file promptly all reports and documents and any preliminary or definitive proxy or information statement required to be filed by the Company with the Commission in order to comply with the Exchange Act for so long as a prospectus is required by the Act to be delivered (whether physically, deemed to be delivered pursuant to Rule 153 or through compliance with Rule 172 under the Act or any similar rule) in connection with any sale of Shares; and to provide the Sales Agent, for its review and comment, with a copy of such reports and statements and other documents to be filed by the Company pursuant to Section 13, 14 or 15(d) of the Exchange Act during such period a reasonable amount of time prior to any proposed filing, and to file no such report, statement or document to which the Sales Agent shall have objected in writing; and to promptly notify the Sales Agent of such filing.

(e) To pay the fees applicable to the Registration Statement in connection with the offering of the Shares within the time required by Rule 456(b)(1) (i) under the Act (without reliance on the proviso to Rule 456(b)(1)(i) under the Act) and in compliance with Rule 456(b) and Rule 457(r) under the Act.

(f) If at any time when Shares remain unsold by the Sales Agent the Company receives from the Commission a notice pursuant to Rule 401(g)(2) under the Act or otherwise ceases to be eligible to use the automatic shelf registration statement form, the Company will (a) promptly notify the Sales Agent, (b) promptly file a new registration statement or post-effective amendment on the proper form relating to the Shares, in a form satisfactory to the Sales Agent, (c) use its best efforts to cause such registration statement or post-effective amendment to be declared effective as soon as practicable (if such filing is not otherwise effective immediately pursuant to Rule 462 under the Act) and (d) promptly notify the Sales Agent of such effectiveness. The Company will take all other action necessary or appropriate to permit the public offering and sale of the Shares to continue as contemplated in the Registration Statement that was the subject of the notice under Rule 401(g)(2) under the Act or for which the Company has otherwise become ineligible. References herein to the Registration Statement relating to the Shares shall include such new registration statement or post-effective amendment, as the case may be.

(g) If immediately prior to the third anniversary (the "Renewal Deadline") of the initial effective date of the Registration Statement, any of the Shares remain unsold by the Sales Agent, the Company will, prior to the Renewal Deadline file, if it has not already done so and is eligible to do so, a new automatic shelf registration statement relating to the Shares, in a form satisfactory to the Sales Agent. If the Company is not eligible to file an automatic shelf registration statement, the Company will, prior to the Renewal Deadline, if it has not already done so, file a new shelf registration statement relating to the Shares, in a form satisfactory to the

Sales Agent, and will use its best efforts to cause such registration statement to be declared effective within 180 days after the Renewal Deadline. The Company will take all other action necessary or appropriate to permit the public offering and sale of the Shares to continue as contemplated in the expired registration statement. References herein to the Registration Statement shall include such new automatic shelf registration statement or such new shelf registration statement, as the case may be.

(h) To promptly notify the Sales Agent of the happening of any event that could require the making of any change in the Prospectus then being used so that the Prospectus would not include an untrue statement of material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they are made, not misleading, and, during any period during which a prospectus is required to be delivered (whether physically, deemed to be delivered pursuant to Rule 153 or through compliance with Rule 172 under the Act or any similar rule) in connection with any sale of Shares, subject to Section 5(b), to prepare and furnish, at the Company's expense, to the Sales Agent promptly such amendments or supplements to such Prospectus as may be necessary to reflect any such change.

(i) To furnish such information as may be required and otherwise to cooperate in qualifying the Shares for offering and sale under the securities or blue sky laws of such states or other jurisdictions as the Sales Agent may designate and to maintain such qualifications in effect so long as required for the distribution of the Shares; provided, however, that the Company shall not be required to qualify as a foreign corporation or to consent to the service of process under the laws of any such jurisdiction (except service of process with respect to the offering and sale of the Shares); and to promptly advise the Sales Agent of the receipt by the Company of any notification with respect to the suspension of the qualification of the Shares for offer or sale in any jurisdiction or the initiation or threatening of any proceeding for such purpose.

(j) To make generally available to its security holders, and to deliver to the Sales Agent, an earnings statement of the Company (which will satisfy the provisions of Section 11(a) of the Act) covering a period of twelve months beginning after the effective date of the Registration Statement (as defined in Rule 158(c) of the Act) as soon as is reasonably practicable after the termination of such twelve-month period but not later than eighteen months after the effective date of the Registration Statement (as such date is defined in Rule 158(c) under the Act).

(k) To apply the net proceeds from the sale of the Shares in the manner set forth under the caption "Use of Proceeds" in the Prospectus Supplement or, if not so specified, in the Prospectus, and if not so specified, in the Basic Prospectus.

(l) Until the settlement of sale of all Common Stock being offered pursuant to this Agreement, at any time that sales of the Common Stock have been made but not settled or at any time the Company has outstanding with the Sales Agent any instructions to sell the Common Stock but such instructions have not been fulfilled or cancelled, the Company will not sell, offer to sell, contract or agree to sell, hypothecate, pledge, grant any option to sell or otherwise dispose of or agree to dispose of, directly or indirectly, any shares of the Common Stock or securities convertible into or exchangeable or exercisable for the Common Stock or warrants or other rights to purchase the Common Stock or any other securities of the Company that are substantially similar to the Common Stock or permit the registration under the Act of any shares of the Common Stock, including pursuant to another Distribution Agreement, in each case without giving the Sales Agent at least three business days' prior written notice specifying the nature of the proposed sale and the date of such proposed sale. Notwithstanding the foregoing, the Company may (i) register the offer and sale of the Shares through the Sales Agent pursuant to

this Agreement; (ii) issue Common Stock, restricted stock, options or other units or awards pursuant to the Company's long term stock incentive plans as currently in effect (or file a Form S-8 related to such plans) or pursuant to the exercise of employee stock options or other awards; (iii) issue Common Stock pursuant to the DRSPP or any successor dividend reinvestment or share purchase plan (or the filing of a Form S-3 related to such a plan) and (iv) offer or issue any series of preferred stock that is not convertible into shares of Common Stock other than in connection with a "change of control." For the avoidance of doubt, the Company will not be prohibited from issuing Common Stock upon the election by a holder of Preferred Stock to convert Preferred Stock into Common Stock. In the event that notice of a proposed sale is provided by the Company pursuant to this Section 5(l), the Sales Agent may suspend activity under this program for such period of time as may be requested by the Company or as may be deemed appropriate by the Sales Agent.

(m) Not, at any time at or after the execution of this Agreement, to offer or sell any Shares by means of any "prospectus" (within the meaning of the Act), or use any "prospectus" (within the meaning of the Act) in connection with the offer or sale of the Shares, in each case other than the Prospectus.

(n) The Company will not, and will cause its subsidiaries not to, take, directly or indirectly, any action designed, or which will constitute, or has constituted, or might reasonably be expected to cause or result in the stabilization or manipulation of the price of any security of the Company to facilitate the sale or resale of the Shares.

(o) To use its best efforts to cause the Common Stock to be listed on the NYSE and to maintain such listing.

(p) To advise the Sales Agent immediately after it shall have received notice or obtain knowledge thereof, of any information or fact that would alter or affect any opinion, certificate, letter and other document provided to the Sales Agent pursuant to Section 8 herein.

(q) Upon commencement of the offering of the Shares under this Agreement, and within four trading days of each time that (i) the Registration Statement or the Prospectus shall be amended or supplemented (other than pursuant to subclause (ii) below and other than a prospectus supplement filed pursuant to Rule 424(b) under the Act relating solely to the offering of securities other than the Shares), (ii) there is filed with the Commission any document incorporated by reference into the Prospectus (other than a Current Report on Form 8-K, unless the Sales Agent shall otherwise reasonably request), or (iii) otherwise as the Sales Agent may reasonably request (the date of commencement of the offering of the Shares under this Agreement and each date referred to in subclauses (i), (ii) and (iii) above, each a "Representation Date"), the Company shall furnish or cause to be furnished to the Sales Agent forthwith a certificate dated as of such delivery date, in form satisfactory to the Sales Agent to the effect that the statements contained in the certificate referred to in Section 8(e)(i) of this Agreement which were last furnished to the Sales Agent are true and correct as of such delivery date, as though made at and as of such date (except that such statements shall be deemed to relate to the Registration Statement and the Prospectus as amended and supplemented to such date) or, in lieu of such certificate, a certificate of the same tenor as the certificate referred to in said Section 8(e)(i), modified as necessary to relate to the Registration Statement and the Prospectus as amended and supplemented to the time of delivery of such certificate. The requirement to provide a certificate under this Section 5(q) shall be waived for any Representation Date occurring at a time at which no Placement Notice is pending, which waiver shall continue until the earlier to occur of the date the Company delivers a Placement Notice hereunder or under any Alternative Agreement (which for such calendar quarter shall be considered a Representation Date) and the next occurring Representation Date. Notwithstanding the foregoing, if the

Company subsequently decides to sell Shares through the Sales Agent or any Alternative Agent following a Representation Date when the Company relied on such waiver and did not provide the Agents with a certificate under this Section 5(q), then before the Company delivers the Placement Notice or the Sales Agent or any Alternative Agent sells any Shares, the Company shall provide the Sales Agent with such certificate, dated the date of the Placement Notice.

(r) On or prior to four trading days after each Representation Date with respect to which the Company is obligated to deliver a certificate under Section 8(e) for which no waiver is applicable, the Company shall furnish or cause to be furnished forthwith to the Sales Agent written opinions of (i) Davis Polk & Wardwell LLP, special counsel for the Company (including negative assurance), (ii) Hunton Andrews Kurth LLP, tax counsel for the Company, (iii) Venable LLP, Maryland counsel for the Company and (iv) Anthony C. Green, Chief Corporate Officer, Chief Legal Officer and Secretary for the Company or other counsels satisfactory to the Sales Agent, dated and delivered as of such delivery date, in form and substance satisfactory to the Sales Agent, of the same tenor as the opinions referred to in Section 8(c) of this Agreement, but modified as necessary to relate to the Registration Statement and the Prospectus as amended and supplemented to the time of delivery of such opinions.

(s) On or prior to four trading days after each Representation Date with respect to which the Company is obligated to deliver a certificate under Section 8(e) for which no waiver is applicable, the Company shall furnish or cause to be furnished to the Sales Agent forthwith a certificate of the Secretary of the Company, dated and delivered as of such delivery date, in form and substance satisfactory to the Sales Agent.

(t) On or prior to four trading days after each Representation Date with respect to which the Company is obligated to deliver a certificate under Section 8(e) for which no waiver is applicable, Cravath, Swaine & Moore LLP, counsel to the Sales Agent, shall deliver a written opinion, dated and delivered as of such delivery date, in form and substance satisfactory to the Sales Agent.

(u) On or prior to four trading days after each Representation Date with respect to which the Company is obligated to deliver a certificate under Section 8(e) for which no waiver is applicable, the Company shall cause the Accountants or other independent accountants satisfactory to the Sales Agent, forthwith to furnish to the Sales Agent a letter, dated as of such delivery date, in form and substance satisfactory to the Sales Agent, of the same tenor as the letter referred to in Section 8(d) of this Agreement but modified to relate to the Registration Statement and the Prospectus, as amended and supplemented to the date of such letter. Notwithstanding anything else contained herein to the contrary, other than as set forth in this Section 5(u) and Section 8(d) of this Agreement the Company shall be under no additional obligations to cause the Accountants to provide a letter to the Sales Agent, provided however, so long as this Agreement remains in effect, to the extent the Sales Agent reasonably believes it needs such a letter at some time other than as required under this Section 5(u) and Section 8(d), the Sales Agent may suspend the offering of the Shares in accordance with Section 4(a)(ii) of this Agreement, if such letter is not delivered.

(v) At each Representation Date with respect to which the Company is obligated to deliver a certificate under Section 8(e) for which no waiver is applicable, to conduct a due diligence session, in form and substance, satisfactory to the Sales Agent, which shall include representatives of the management and the accountants of the Company.

(w) That the Company consents to the Sales Agent trading in the Common Stock for the Sales Agent's own account and for the account of its clients at the same time as sales of the Shares occur pursuant to this Agreement.

(x) If to the knowledge of the Company, any condition set forth in Section 8(a) or Section 8(h) of this Agreement shall not have been satisfied on the applicable Settlement Date, to offer to any person who has agreed to purchase the Shares from the Company as the result of an offer to purchase solicited by the Sales Agent the right to refuse to purchase and pay for such Shares.

(y) To disclose in its quarterly reports on Form 10-Q and in its annual report on Form 10-K the number of the Shares sold through or to the Sales Agent under this Agreement, the Net Proceeds to the Company and the compensation paid by the Company with respect to sales of the Shares pursuant to this Agreement during the relevant quarter.

(z) To ensure that prior to instructing the Sales Agent to sell Shares the Company shall have obtained all necessary corporate authority for the offer and sale of such Shares.

(aa) That each acceptance by the Company of an offer to purchase the Shares hereunder shall be deemed to be an affirmation to the Sales Agent that the representations and warranties of the Company contained in or made pursuant to this Agreement are true and correct as of the date of such acceptance as though made at and as of such date, and an undertaking that such representations and warranties will be true and correct as of the Settlement Date for the Shares relating to such acceptance, as though made at and as of such date (except that such representations and warranties shall be deemed to relate to the Registration Statement and the Prospectus as amended and supplemented relating to such Shares).

(ab) The Company has been organized and operated in conformity with the requirements for qualification and taxation of the Company as a REIT under the Code, and the Company's proposed methods of operation will enable the Company to continue to meet the requirements for qualification and taxation as a REIT under the Code.

(ac) The Company has retained the Accountants as its qualified accountants and qualified tax experts (i) to test procedures and conduct annual compliance reviews designed to determine compliance with the REIT provisions of the Code and the Company's exempt status under the Investment Company Act and (ii) to otherwise assist the Company in monitoring appropriate accounting systems and procedures designed to determine compliance with the REIT provisions of the Code and the Company's exempt status under the Investment Company Act.

SECTION 6. Reserved.

SECTION 7. Payment of Expenses. The Company agrees with the Sales Agent that whether or not the transactions contemplated hereunder are consummated or this Agreement is terminated, to pay all of its expenses incident to the performance of its obligations hereunder, including, but not limited to, such costs, expenses, fees and taxes in connection with (i) the preparation and filing of the Registration Statement, the Basic Prospectus, the Prospectus Supplement, the Prospectus, each Permitted Free Writing Prospectus and any amendments or supplements thereto, and the printing and furnishing of copies of each thereof to the Sales Agent (including costs of mailing and shipment), (ii) the registration, issue, sale and delivery of the Shares including any stock or transfer taxes and stamp or similar duties payable upon the sale, issuance or delivery of the Shares, (iii) the producing, word processing and/or printing of this Agreement, any Powers of Attorney and any closing documents (including compilations thereof) and the reproduction and/or printing and furnishing of copies of each thereof to the Sales Agent (including costs of mailing and shipment), (iv) the qualification of the Shares for offering and sale under state laws and the determination of their eligibility for investment under state law as aforesaid (including the reasonable legal fees and filing fees and other disbursements of counsel for the Sales Agent) and the printing and furnishing of copies of any blue sky surveys to the

Sales Agent, (v) the listing of the Shares on any securities exchange or qualification of the Shares for quotation on the NYSE and any registration thereof under the Exchange Act and (vi) any filing for review of the public offering of the Shares by FINRA, including the reasonable legal fees and disbursements of counsel for the Sales Agent relating to FINRA matters. The Sales Agent will pay all of its other out-of-pocket costs and expenses incurred in connection with entering into this Agreement and the transactions contemplated by this Agreement, including, without limitation, travel, reproduction, printing and similar expenses.

SECTION 8. Conditions of Sales Agent's Obligations. The obligations of the Sales Agent hereunder are subject to (i) the accuracy of the representations and warranties on the part of the Company on the date hereof, any applicable date referred to in Section 5(q) of this Agreement and as of each Settlement Date, (ii) the performance by the Company of its obligations hereunder and (iii) to the following additional conditions precedent.

(a) (i) No stop order with respect to the effectiveness of the Registration Statement shall have been issued under the Act or proceedings initiated under Section 8(d) or 8(e) of the Act, and no order directed at or in relation to any document incorporated by reference therein and no order preventing or suspending the use of the Prospectus has been issued by the Commission, the Commission shall not have notified the Company of any objection to the use of the form of the Registration Statement or any post-effective amendment thereto, and no suspension of the qualification of the Shares for offering or sale in any jurisdiction, or to the knowledge of the Company or the Sales Agent of the initiation or threatening of any proceedings for any of such purposes, has occurred; (ii) the Registration Statement and all amendments thereto, or modifications thereof, if any, shall not contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading; (iii) none of the Basic Prospectus or the Prospectus, and no amendment or supplement thereto, or modification thereof, if any, shall include an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary in order to make the statements therein, in the light of the circumstances under which they are made, not misleading; (iv) no Prospectus, together with any combination of one or more of the Permitted Free Writing Prospectuses, if any, and no amendment or supplement thereto, shall include an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they are made, not misleading; and (v) none of the Permitted Free Writing Prospectuses, if any, shall include an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they are made, not misleading.

(b) Subsequent to the respective dates as of which information is given in the Registration Statement, the Basic Prospectus, the Prospectus and the Permitted Free Writing Prospectuses, if any, (i) no material and unfavorable change, financial or otherwise (other than as referred to in the Registration Statement and the Prospectus), in the business, condition, net worth or prospects of the Company and its subsidiaries, taken as a whole, in the judgment of the Sales Agent, shall occur or become known and (ii) no transaction which is material and unfavorable to the Company or any of its subsidiaries, taken as a whole (other than as referred to in the Registration Statement and Prospectus), in the judgment of the Sales Agent, shall have been entered into by the Company or any of its subsidiaries.

(c) The Company shall furnish to the Sales Agent, at every date specified in Section 5(r) of this Agreement for which no waiver is applicable, the opinions of Davis Polk & Wardwell LLP, Hunton Andrew Kurth LLP, Venable LLP and the Chief Legal Officer of the Company addressed to the Sales Agent, and dated as of such date, and in form satisfactory to the Sales Agent, in the form set forth in Exhibits A-1, A-2, A-3 and A-4 hereto.

(d) At the dates specified in Section 5(u) of this Agreement, the Sales Agent shall have received from the Accountants letters dated the date of delivery thereof and addressed to the Sales Agent in form and substance satisfactory to the Sales Agent.

(e) (i) The Company shall deliver to the Sales Agent, on or prior to four trading days after each Representation Date specified in Section 5(q) of this Agreement, a certificate of two of its executive officers to the effect that (i) the representations and warranties of the Company as set forth in this Agreement are true and correct as of such delivery date, (ii) the Company has performed such of its obligations under this Agreement as are to be performed at or before each such delivery date and (iii) the conditions set forth in paragraphs (a) and (b) of this Section 8 have been met. The certificate shall also state that the Shares have been duly and validly authorized by the Company, that all corporate action required to be taken for the issuance and sale of the Shares has been validly and sufficiently taken, and that the Company's Board of Directors or any other body with authority has not revoked, rescinded or otherwise modified or withdrawn such authorization or corporate action.

(f) The Sales Agent shall have received, at every date specified in Section 5(t) of this Agreement, the favorable opinion of Cravath, Swaine & Moore LLP, counsel to the Sales Agent, dated as of such date, and in form and substance satisfactory to the Sales Agent.

(g) The Sales Agent shall have received, at every date specified in Section 5(s) of this Agreement, a certificate of the Secretary of the Company, dated as of such date, and in form and substance satisfactory to the Sales Agent.

(h) All filings with the Commission required by Rule 424 under the Act to have been filed by the Settlement Date shall have been made within the applicable time period prescribed for such filing by Rule 424.

(i) The Shares shall have been approved for listing on the NYSE, subject only to notice of issuance at or prior to the Settlement Date.

For purposes of clarity and without limitation to any other provision of this Section 8 or elsewhere in this Agreement, the Company and the Sales Agent agree that the Sales Agent's obligations, if any, to solicit purchases of Shares on an agency basis or otherwise take any action pursuant to a Placement Notice shall, unless otherwise agreed in writing by the Sales Agent, be suspended during the period from and including a Representation Date for which certificates are required to be delivered pursuant to Section 5(q) through and including the time the Sales Agent shall have received the documents described in Sections 8(c) through 8(g), inclusive.

SECTION 9. Indemnification and Contribution.

(a) The Company agrees to indemnify, defend and hold harmless the Sales Agent and its affiliates, its and their directors, officers, employees and agents and any person who controls the Sales Agent within the meaning of Section 15 of the Act or Section 20 of the Exchange Act, and the successors and assigns of all of the foregoing persons, from and against any loss, damage, expense, liability or claim (including the reasonable cost of investigation) which the Sales Agent or any such person may incur under the Act, the Exchange Act, the common law or otherwise, insofar as such loss, damage, expense, liability or claim arises out of or is based upon (i) any untrue statement or alleged untrue statement of a material fact contained in the Registration Statement (or in the Registration Statement as amended by any post-effective amendment thereof by the Company) or arises out of or is based upon any omission or alleged omission to state a material fact required to be stated therein or necessary to make the statements

therein not misleading, except insofar as any such loss, damage, expense, liability or claim arises out of or is based upon any untrue statement or alleged untrue statement of a material fact contained in, and in conformity with information furnished in writing by or on behalf of the Sales Agent to the Company expressly for use in, the Registration Statement or arises out of or is based upon any omission or alleged omission to state a material fact in the Registration Statement in connection with such information, which material fact was not contained in such information and which material fact was required to be stated in such Registration Statement or was necessary to make such information not misleading or (ii) any untrue statement or alleged untrue statement of a material fact included in any Prospectus (the term Prospectus for the purpose of this Section 9 being deemed to include the Basic Prospectus, the Prospectus Supplement, the Prospectus and any amendments or supplements to the foregoing), in any Permitted Free Writing Prospectus, in any "issuer information" (as defined in Rule 433 under the Act) of the Company or in any Prospectus together with any combination of one or more of the Permitted Free Writing Prospectuses, if any, or arises out of or is based upon any omission or alleged omission to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading, except, with respect to such Prospectus or Permitted Free Writing Prospectus, insofar as any such loss, damage, expense, liability or claim arises out of or is based upon any untrue statement or alleged untrue statement of a material fact contained in, and in conformity with information furnished in writing by or on behalf of the Sales Agent to the Company expressly for use in, such Prospectus or Permitted Free Writing Prospectus or arises out of or is based upon any omission or alleged omission to state a material fact in such Prospectus or Permitted Free Writing Prospectus in connection with such information, which material fact was not contained in such information and which material fact was necessary in order to make the statements in such information, in the light of the circumstances under which they were made, not misleading.

If any action, suit or proceeding (together, a "Proceeding") is brought against the Sales Agent or any such person in respect of which indemnity may be sought against the Company pursuant to the foregoing paragraph, the Sales Agent or such person shall promptly notify the indemnifying party in writing of the institution of such Proceeding and the Company shall assume the defense of such Proceeding, including the employment of counsel reasonably satisfactory to such indemnified party and payment of all fees and expenses; provided, however, that the omission to so notify the Company shall not relieve the Company from any liability which the Company may have to the Sales Agent or any such person or otherwise except to the extent the Company was materially prejudiced by such omission. The Sales Agent or such person shall have the right to employ its or their own counsel in any such case, but the fees and expenses of such counsel shall be at the expense of the Sales Agent or of such person unless the employment of such counsel shall have been authorized in writing by the Company in connection with the defense of such Proceeding or the Company shall not have, within a reasonable period of time in light of the circumstances, employed counsel to have charge of the defense of such Proceeding or such indemnified party or parties shall have reasonably concluded that there may be defenses available to it or them which are different from, additional to or in conflict with those available to the Company (in which case the Company shall not have the right to direct the defense of such Proceeding on behalf of the indemnified party or parties), in any of which events such fees and expenses shall be borne by the Company, and paid as incurred (it being understood, however, that the Company shall not be liable for the expenses of more than one separate counsel (in addition to any local counsel) in any one Proceeding or series of related Proceedings in the same jurisdiction representing the indemnified parties who are parties to such Proceeding). The Company shall not be liable for any settlement of any Proceeding effected

without its written consent but if settled with the written consent of the Company, the Company agrees to indemnify and hold harmless the Sales Agent and any such person from and against any loss or liability by reason of such settlement. Notwithstanding the foregoing sentence, if at any time an indemnified party shall have requested the Company to reimburse the indemnified party for fees and expenses of counsel as contemplated by the second sentence of this paragraph, then the Company agrees that it shall be liable for any settlement of any Proceeding effected without its written consent if (i) such settlement is entered into more than 60 business days after receipt by the Company of the aforesaid request, (ii) the Company shall not have reimbursed the indemnified party in accordance with such request prior to the date of such settlement and (iii) such indemnified party shall have given the indemnifying party at least 30 days' prior notice of its intention to settle. The Company shall not, without the prior written consent of the indemnified party, effect any settlement of any pending or threatened Proceeding in respect of which any indemnified party is or may be a party and indemnity could have been sought hereunder by such indemnified party, unless such settlement includes an unconditional release of such indemnified party from all liability on claims that are the subject matter of such Proceeding and does not include an admission of fault or culpability or a failure to act, by or on behalf of such indemnified party.

(b) The Sales Agent agrees to indemnify, defend and hold harmless the Company, and each of its directors and each of the Company's officers, who signed the Registration Statement, and each person, if any, who controls the Company within the meaning of Section 15 of the Act or Section 20 of the Exchange Act, and the successors and assigns of all of the foregoing persons, from and against any loss, damage, expense, liability or claim (including the reasonable cost of investigation) which, jointly or severally, the Company or any such person may incur under the Act, the Exchange Act, the common law or otherwise, insofar as such loss, damage, expense, liability or claim arises out of or is based upon (i) any untrue statement or alleged untrue statement of a material fact contained in and, in conformity with information furnished in writing by or on behalf of the Sales Agent to the Company expressly for use with reference to the Sales Agent in the Registration Statement (or in the Registration Statement as amended by any post-effective amendment thereof by the Company), or arises out of or is based upon any omission or alleged omission to state a material fact in such Registration Statement in connection with such information, which material fact was not contained in such information and which material fact was required to be stated in such Registration Statement or was necessary to make such information not misleading or (ii) any untrue statement or alleged untrue statement of a material fact contained in, and in conformity with information furnished in writing by or on behalf of the Sales Agent to the Company expressly for use in, the Prospectus Supplement or a Permitted Free Writing Prospectus, or arises out of or is based upon any omission or alleged omission to state a material fact in the Prospectus Supplement or a Permitted Free Writing Prospectus in connection with such information, which material fact was not contained in such information and which material fact was necessary in order to make the statements in such information, in the light of the circumstances under which they were made, not misleading.

If any Proceeding is brought against the Company or any such person in respect of which indemnity may be sought against the Sales Agent pursuant to the foregoing paragraph, the Company or such person shall promptly notify the Sales Agent in writing of the institution of such Proceeding and the Sales Agent shall assume the defense of such Proceeding, including the employment of counsel reasonably satisfactory to such indemnified party and payment of all fees and expenses; *provided*, *however*, that the omission to so notify the Sales Agent shall not relieve the Sales Agent from any liability which the Sales Agent may have to the Company or

any such person or otherwise. The Company or such person shall have the right to employ its own counsel in any such case, but the fees and expenses of such counsel shall be at the expense of the Company such person unless the employment of such counsel shall have been authorized in writing by the Sales Agent in connection with the defense of such Proceeding or the Sales Agent shall not have, within a reasonable period of time in light of the circumstances, employed counsel to have charge of the defense of such Proceeding or such indemnified party or parties shall have reasonably concluded that there may be defenses available to it or them which are different from or additional to or in conflict with those available to the Sales Agent (in which case the Sales Agent shall not have the right to direct the defense of such Proceeding on behalf of the indemnified party or parties, but the Sales Agent may employ counsel and participate in the defense thereof but the fees and expenses of such counsel shall be at the expense of the Sales Agent), in any of which events such fees and expenses shall be borne by the Sales Agent and paid as incurred (it being understood, however, that the Sales Agent shall not be liable for the expenses of more than one separate counsel (in addition to any local counsel) in any one Proceeding or series of related Proceedings in the same jurisdiction representing the indemnified parties who are parties to such Proceeding). The Sales Agent shall not be liable for any settlement of any such Proceeding effected without the written consent of the Sales Agent but if settled with the written consent of the Sales Agent, the Sales Agent agrees to indemnify and hold harmless the Company and any such person from and against any loss or liability by reason of such settlement. Notwithstanding the foregoing sentence, if at any time an indemnified party shall have requested the Sales Agent to reimburse the indemnified party for fees and expenses of counsel as contemplated by the second sentence of this paragraph, then the Sales Agent agrees that it shall be liable for any settlement of any Proceeding effected without its written consent if (i) such settlement is entered into more than 60 business days after receipt by the Sales Agent of the aforesaid request, (ii) the Sales Agent shall not have reimbursed the indemnified party in accordance with such request prior to the date of such settlement and (iii) such indemnified party shall have given the Sales Agent at least 30 days' prior notice of its intention to settle. The Sales Agent shall not, without the prior written consent of the indemnified party, effect any settlement of any pending or threatened Proceeding in respect of which any indemnified party is a party and indemnity could have been sought hereunder by such indemnified party, unless such settlement includes an unconditional release of such indemnified party from all liability on claims that are the subject matter of such Proceeding.

(c) If the indemnification provided for in this Section 9 is unavailable to an indemnified party under subsections (a) and (b) of this Section 9 or insufficient to hold an indemnified party harmless in respect of any losses, damages, expenses, liabilities or claims referred to therein, then each applicable indemnifying party shall contribute to the amount paid or payable by such indemnified party as a result of such losses, damages, expenses, liabilities or claims (i) in such proportion as is appropriate to reflect the relative benefits received by the Company, on the one hand, and the Sales Agent, on the other hand, from the offering of the Shares or (ii) if the allocation provided by clause (i) above is not permitted by applicable law, in such proportion as is appropriate to reflect not only the relative benefits referred to in clause (i) above but also the relative fault of the Company, on the one hand, and of the Sales Agent, on the other, in connection with the statements or omissions which resulted in such losses, damages, expenses, liabilities or claims, as well as any other relevant equitable considerations. The relative benefits received by the Company, on the one hand, and the Sales Agent, on the other, shall be deemed to be in the same respective proportions as the total proceeds from the offering

(net of underwriting discounts and commissions but before deducting expenses) received by the Company, and the total underwriting discounts and commissions received by the Sales Agent, bear to the aggregate public offering price of the Shares. The relative fault of the Company, on the one hand, and of the Sales Agent, on the other, shall be determined by reference to, among other things, whether the untrue statement or alleged untrue statement of a material fact or omission or alleged omission relates to information supplied by the Company or by the Sales Agent and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission. The amount paid or payable by a party as a result of the losses, damages, expenses, liabilities and claims referred to in this subsection shall be deemed to include any legal or other fees or expenses reasonably incurred by such party in connection with investigating, preparing to defend or defending any Proceeding.

(d) The Company and the Sales Agent agree that it would not be just and equitable if contributions pursuant to this Section 9 were determined by pro rata allocation or by any other method of allocation which does not take account of the equitable considerations referred to in subsection (c) above. Notwithstanding the provisions of this Section 9, the Sales Agent shall not be required to contribute any amount in excess of commissions received by it under this Agreement. No person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation.

(e) The Company and the Sales Agent agree promptly to notify each other of the commencement of any Proceeding against it and, in the case of the Company, against any of the Company's officers or directors in connection with the issuance and sale of the Shares, or in connection with the Registration Statement, the Basic Prospectus, the Prospectus or any Permitted Free Writing Prospectus.

SECTION 10. Representations and Agreements to Survive Delivery. The indemnity and contribution agreements contained in Section 9 and the covenants, warranties and representations of the Company contained in this Agreement or in certificates delivered pursuant hereto shall remain in full force and effect regardless of any investigation made by or on behalf of the Sales Agent, its partners, directors or officers or any person (including each partner, officer or director of such person) who controls the Sales Agent within the meaning of Section 15 of the Act or Section 20 of the Exchange Act, or by or on behalf of the Company, its directors or officers or any person who controls the Company within the meaning of Section 15 of the Act or Section 20 of the Exchange Act, and shall survive any termination of this Agreement or the issuance and delivery of the Shares.

SECTION 11. Termination.

(a) The Company shall have the right, by giving written notice as hereinafter specified, to terminate the provisions of this Agreement relating to the solicitation of offers to purchase the Shares in its sole discretion at any time. Any such termination shall be without liability of any party to any other party except that (i) if any of the Shares have been sold through the Sales Agent for the Company, then Section 5(j) and Section 5(w) shall remain in full force and effect, (ii) with respect to any pending sale, through the Sales Agent for the Company, the obligations of the Company, including in respect of compensation of the Sales Agent, shall remain in full force and effect notwithstanding the termination and (iii) the provisions of Sections 7, 9, 10, 12, 13, 14, 18 and 20 of this Agreement shall remain in full force and effect notwithstanding such termination.

(b) The Sales Agent shall have the right, by giving written notice as hereinafter specified, to terminate the provisions of this Agreement relating to the solicitation of offers to

purchase the Shares in its sole discretion at any time. Any such termination shall be without liability of any party to any other party except that (i) if any of the Shares have been sold through the Sales Agent for the Company, then Section 5(j) and Section 5(w) shall remain in full force and effect and (ii) the provisions of Sections 7, 9, 10, 12, 13, 14, 18 and 20 of this Agreement shall remain in full force and effect notwithstanding such termination.

(c) This Agreement shall remain in full force and effect unless terminated pursuant to Sections 11(a) or 11(b) above or otherwise by mutual agreement of the parties; and shall automatically terminate on May 8, 2030; *provided* that any such termination by mutual agreement shall in all cases be deemed to provide that Sections 7, 9 and 10 shall remain in full force and effect.

(d) Any termination of this Agreement shall be effective on the date specified in such notice of termination; *provided* that such termination shall not be effective until the close of business on the date of receipt of such notice by the Sales Agent or the Company, as the case may be. If such termination shall occur prior to the Settlement Date for any sale of the Shares, such sale shall settle in accordance with the provisions of Section 4(a)(vi) of this Agreement.

SECTION 12. Notices. Except as otherwise herein provided, all statements, requests, notices and agreements under this Agreement shall be in writing and delivered by hand, overnight courier, mail or facsimile and, if to the Sales Agent, shall be sufficient in all respects if delivered or sent to Morgan Stanley & Co. LLC, 1585 Broadway, New York, New York 10036, Attention: Jyri Wilska (Email: jyri.wilska@morganstanley.com) and Mike O'Byrne (Email: mike.o'byrne@morganstanley.com), and a copy for information purposes to Andrew J. Pitts, Esq. and Ryan J. Patrone, Esq. at Cravath, Swaine & Moore LLP, Two Manhattan West, 375 Ninth Avenue, New York, New York 10001 and, if to the Company, it shall be sufficient in all respects if delivered or sent to the Company at the offices of the Company at 1211 Avenue of the Americas, New York, New York 10036, Attention: David L. Finkelstein with a copy for information purposes to Davis Polk & Wardwell LLP at 450 Lexington Avenue New York, New York 10017, Attention: Shane Tintle, facsimile number: (212) 450-4000, Email: shane.tintle@davispolk.com. Each party to this Agreement may change such address for notices by sending to the parties to this Agreement written notice of a new address for such purpose.

SECTION 13. Parties at Interest. The Agreement herein set forth has been and is made solely for the benefit of the Sales Agent, the Company and, to the extent provided in Section 9 of this Agreement, the controlling persons, directors and officers referred to in such section, and their respective successors, assigns, heirs, personal representatives and executors and administrators. No other person, partnership, association or corporation (including a purchaser, as such purchaser, from the Sales Agent) shall acquire or have any right under or by virtue of this Agreement.

SECTION 14. No Fiduciary Relationship. The Company hereby acknowledges that the Sales Agent is acting solely as sales agent and/or principal in connection with the purchase and sale of the Company's securities. The Company further acknowledges that the Sales Agent is acting pursuant to a contractual relationship created solely by this Agreement entered into on an arm's length basis, and in no event do the parties intend that the Sales Agent act or be responsible as a fiduciary to the Company or its management, stockholders or creditors or any other person in connection with any activity that the Sales Agent may undertake or have undertaken in furtherance of the purchase and sale of the Company's securities, either before or after the date hereof. The Sales Agent hereby expressly disclaims any fiduciary or similar obligations to the Company, either in connection with the transactions contemplated by this Agreement or any matters leading up to such transactions, and the Company hereby confirms its understanding and agreement to that effect. The Company and the Sales Agent agree that they

are each responsible for making their own independent judgments with respect to any such transactions and that any opinions or views expressed by the Sales Agent to the Company regarding such transactions, including, but not limited to, any opinions or views with respect to the price or market for the Company's securities, do not constitute advice or recommendations to the Company, nor shall the expression of such opinions or views constitute any solicitation of any action by the Sales Agent. The Company hereby (a) waives and releases, to the fullest extent permitted by law, any claims that the Company may have against the Sales Agent with respect to any breach or alleged breach of any fiduciary or similar duty to the Company in connection with the transactions contemplated by this Agreement or any matters leading up to such transactions and (b) agrees that none of the activities of the Sales Agent in connection with the transactions contemplated herein constitutes a recommendation, investment advice or solicitation of any action by the Sales Agent with respect to any entity or natural person. The Company has consulted its own legal, accounting, financial, regulatory and tax advisors to the extent deemed appropriate.

SECTION 15. Press Releases and Disclosure. The Company may issue a press release in compliance with Rule 134 under the Act describing the material terms of the transactions contemplated hereby as soon as practicable following the date hereof, and may file with the Commission a Current Report on Form 8-K describing the material terms of the transaction contemplated hereby, and the Company shall consult with the Sales Agent prior to making such disclosures, and the parties shall use all reasonable efforts, acting in good faith, to agree upon a text for such disclosures that is reasonably satisfactory to all parties. No party hereto shall issue thereafter any press release or like public statement (including, without limitation, any disclosure required in reports filed with the Commission pursuant to the Exchange Act) related to this Agreement or any of the transactions contemplated hereby without the prior written approval of the other parties hereto, except as may be necessary or appropriate in the opinion of the party seeking to make disclosure to comply with the requirements of applicable law or stock exchange rules. If any such press release or like public statement is so required, the party making such disclosure shall consult with the other party prior to making such disclosure, and the parties shall use all reasonable efforts, acting in good faith, to agree upon a text for such disclosure that is reasonably satisfactory to all parties.

SECTION 16. Adjustments for Stock Splits. The parties acknowledge and agree that all share related numbers contained in this Agreement shall be adjusted to take into account any stock split effected with respect to the Shares.

SECTION 17. Entire Agreement. This Agreement constitutes the entire agreement and supersedes all other prior and contemporaneous agreements and undertakings, both written and oral, among the parties hereto with regard to the subject matter hereof. The Company and the Sales Agent hereby confirm and agree that the Distribution Agency Agreement, dated September 20, 2024 (as amended, supplemented or otherwise modified from time to time, the "Prior Sales Agreement"), between the Company and the Sales Agent is hereby deemed to be terminated, effective as of May 8, 2025, pursuant to Section 11(a) thereof and, except as provided in Section 11 thereof, is of no further force and effect.

SECTION 18. Counterparts; Electronic Signatures. This Agreement may be signed by the parties in one or more counterparts which together shall constitute one and the same agreement among the parties. Delivery of this Agreement by one party to the other may be made by facsimile, electronic mail (including any electronic signature complying with the New York Electronic Signatures and Records Act (N.Y. State Tech. §§ 301-309), as amended from time to time, or other applicable law) or other transmission method, and the parties hereto agree that any counterpart so delivered shall be deemed to have been duly and validly delivered and be valid and effective for all purposes.

SECTION 19. Law; Construction. This Agreement and any claim, counterclaim or dispute of any kind or nature whatsoever arising out of or in any way relating to this Agreement ("Claim"), directly or indirectly, shall be governed by, and construed in accordance with, the internal laws of the State of New York.

SECTION 20. Headings. The Section headings in this Agreement have been inserted as a matter of convenience of reference and are not a part of this Agreement.

SECTION 21. Submission to Jurisdiction. Except as set forth below, no Claim may be commenced, prosecuted or continued in any court other than the courts of the State of New York located in the City and County of New York or in the United States District Court for the Southern District of New York, which courts shall have jurisdiction over the adjudication of such matters, and the Company consents to the non-exclusive jurisdiction of such courts and personal service with respect thereto. The Company hereby consents to personal jurisdiction, service and venue in any court in which any Claim arising out of or in any way relating to this Agreement is brought by any third party against the Sales Agent or any indemnified party. Each of the Sales Agent and the Company (on its behalf and, to the extent permitted by applicable law, on behalf of its stockholders and affiliates) waives all right to trial by jury in any action, proceeding or counterclaim (whether based upon contract, tort or otherwise) in any way arising out of or relating to this Agreement. The Company agrees that a final judgment in any such action, proceeding or counterclaim brought in any such court shall be conclusive and binding upon the Company and may be enforced in any other courts in the jurisdiction of which the Company is or may be subject, by suit upon such judgment.

SECTION 22. Successors and Assigns. This Agreement shall be binding upon the Sales Agent, the Company and their successors and assigns and any successor or assign of any substantial portion of the Company's and the Sales Agent's respective businesses and/or assets.

SECTION 23. Recognition of the U.S. Special Resolution Regimes. In the event that the Sales Agent that is a Covered Entity becomes subject to a proceeding under a U.S. Special Resolution Regime, the transfer from the Sales Agent of this Agreement, and any interest and obligation in or under this Agreement, will be effective to the same extent as the transfer would be effective under the U.S. Special Resolution Regime if this Agreement, and any such interest and obligation, were governed by the laws of the United States or a state of the United States.

In the event that the Sales Agent that is a Covered Entity or a BHC Act Affiliate of such Sales Agent becomes subject to a proceeding under a U.S. Special Resolution Regime, Default Rights under this Agreement that may be exercised against such Sales Agent are permitted to be exercised to no greater extent than such Default Rights could be exercised under the U.S. Special Resolution Regime if this Agreement were governed by the laws of the United States or a state of the United States.

For purposes of this Section 23, a "BHC Act Affiliate" has the meaning assigned to the term "affiliate" in, and shall be interpreted in accordance with, 12 U.S.C. § 1841(k). "Covered Entity" means any of the following: (i) a "covered entity" as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 252.82(b); (ii) a "covered bank" as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 47.3(b); or (iii) a "covered FSI" as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 382.2(b). "Default Right" has the meaning assigned to that term in, and shall be interpreted in accordance with, 12 C.F.R. §§ 252.81, 47.2 or 382.1, as applicable. "U.S. Special Resolution Regime" means each of (i) the

Federal Deposit Insurance Act and the regulations promulgated thereunder and (ii) Title II of the Dodd-Frank Wall Street Reform and Consumer Protection Act and the regulations promulgated thereunder.

If the foregoing correctly sets forth the understanding among the Company and the Sales Agent, please so indicate in the space provided below for that purpose, whereupon this Agreement and your acceptance shall constitute a binding agreement among the Company and the Sales Agent. Alternatively, the execution of this Agreement by the Company and its acceptance by or on behalf of the Sales Agent may be evidenced by an exchange of telegraphic or other written communications.

Very truly yours,

ANNALY CAPITAL MANAGEMENT, INC.

By: /s/ David L. Finkelstein
Name: David L. Finkelstein
Title: Chief Executive Officer and
Co-Chief Investment Officer

[***Signature Page to Distribution Agency Agreement***]

ACCEPTED as of the date
first above written

MORGAN STANLEY & CO. LLC

By: /s/ Michael O'Byrne
Name: Michael O'Byrne
Title: Executive Director

[***Signature Page to Distribution Agency Agreement***]

Schedule A
Permitted Free Writing Prospectuses

None.

Schedule B

Authorized Company Representatives

David Finkelstein, Chief Executive Officer and Co-Chief Investment Officer
Telephone: (212) 205-7256
Fax: (212) 696-0100
Email: dfinkelstein@annaly.com

Steve Campbell, President and Chief Operating Officer
Telephone: (212) 413-1885
Fax: (212) 696-0100
Email: scampbell@annaly.com

Serena Wolfe, Chief Financial Officer
Telephone: (212) 626-2308
Fax: (212) 696-0100
Email: swolfe@annaly.com

Anthony Green, Chief Corporate Officer, Chief Legal Officer and Secretary
Telephone: (646) 728-7668
Fax: (212) 696-0100
Email: agreen@annaly.com

Exhibit A-1

Opinion of Davis Polk & Wardwell LLP

See attached.

Exhibit A-2

Opinion of Hunton Andrew Kurth LLP

See attached.

Exhibit A-3

Opinion of Venable LLP

See attached.

Exhibit A-4

Opinion of the Company's Chief Legal Officer

See attached.

ANNALY CAPITAL MANAGEMENT, INC.

Shares of Common Stock
(par value $0.01 per share)

DISTRIBUTION AGENCY AGREEMENT

May 8, 2025

Piper Sandler & Co.
U.S. Bancorp Center
800 Nicollet Mall
Minneapolis, Minnesota 55402

Ladies and Gentlemen:

Annaly Capital Management, Inc., a Maryland corporation (the "Company"), agrees with Piper Sandler & Co. (the "Sales Agent"), to issue and sell from time to time through the Sales Agent, as sales agent and/or principal, shares of its common stock, par value $0.01 per share (the "Common Stock"), on the terms set forth in this agreement (this "Agreement").

The Company is concurrently entering into separate distribution agency agreements (the "Alternative Agreements"), each dated of even date herewith, with Barclays Capital Inc., BNP Paribas Securities Corp., BofA Securities, Inc., BTIG, LLC, Citizens JMP Securities, LLC, Goldman Sachs & Co. LLC, J.P. Morgan Securities LLC, Keefe, Bruyette & Woods, Inc., Morgan Stanley & Co, LLC, RBC Capital Markets, LLC, UBS Securities LLC and Wells Fargo Securities, LLC (each, an "Alternative Agent," and together with the Sales Agent, the "Agents"), to issue and sell from time to time through each Alternative Agent, as sales agent and/or principal, shares of the Company's Common Stock (the "Shares") on the terms set forth in the Alternative Agreements. This Agreement and the Alternative Agreements are collectively referred to herein as the "Distribution Agreements."

SECTION 1. Description of Securities. The Company proposes to issue and sell through or to the Sales Agent, as sales agent and/or principal, the Shares on the terms set forth in Section 4 of this Agreement. The Company agrees that whenever it determines to sell the Shares directly to the Sales Agent as principal, it will enter into a separate agreement (each, a "Terms Agreement"), in form and substance satisfactory to the Sales Agent, relating to such sale in accordance with Section 4 of this Agreement.

SECTION 2. Representations and Warranties of the Company. The Company represents and warrants to and agrees with the Sales Agent that:

(a) An "automatic shelf registration statement" (the "registration statement") as defined in Rule 405 under the Securities Act of 1933, as amended, and the rules and regulations thereunder (collectively called the "Act"), on Form S-3 (File No. 333-282261) in respect of the Shares, including a form of prospectus, has been prepared and filed by the Company not earlier

than three years prior to the date hereof, in conformity with the requirements of the Act, and the rules and regulations of the Securities and Exchange Commission (the "Commission") thereunder (the "Rules and Regulations"). The registration statement contains certain information concerning the offering and sale of the Common Stock, including the Shares, and contains additional information concerning the Company and its business; the Commission has not issued an order preventing or suspending the use of the Basic Prospectus (as defined below), the Prospectus Supplement (as defined below), the Prospectus (as defined below) or any Permitted Free Writing Prospectus (as defined below), or the effectiveness of the Registration Statement (as defined below), and no proceeding for that purpose or pursuant to Section 8A of the Act has been instituted or, to the Company's knowledge, threatened by the Commission. Except where the context otherwise requires, "Registration Statement," as used herein, means the registration statement, as amended at the time of such registration statement's effectiveness for purposes of Section 11 of the Act, as such section applies to the Sales Agent, as well as any new registration statement, post-effective amendment or new automatic shelf registration statement as may have been filed pursuant to Section 5(f) or (g) of this Agreement, including (1) all documents filed as a part thereof or incorporated or deemed to be incorporated by reference therein, (2) any information contained or incorporated by reference in a prospectus filed with the Commission pursuant to Rule 424(b) under the Act, to the extent such information is deemed, pursuant to Rule 430B or Rule 430C under the Act, to be part of the registration statement at the time of such registration statement's effectiveness for purposes of Section 11 of the Act, as such section applies to the Sales Agent, and (3) any registration statement filed to register the offer and sale of Shares pursuant to Rule 462(b) under the Act. Except where the context otherwise requires, "Basic Prospectus," as used herein, means the prospectus filed as part of each Registration Statement, together with any amendments or supplements thereto as of the date of this Agreement. Except where the context otherwise requires, "Prospectus Supplement," as used herein, means the final prospectus supplement, relating to the Shares, filed by the Company with the Commission pursuant to Rule 424(b) under the Act on or before the second business day after the date hereof (or such earlier time as may be required under the Act), or if after such date, the most recently filed final prospectus supplement relating to the Shares, in the form furnished by the Company to the Sales Agent in connection with the offering of the Shares. Except where the context otherwise requires, "Prospectus," as used herein, means the Prospectus Supplement together with the Basic Prospectus attached to or used with the Prospectus Supplement. "Permitted Free Writing Prospectuses," as used herein, means the documents listed on Schedule A attached hereto. Any reference herein to the registration statement, the Registration Statement, the Basic Prospectus, the Prospectus Supplement, the Prospectus or any Permitted Free Writing Prospectus shall be deemed to refer to and include the documents, if any, incorporated by reference, or deemed to be incorporated by reference, therein (the "Incorporated Documents"), including, unless the context otherwise requires, the documents, if any, filed as exhibits to such Incorporated Documents. Any reference herein to the terms "amend," "amendment" or "supplement" with respect to the Registration Statement, the Basic Prospectus, the Prospectus Supplement, the Prospectus or any Permitted Free Writing Prospectus shall be deemed to refer to and include the filing of any document under the Securities Exchange Act of 1934, as amended, and the rules and regulations thereunder (collectively, the "Exchange Act") on or after the initial effective date of the Registration Statement, or the date of the Basic Prospectus, the Prospectus Supplement, the Prospectus or such Permitted Free Writing Prospectus, as the case may be, and deemed to be incorporated therein by reference.

(b) The Registration Statement complied when it became effective, complies as of the date hereof and, as amended or supplemented, at each deemed effective date with respect to the Sales Agent pursuant to Rule 430(B)(f)(2) of the Act, at each Settlement Date (as defined in Section 4(a)(vi) hereof), and at all times during which a prospectus is required by the Act to be delivered (whether physically, deemed to be delivered pursuant to Rule 153 or through compliance with Rule 172 under the Act or any similar rule) in connection with any sale of

Shares, will comply, in all material respects, with the requirements of the Act, and the Registration Statement did not and will not, at or during such times, contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading; the conditions to the use of Form S-3 in connection with the offering and sale of the Shares as contemplated hereby have been satisfied; the Registration Statement meets, and the offering and sale of the Shares as contemplated hereby complies with, the requirements of Rule 415 under the Act (including, without limitation, Rule 415(a)(5)); the Basic Prospectus complied or will comply, at the time it was or will be filed with the Commission, complies as of the date hereof (if filed with the Commission on or prior to the date hereof) and, as of the time of each sale of Shares pursuant to this Agreement (each, a "Time of Sale"), at each Settlement Date and at all times during which a prospectus is required by the Act to be delivered (whether physically, deemed to be delivered pursuant to Rule 153 or through compliance with Rule 172 under the Act or any similar rule) in connection with any sale of Shares, will comply, in all material respects, with the requirements of the Act; at no time during the period that begins on the earlier of the date of the Basic Prospectus and the date the Basic Prospectus was filed with the Commission and ends on each Settlement Date did or will the Basic Prospectus, as then amended or supplemented, include an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; the Prospectus will comply, as of the date that it is filed with the Commission, the date of the Prospectus Supplement, each Time of Sale, each Settlement Date, and at all times during which a prospectus is required by the Act to be delivered (whether physically, deemed to be delivered pursuant to Rule 153 or through compliance with Rule 172 under the Act or any similar rule) in connection with any sale of Shares, in all material respects, with the requirements of the Act (including, without limitation, Section 10(a) of the Act); at no time during the period that begins on the date of the Prospectus Supplement and ends at the later of each Settlement Date and the end of the period during which a prospectus is required by the Act to be delivered (whether physically, deemed to be delivered pursuant to Rule 153 or through compliance with Rule 172 under the Act or any similar rule) in connection with any sale of Shares did or will the Prospectus, as then amended or supplemented, either alone or together with any combination of one or more of the then issued Permitted Free Writing Prospectuses, if any, include an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; at no time during the period that begins on the date of such Permitted Free Writing Prospectus and ends at each Settlement Date did or will any Permitted Free Writing Prospectus include an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided, however, that the Company makes no representation or warranty with respect to any statement contained in the Registration Statement, the Basic Prospectus, the Prospectus or any Permitted Free Writing Prospectus in reliance upon and in conformity with information concerning the Sales Agent and furnished in writing by or on behalf of the Sales Agent expressly for use in the Registration Statement, the Basic Prospectus, the Prospectus or such Permitted Free Writing Prospectus; each Incorporated Document, at the time such document was filed with the Commission or at the time such document became effective, as applicable, complied, in all material respects, with the requirements of the Exchange Act and did not include an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(c) (i) At the time of filing of the Registration Statement, (ii) at the time of the most recent amendment thereto for the purposes of complying with Section 10(a)(3) of the Act or otherwise (whether such amendment was by post-effective amendment, incorporated report filed pursuant to Section 13 or 15(d) of the Exchange Act or form of prospectus), (iii) at the time the Company or any person acting on its behalf (within the meaning, for this clause only, of

Rule 163(c) of the Act) made any offer relating to the Shares in reliance on the exemption of Rule 163 of the Act and (iv) at the date hereof, the Company is a "well-known seasoned issuer" as defined in Rule 405 of the Act ("Rule 405"), including not having been and not being an "ineligible issuer" as defined by Rule 405. The Registration Statement is an "automatic shelf registration statement," as defined in Rule 405, and the Shares, since their registration on the Registration Statement, have been and remain eligible for registration by the Company on a Rule 405 "automatic shelf registration statement." The Company has not received from the Commission any notice pursuant to Rule 401(g)(2) of the Act objecting to the use of the automatic shelf registration statement form.

(d) Prior to the execution of this Agreement, the Company has not, directly or indirectly, offered or sold any Shares by means of any "prospectus" (within the meaning of the Act) or used any "prospectus" (within the meaning of the Act) in connection with the offer or sale of the Shares; the Company has not, directly or indirectly, prepared, used or referred to any Permitted Free Writing Prospectus except in compliance with Rule 163 or with Rules 164 and 433 under the Act; assuming that any such Permitted Free Writing Prospectus is so sent or given after the Registration Statement was filed with the Commission (and after such Permitted Free Writing Prospectus was, if required pursuant to Rule 433(d) under the Act, filed with the Commission), the sending or giving, by the Sales Agent, of any Permitted Free Writing Prospectus will satisfy the provisions of Rule 164 or Rule 433 (without reliance on subsections (b), (c) and (d) of Rule 164); the conditions set forth in one or more of subclauses (i) through (iv), inclusive, of Rule 433(b)(1) under the Act are satisfied, and the registration statement relating to the offering of the Shares contemplated hereby, as initially filed with the Commission, includes a prospectus that, other than by reason of Rule 433 or Rule 431 under the Act, satisfies the requirements of Section 10 of the Act; neither the Company nor the Sales Agent is disqualified, by reason of subsection (f) or (g) of Rule 164 under the Act, from using, in connection with the offer and sale of the Shares, "free writing prospectuses" (as defined in Rule 405 under the Act) pursuant to Rules 164 and 433 under the Act; the Company is not an "ineligible issuer" (as defined in Rule 405 under the Act) as of the eligibility determination date for purposes of Rules 164 and 433 under the Act with respect to the offering of the Shares contemplated by the Registration Statement; the parties hereto agree and understand that the content of any and all "road shows" (as defined in Rule 433 under the Act) related to the offering of the Shares contemplated hereby is solely the property of the Company.

(e) The Company has an authorized and outstanding capitalization as set forth in the consolidated balance sheet included or incorporated by reference in the Registration Statement, the Prospectus or any Permitted Free Writing Prospectus or as of the Company's then most recently completed quarter or fiscal year, contained in the Company's quarterly report on Form 10-Q or the Company's annual report on Form 10-K, as applicable, at the indicated date, and there has been no material change in such information since the Company's then most recently completed quarter or fiscal year (subject to the issuance of shares of Common Stock upon exercise of stock options and warrants disclosed as outstanding in the Registration Statement (excluding the exhibits thereto) and the Prospectus and the grant of options under existing stock option plans described in the Registration Statement (excluding the exhibits thereto), the Basic Prospectus and the Prospectus).

(f) The consolidated financial statements of the Company, together with the related schedules and notes thereto, set forth or included or incorporated by reference in the Registration Statement, the Prospectus or any Permitted Free Writing Prospectus are accurate in all material respects and fairly present the financial condition of the Company on a consolidated basis as of the dates indicated and the results of operations, changes in financial position, stockholders' equity and cash flows for the periods therein specified are in conformity with generally accepted accounting principles consistently applied throughout the periods involved (except as otherwise

stated therein). The selected financial and statistical data included or incorporated by reference in the Registration Statement and the Prospectus present fairly the information shown therein and, to the extent based upon or derived from the financial statements, have been compiled on a basis consistent with the financial statements presented therein. No other financial statements are required to be set forth or to be incorporated by reference in the Registration Statement or the Prospectus under the Act. The interactive data in eXtensible Business Reporting Language included or incorporated by reference in the Registration Statement, the Prospectus or any Permitted Free Writing Prospectus fairly present the information called for in all material respects and have been prepared in accordance with the Commission's rules and guidelines applicable thereto.

(g) The Prospectus and any Permitted Free Writing Prospectus delivered to the Sales Agent for use in connection with this offering will be, identical to the versions of the Prospectus and any Permitted Free Writing Prospectus, respectively, created to be transmitted to the Commission for filing via EDGAR, except to the extent permitted by Regulation S-T.

(h) The Company and each of its subsidiaries has been duly formed or, if a corporation, incorporated and is validly existing as a limited liability company, limited partnership or corporation in good standing under the laws of the state of its formation or incorporation, as applicable, is duly qualified to do business and is in good standing as a foreign limited liability company, limited partnership or corporation, as applicable, in each jurisdiction in which its ownership or lease of property or assets or the conduct of its business requires such qualification, except where the failure to so qualify would not have a material adverse effect on the business, assets, properties, prospects, financial condition or results of operation of the Company and its subsidiaries taken as a whole (a "Company Material Adverse Effect"), and has full limited liability company, limited partnership or corporate, as applicable, power and authority necessary to own, hold, lease and/or operate its assets and properties, to conduct the business in which it is engaged and as described in the Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any, and to enter into and perform its obligations under this Agreement and to consummate the transactions contemplated hereby, and the Company and its subsidiary Arcola Securities, Inc. ("Arcola") are each in compliance in all material respects with the laws, orders, rules, regulations and directives issued or administered by such jurisdictions.

(i) The Company has no "significant subsidiaries" (as such term is defined in Rule 1-02 of Regulation S-X promulgated under the Securities Act), and has no other subsidiaries except as (i) set forth in Exhibit 21.1 to the Company's most recently filed annual report on Form 10-K, (ii) otherwise disclosed by the Company in the Registration Statement, the Prospectus or the Permitted Free Writing Prospectus, if any, or (iii) would not, individually or in the aggregate, be material to the Company. Complete and correct copies of the charter and of the bylaws of the Company and all amendments thereto have been delivered to the Sales Agent (or otherwise made available on EDGAR) and, except as set forth in the exhibits to, or incorporated by reference into, the Registration Statement, no changes therein will be made subsequent to the date hereof and prior to each Time of Sale and each Settlement Date.

(j) The Company is not in breach of, or in default under (nor has any event occurred which with notice, lapse of time or both would result in any breach of or constitute a default under), (i) its charter or bylaws or (ii) any obligation, agreement, covenant or condition contained in any contract, license, repurchase agreement, indenture, mortgage, deed of trust, bank loan or credit agreement, note, lease or other evidence of indebtedness, or any lease, contract or other agreement or instrument to which the Company is a party or by which it or any of its assets or properties may be bound or affected, the effect of which breach or default under this clause (ii) could have a Company Material Adverse Effect. The execution, delivery and performance of

this Agreement, the issuance and sale of the Shares and the consummation of the transactions contemplated hereby will not conflict with, or result in any breach of, constitute a default under or a Repayment Event (as defined below) under (nor constitute any event which with notice, lapse of time or both would result in any breach of, constitute a default under or a Repayment Event under), (i) any provision of the charter or bylaws of the Company, (ii) any provision of any contract, license, repurchase agreement, indenture, mortgage, deed of trust, bank loan or credit agreement, note, lease or other evidence of indebtedness, or any lease, contract or other agreement or instrument to which the Company is a party or by which the Company or any of its assets or properties may be bound or affected, the effect of which could have a Company Material Adverse Effect or (iii) under any federal, state, local or foreign law, regulation or rule or any decree, judgment or order applicable to the Company. As used herein, a "Repayment Event" means any event or condition which gives the holder of any note, debenture or other evidence of indebtedness (or any person acting on such holder's behalf) the right to require the repurchase, redemption or repayment of all or a portion of such indebtedness by the Company or any subsidiary.

(k) All of the issued and outstanding shares of capital stock, including the Common Stock, of the Company have been duly and validly authorized and issued and are fully paid and non-assessable, have been issued in compliance with all federal and state securities laws and were not issued in violation of any preemptive right, resale right, right of first refusal or similar right.

(l) This Agreement has been duly authorized, executed and delivered by the Company.

(m) Reserved.

(n) The capital stock of the Company, including the Shares, conforms and will conform in all material respects to the description thereof contained in the Registration Statement, the Prospectus or any Permitted Free Writing Prospectus and such description conforms to the rights set forth in the instruments defining the same. If certificated, the global certificates representing the Shares are in due and proper form and the holders of the Shares will not be subject to personal liability by reason of being such holders.

(o) The Shares have been duly and validly authorized by the Company for issuance and sale pursuant to this Agreement and, when issued and delivered against payment therefor as provided herein, will be duly and validly issued and fully paid and non-assessable, free and clear of any pledge, lien, encumbrance, security interest or other claim, and will be registered pursuant to Section 12 of the Exchange Act.

(p) No approval, authorization, consent or order of or filing with any national, state or local governmental or regulatory commission, board, body, authority or agency is required in connection with the issuance and sale of the Shares or the consummation by the Company of the transaction contemplated hereby other than (i) registration of the Shares under the Act, (ii) any necessary qualification under the securities or blue sky laws of the various jurisdictions in which the Shares are being offered by the Sales Agent and (iii) such approvals in connection with the approval of the listing of the Shares on the New York Stock Exchange LLC (the "NYSE").

(q) No person, as such term is defined in Rule 1-02 of Regulation S-X promulgated under the Act (each, a "Person"), has the right, contractual or otherwise, to cause the Company to issue to it any shares of capital stock or other securities of the Company upon the issue and sale of the Shares to the Sales Agent hereunder, nor does any Person have preemptive rights, co-sale rights, rights of first refusal or other rights to purchase or subscribe for any of the Shares or any

securities or obligations convertible into or exchangeable for, or any contracts or commitments to issue or sell any of, the Shares or any options, rights or convertible securities or obligations, other than those that have been expressly waived prior to the date hereof.

(r) Ernst & Young LLP (the "Accountants"), whose report on the consolidated financial statements of the Company is filed with the Commission as part of the Registration Statement and the Prospectus, are and, during the periods covered by their reports, were independent public accountants as required by the Act.

(s) Each of the Company and its subsidiaries has all necessary licenses, authorizations, consents and approvals and has made all necessary filings required under any federal, state, local or foreign law, regulation or rule, and has obtained all necessary permits, authorizations, consents and approvals from other Persons, in order to conduct its business as described in the Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any, except as such as could not have a Company Material Adverse Effect. Neither the Company nor any of its subsidiaries is required by any applicable law to obtain accreditation or certification from any governmental agency or authority in order to provide the products and services which it currently provides or which it proposes to provide as set forth in the Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any, except as such could not have a Company Material Adverse Effect. Neither the Company nor any of its subsidiaries is in violation of, or in default under, any such license, permit, authorization, consent or approval or any federal, state, local or foreign law, regulation or rule or any decree, order or judgment applicable to the Company or any of its subsidiaries, the effect of which could have a Company Material Adverse Effect.

(t) The descriptions in the Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any, of the legal or governmental proceedings, contracts, leases and other legal documents therein described present fairly in all material respects the information required to be shown, and there are no legal or governmental proceedings, contracts, leases or other documents of a character required to be described in the Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any, or to be filed as exhibits to the Registration Statement which are not described or filed as required. All agreements between the Company and third parties expressly referenced in the Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any, are legal, valid and binding obligations of the Company, enforceable in accordance with their respective terms, except to the extent enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws affecting creditors' rights generally and by general equitable principles and except to the extent that any indemnification provision thereof may be limited by public policy considerations in respect thereof.

(u) Except as set forth in the Registration Statement, the Prospectus or a Permitted Free Writing Prospectus, there are no actions, suits, claims, investigations, inquiries or proceedings pending or, to the best of the Company's knowledge, threatened to which the Company or any of the subsidiaries or any of their respective officers or directors is a party or of which any of its properties or other assets is subject at law or in equity, or before or by any federal, state, local or foreign governmental or regulatory commission, board, body, authority or agency which could result in a judgment, decree or order having a Company Material Adverse Effect.

(v) Except as otherwise may be disclosed therein, subsequent to the respective dates as of which information is given in the Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any, there has not been (i) any Company Material Adverse Effect, or any development which would reasonably be expected to cause a Company Material Adverse

Effect, in the business, properties or assets described or referred to in the Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any, or the results of operations, condition (financial or otherwise), net worth, business, prospects or operations of the Company and its subsidiaries, taken as a whole, (ii) any transaction which is material to the Company and its subsidiaries, taken as a whole, except transactions in the ordinary course of business, (iii) any obligation, direct or contingent, which is material to the Company and its subsidiaries, taken as a whole, incurred by the Company or any subsidiary, except obligations incurred in the ordinary course of business, (iv) any change in the capital stock or, except in the ordinary course of business, outstanding indebtedness of the Company or any subsidiary or (v) except for regular quarterly dividends on the outstanding shares of preferred stock (collectively, the "Preferred Stock") and the Common Stock, in amounts per share that are consistent with past practice and the descriptions thereof in the Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any, any dividend or distribution of any kind declared, paid or made by the Company on any class of its capital stock. There are no contingent obligations that are material to the Company and its subsidiaries, taken as a whole, which are not disclosed in the Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any.

(w) Except as set forth in the Registration Statement, the Prospectus or a Permitted Free Writing Prospectus, there are no Persons with registration or other similar rights to have any equity or debt securities, including securities which are convertible into or exchangeable for equity securities, registered pursuant to the Registration Statement or otherwise registered by the Company under the Act.

(x) The Company (i) does not have any issued and outstanding preferred stock, other than the shares of Preferred Stock, in such number and series, as are described in the Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any, (ii) has not failed to pay any dividend or sinking fund installment on preferred stock and (iii) has not defaulted on any installment on indebtedness for borrowed money or on any rental on one or more long term leases, which defaults would have a Company Material Adverse Effect on the financial position of the Company and its subsidiaries, taken as a whole. The Company has not filed a report pursuant to Section 13(a) or 15(d) of the Exchange Act since the filing of its last annual report on Form 10-K, indicating that it (i) has failed to pay any dividend or sinking fund installment on the Preferred Stock or (ii) has defaulted on any installment on indebtedness for borrowed money or on any rental on one or more long term leases, which defaults would have a Company Material Adverse Effect.

(y) Neither the Company nor any of its officers, directors and controlling Persons have, directly or indirectly, (i) taken any action designed to cause or to result in, or that has constituted or which might reasonably be expected to constitute, the stabilization or manipulation of the price of the Common Stock to facilitate the sale of the Shares, or (ii) (except pursuant to this Agreement, shares of the Company's Common Stock issued pursuant to the Company's dividend reinvestment and share purchase plan (the "DRSPP"), as may have been incurred in connection with the Company's publicly disclosed repurchase of Common Stock and the retirement of the Company's long-term indebtedness) (A) sold, bid for, purchased, or paid anyone any compensation for soliciting purchases of, the Shares or, (B) other than as disclosed in the Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any, during the one hundred eighty (180) day period preceding the date of this Agreement, paid or agreed to pay to any Person any compensation for soliciting another to purchase any other securities of the Company.

(z) The Company has applied to have the Shares listed on the NYSE, and the Shares will have been approved for listing on the NYSE as of the time of purchase, subject only to official notice of issuance.

(aa) Neither the Company nor any of its affiliates, except for Arcola, (i) is required to register as a "broker" or "dealer" in accordance with the provisions of the Exchange Act or (ii) directly or indirectly through one or more intermediaries, controls or has any other association with (within the meaning of Article I of the Bylaws of the Financial Industry Regulatory Authority, Inc. ("FINRA")) any member firm of FINRA.

(ab) Any certificate signed by any officer of the Company delivered to the Sales Agent or to counsel for the Sales Agent pursuant to or in connection with this Agreement shall be deemed a representation and warranty by the Company to the Sales Agent as to the matters covered thereby.

(ac) As of the date of this Agreement, the Company has no plan or intention to materially alter its capital investment policy or investment allocation strategy, both as described in the Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any, and is in compliance with its stated capital investment policy and investment allocation strategy. Each of the Company and its subsidiaries has good and marketable title to all of the properties and assets owned by them, in each case free and clear of any security interests, liens, encumbrances, equities, claims and other defects (except for any security interest, lien, encumbrance or claim that may otherwise exist under any applicable repurchase agreement or loan agreement), except such as do not have a Company Material Adverse Effect and do not interfere with the use made or proposed to be made of such property or asset by the Company or any subsidiary, and except as described in or contemplated by the Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any. The Company owns no real property that is material, on an individual basis, to the Company. Any real property and buildings held under lease by the Company or any subsidiary are held under valid, existing and enforceable leases, with such exceptions as are disclosed in the Prospectus or are not material and do not interfere with the use made or proposed to be made of such property and buildings by the Company.

(ad) The Company has filed all federal and material state and foreign income and franchise tax returns required to be filed on or prior to the date hereof and has paid taxes shown as due thereon (or that are otherwise due and payable), other than taxes which are being contested in good faith and for which adequate reserves have been established in accordance with generally accepted accounting principles. The Company has no knowledge, after due inquiry, of any tax deficiency which has been asserted or threatened against the Company. To the knowledge of the Company, there are no tax returns of the Company that are currently being audited by federal, state or local taxing authorities or agencies which would have a Company Material Adverse Effect.

(ae) The Company owns or possesses adequate license or other rights to use all patents, trademarks, service marks, trade names, copyrights, software and design licenses, trade secrets, manufacturing processes, other intangible property rights and know-how (collectively, "Intangibles") necessary to entitle the Company to conduct its business as described in the Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any, and the Company has not received notice of infringement of or conflict with (and the Company knows of no such infringement of or conflict with) asserted rights of others with respect to any Intangibles which could have a Company Material Adverse Effect.

(af) The Company maintains a system of internal accounting controls sufficient to provide reasonable assurance that (i) transactions are executed in accordance with management's general or specific authorizations, (ii) transactions are recorded as necessary to permit preparation of financial statements in conformity with generally accepted accounting principles as applied in the United States and to maintain asset accountability, (iii) access to assets is

permitted only in accordance with management's general or specific authorization, (iv) the recorded accountability for assets is compared with the existing assets at reasonable intervals and appropriate action is taken with respect to any differences and (v) the interactive data in eXtensible Business Reporting Language incorporated by reference in the Registration Statement, the Prospectus and any Permitted Free Writing Prospectus fairly present the information called for in all material respects and is prepared in accordance with the Commission's rules and guidelines applicable thereto.

(ag) The Company has established and maintains disclosure controls and procedures (as such term is defined in Rule 13a-14 and 15d-14 under the Exchange Act); such disclosure controls and procedures are designed to ensure that material information relating to the Company is made known to the Company's Chief Executive Officer and its Chief Financial Officer, and such disclosure controls and procedures are effective to perform the functions for which they were established; any significant material weaknesses in internal controls have been identified for the Company's Chief Executive Officer and its Chief Financial Officer; and since the date of the most recent evaluation of such disclosure controls and procedures, there have been no significant changes in internal controls or in other factors that could significantly affect internal controls.

(ah) The Company is insured by insurers of recognized financial responsibility against such losses and risks and in such amounts as are prudent and customary in the business in which it is engaged. The Company has no reason to believe that it will not be able to renew its existing insurance coverage as and when such coverage expires or to obtain similar coverage from similar insurers as may be necessary to continue its business at a cost that would not have a Company Material Adverse Effect.

(ai) Except as set forth in the Registration Statement, the Prospectus or a Permitted Free Writing Prospectus, the Company is not in violation, and has not received notice of any violation with respect to, any applicable environmental, safety or similar law applicable to the business of the Company. The Company has received all permits, licenses or other approvals required of them under applicable federal and state occupational safety and health and environmental laws and regulations to conduct its business, and the Company is in compliance with all terms and conditions of any such permit, license or approval, except any such violation of law or regulation, failure to receive required permits, licenses or other approvals or failure to comply with the terms and conditions of such permits, licenses or approvals which could not, singly or in the aggregate, have a Company Material Adverse Effect.

(aj) Neither the Company nor any of its subsidiaries has incurred any liability for any finder's fees or similar payments in connection with the transactions herein contemplated, except as may otherwise exist with respect to the Sales Agent pursuant to this Agreement.

(ak) Except as set forth in the Registration Statement, the Prospectus or a Permitted Free Writing Prospectus, there are no existing or threatened labor disputes with the employees of the Company which are likely to have individually or in the aggregate a Company Material Adverse Effect.

(al) No relationship, direct or indirect, exists between or among the Company or any of its subsidiaries, on the one hand, and the directors, officers and stockholders of the Company, on the other hand, which is required by the Act to be described in the Registration Statement and the Prospectus that is not so described.

(am) The Company, since its date of inception, has been, and upon the sale of the Shares will continue to be, organized and operated in conformity with the requirements for

qualification and taxation as a "real estate investment trust" (a "REIT") under Sections 856 through 860 of the Internal Revenue Code of 1986, as amended and the regulations and published interpretations thereunder (collectively, the "Code"), for all taxable years commencing with its taxable year ended December 31, 1997. The proposed method of operation of the Company as described in Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any, will enable the Company to continue to meet the requirements for qualification and taxation as a REIT under the Code, and no actions have been taken (or not taken which are required to be taken) which would cause such qualification to be lost. The Company intends to continue to operate in a manner which would permit it to qualify as a REIT under the Code. The Company has no intention of changing its operations or engaging in activities which would cause it to fail to qualify, or make economically undesirable its continued qualification, as a REIT.

(an) Neither the Company nor any subsidiary is and, after giving effect to the offering and sale of the Shares, will be required to register as an "investment company" or an entity "controlled" by an "investment company," as such terms are defined in the Investment Company Act of 1940, as amended (the "Investment Company Act").

(ao) To the Company's knowledge, no relationship, direct or indirect, exists between or among the Company or any subsidiary, on the one hand, and the officers, 10% stockholders or directors of the Company or any subsidiary, on the other hand, which is required by the rules of FINRA to be described in the Registration Statement and the Prospectus which is not so described.

(ap) The Company has not, directly or indirectly, including through any subsidiary, extended credit, arranged to extend credit, or renewed any extension of credit, in the form of a personal loan, to or for any director or executive officer of the Company, or to or for any family member or affiliate of any director or executive officer of the Company.

(aq) Neither the Company nor any of the subsidiaries nor, to the Company's knowledge, any employee or agent of the Company or the subsidiaries has made any payment of funds of the Company or the subsidiaries or received or retained any funds in violation of any law, rule or regulation, which payment, receipt or retention of funds is of a character required to be disclosed in the Registration Statement or the Prospectus.

(ar) The Company is in compliance with all applicable provisions of the Sarbanes-Oxley Act of 2002 and the rules and regulations promulgated thereunder.

(as) The Common Stock is an "actively traded security" excepted from the requirements of Rule 101 of Regulation M under the Exchange Act by subsection (c)(1) of such rule.

(at) Other than any Terms Agreement or the Alternative Agreements, the Company has not entered into any other sales agency or distribution agreements or similar arrangements with any agent or other representative in respect of the Shares and the equity shelf program established by the Distribution Agreements, the terms of which have not been properly and duly waived.

(au) The operations of the Company and its subsidiaries are and have been conducted at all times in material compliance with all applicable financial recordkeeping and reporting requirements, including those of the Bank Secrecy Act, as amended by Title III of the Uniting and Strengthening America by Providing Appropriate Tools Required to intercept and Obstruct Terrorism Act of 2001 (USA PATRIOT Act), as amended, and the applicable anti-money

laundering statutes of jurisdictions where the Company and its subsidiaries conduct business, the rules and regulations thereunder and any related or similar rules, regulations or guidelines, issued, administered or enforced by any governmental agency (collectively, the "Anti-Money Laundering Laws"), and no action, suit or proceeding by or before any court or governmental agency, authority or body or any arbitrator involving the Company or any of its subsidiaries with respect to Anti-Money Laundering Laws is pending or, to the best knowledge of the Company, threatened.

(av) (A) Neither the Company nor any of its subsidiaries, nor any director, officer or employee thereof, nor, to the Company's knowledge, any agent, affiliate or representative of the Company or any of them, is an individual or entity ("Covered Person") that is, or is owned or controlled by a Covered Person that is:

(i) the subject of any sanctions administered or enforced by the U.S. Department of Treasury's Office of Foreign Assets Control ("OFAC"), the United Nations Security Council, the European Union, His Majesty's Treasury or other relevant sanctions authority (collectively, "Sanctions"); nor

(ii) located, organized or resident in a country or territory that is the subject of Sanctions (including, without limitation, the so-called Donetsk People's Republic, the so-called Luhansk People's Republic, the Kherson, the non-government controlled areas of the Kherson and Zaporizhzhia regions of Ukraine, and any other Covered Region of Ukraine identified pursuant to Executive Order 14065, the Crimea region of Ukraine, Cuba, Iran, North Korea, Syria and Venezuelan State-owned entities).

(A) The Company will not use the proceeds of the offering, or lend, contribute or otherwise make available such proceeds to any subsidiary, joint venture partner or other Covered Person:

(i) to fund or facilitate any activities or business of or with any Covered Person or in any country or territory that, at the time of such funding or facilitation, is the subject of Sanctions; or

(ii) in any other manner that will result in a violation of Sanctions by any Covered Person (including any Covered Person participating in the offering, whether as underwriter, advisor, investor or otherwise).

(B) The Company and its subsidiaries have not knowingly engaged in, are not now knowingly engaged in, and will not engage in, any dealings or transactions with any Covered Person, or in any country or territory, that at the time of the dealing or transaction is or was the subject of Sanctions.

(C) Neither the Company nor any of its subsidiaries, nor any director, officer or, to the Company's knowledge, employee thereof, nor, to the Company's knowledge, any agent, affiliate or representative of the Company or any of them: (i) has used any corporate funds for any unlawful contribution, gift, entertainment or other unlawful expense relating to political activity; (ii) has made any direct or indirect unlawful contribution or payment to any official of, or candidate for, or any employee of, any federal, state or foreign office from corporate funds; (iii) has made any bribe, unlawful rebate, payoff, influence payment, kickback or other unlawful payment; or (iv) is aware of or has taken any action, directly or indirectly, that would result in a violation by such persons of the OECD Convention on Bribery of Foreign Public Officials in International

Business Transactions, the Foreign Corrupt Practices Act of 1977, as amended, and the rules and regulations thereunder (collectively, the "FCPA") or any similar law or regulation to which the Company, any of its subsidiaries, any director, officer, agent, employee, affiliate or other person associated with or acting on behalf of the Company or any of its subsidiaries is subject. The Company, its subsidiaries and their affiliates have each conducted its businesses in compliance with the FCPA and any applicable similar law or regulation and have instituted and maintain policies and procedures designed to ensure, and which are reasonably expected to continue to ensure, continued compliance therewith.

SECTION 3. Reserved.

SECTION 4. Sale and Delivery of Securities. (a) On the basis of the representations, warranties and agreements herein contained, but subject to the terms and conditions herein set forth, the Company agrees to issue and sell through the Sales Agent, as sales agent, and the Sales Agent agrees to use its commercially reasonable efforts to sell, as sales agent for the Company, the Shares on the following terms.

(i) The Shares are to be sold on a daily basis or otherwise as shall be agreed to by the Company and the Sales Agent on any day that (A) is a trading day for the NYSE (other than a day on which the NYSE is scheduled to close prior to its regular weekday closing time), (B) the Company has instructed the Sales Agent by telephone (confirmed promptly by electronic mail) (or as otherwise agreed to by the Company and the Sales Agent) from any of the individuals listed as authorized representatives of the Company on Schedule B hereto (the "Authorized Company Representatives") to make such sales and (C) the Company has satisfied its obligations under Section 8 of this Agreement. The Company will designate the maximum amount of the Shares to be sold by the Sales Agent daily as agreed to by the Sales Agent and in any event not in excess of the amount available for issuance under the currently effective Registration Statement relating to the sale of up to $2,000,000,000 of Shares as described in the prospectus supplement dated May 8, 2025, or any Registration Statement filed pursuant to Section 5(g), or in a number in excess of the number of Shares authorized from time to time to be issued and sold under this Agreement by the Company's board of directors, or a duly authorized committee thereof, and notified to the Sales Agent in writing (a "Placement Notice").

Subject to the terms and conditions hereof, the Sales Agent shall use its commercially reasonable efforts to offer and sell all of the Shares designated; provided, however, that the Sales Agent shall have no obligation to offer or sell any Shares, and the Company acknowledges and agrees that the Sales Agent shall have no such obligation, in the event an offer or sale of the Shares on behalf of the Company may in the judgment of the Sales Agent constitute the sale of a "block" under Rule 10b-18(a)(5) under the Exchange Act or a "distribution" within the meaning of Rule 100 of Regulation M under the Exchange Act or the Sales Agent reasonably believes it may be deemed an "underwriter" under the Act in a transaction that is other than by means of ordinary brokers' transactions between members of the NYSE that qualify for delivery of a Prospectus to the NYSE in accordance with Rule 153 under the Act (such transactions are hereinafter referred to as "At-the-Market Offerings").

(ii) Notwithstanding the foregoing, the Company, through any of the Authorized Company Representatives, may instruct the Sales Agent by telephone

(confirmed promptly by electronic mail) (or as otherwise agreed to by the Company and the Sales Agent) not to sell the Shares if such sales cannot be effected at or above the price designated by the Company in any such instruction. In addition, the Company or the Sales Agent may, upon notice to the other party hereto by telephone (confirmed promptly by electronic mail) (or as otherwise agreed to by the Company and the Sales Agent), suspend the offering of the Shares; provided, however, that such suspension shall not affect or impair the parties' respective obligations with respect to the Shares sold hereunder prior to the giving of such notice.

(iii) The Sales Agent hereby covenants and agrees not to make any sales of the Shares on behalf of the Company, pursuant to this Section 4(a), other than (A) by means of At-the-Market Offerings and (B) such other sales of the Shares on behalf of the Company in its capacity as agent of the Company as shall be agreed by the Company and the Sales Agent.

(iv) The compensation to the Sales Agent, as an agent of the Company, for sales of the Shares shall be up to 1.25% of the gross sales price of the Shares sold pursuant to this Section 4(a) or such lower amount as otherwise mutually agreed upon by the Company and the Sales Agent from time to time. The remaining proceeds, after further deduction for any transaction fees imposed by any governmental or self-regulatory organization in respect of such sales, shall constitute the net proceeds to the Company for such Shares (the "Net Proceeds").

(v) The Sales Agent shall provide written confirmation to the Company following the close of trading on the NYSE each day in which the Shares are sold under this Section 4(a) setting forth the amount of the Shares sold on such day, the Net Proceeds to the Company and the compensation payable by the Company to the Sales Agent with respect to such sales.

(vi) Settlement for sales of the Shares pursuant to this Section 4(a) will occur on the first business day following the date on which such sales are made or such other date as may be agreed by the Company and the Sales Agent (each such date, a "Settlement Date"). On each Settlement Date, the Shares sold through the Sales Agent for settlement on such date shall be issued and delivered by the Company to the Sales Agent against payment of the Net Proceeds for the sale of such Shares. Settlement for all such Shares shall be effected by free delivery of the Shares by the Company or its transfer agent to the Sales Agent's account, or to the account of the Sales Agent's designee, at The Depository Trust Company through its Deposit and Withdrawal at Custodian System ("DWAC") or by such other means of delivery as may be mutually agreed upon by the parties hereto, which in all cases shall be freely tradable, transferable, registered shares in good deliverable form, in return for payments in same day funds delivered to the account designated by the Company. If the Company, or its transfer agent (if applicable), shall default on its obligation to deliver the Shares on any Settlement Date, the Company shall (A) indemnify and hold the Sales Agent harmless against any loss, claim or damage arising from or as a result of such default by the Company and (B) pay the Sales Agent any commission to which it would otherwise be entitled absent such default. The Authorized Company Representatives shall be the contact persons for the Company for all matters related to the settlement of the transfer of the Shares through DWAC for purposes of this Section 4(a)(vi).

(vii) At each Time of Sale, Settlement Date and Representation Date (as defined in Section 5(q)), the Company shall be deemed to have affirmed each of their respective representations and warranties contained in this Agreement. Any obligation of

the Sales Agent to use its commercially reasonable efforts to sell the Shares on behalf of the Company shall be subject to the continuing accuracy of the representations and warranties of the Company herein, to the performance by the Company of its obligations hereunder and to the continuing satisfaction of the additional conditions specified in Section 8 of this Agreement.

(a) (i) If the Company wishes to issue and sell the Shares other than as set forth in Section 4(a) of this Agreement (each, a "Placement"), it will notify the Sales Agent of the proposed terms of such Placement. If the Sales Agent, acting as principal, wishes to accept such proposed terms (which it may decline to do for any reason in its sole discretion) or, following discussions with the Company, wishes to accept amended terms, the Sales Agent and the Company will enter into a Terms Agreement setting forth the terms of such Placement. In the event of a conflict between the terms of this Agreement and the terms of any Terms Agreement, the terms of such Terms Agreement will control.

(b) (i) Under no circumstances shall the aggregate number of Shares sold pursuant to this Agreement exceed the number of Shares authorized from time to time to be issued and sold under this Agreement by the Company's board of directors, or a duly authorized committee thereof, and notified to the Sales Agent in writing.

(i) If either party has reason to believe that the exemptive provisions set forth in Rule 101(c)(1) of Regulation M under the Exchange Act are not satisfied with respect to the Shares, it shall promptly notify the other party and sales of the Shares under this Agreement shall be suspended until that or other exemptive provisions have been satisfied in the judgment of each party.

(c) Each sale of the Shares to or through the Sales Agent shall be made in accordance with the terms of this Agreement or, if applicable, a Terms Agreement.

(d) Any offer, solicitation or sale of the Shares shall be effected by or through only one of the Agents on any single trading day.

(e) Subject to the limitations set forth herein and as may be mutually agreed upon by the Company and the Sales Agent, sales pursuant to this Agreement may not be requested by the Company and need not be made by the Sales Agent during any period in which the Company is or could be deemed to be, in possession of material non-public information.

(f) Notwithstanding any other provision of this Agreement, the Company shall not offer, sell or deliver, or request the offer or sale, of any Shares pursuant to this Agreement at any time during the period from and including the time the Company issues a press release containing, or shall otherwise publicly announce, its earnings, revenues or other operating results for a fiscal period or periods (each, an "Earnings Announcement") through and including the Representation Date that occurs in connection with the Company filing a Quarterly Report on Form 10-Q or an Annual Report on Form 10-K (a "Filing Time") that includes consolidated financial statements as of and for the same fiscal period or periods, as the case may be, covered by such Earnings Announcement, unless the Company shall first (i) prepare and deliver to the Sales Agent (with a copy to counsel for the Sales Agent) a Current Report on Form 8-K that includes substantially the same financial and related information that was included in such Earnings Announcement (other than any earnings projections and similar forward-looking data and officers' quotations) (each, an "Earnings 8-K"), in form and substance reasonably satisfactory to the Sales Agent, and, prior to its filing, obtain the written consent of the Sales Agent to such filing (which consent shall not be unreasonably withheld), (ii) provide the Sales Agent with the officers' certificates, opinions and letters of counsels and accountants' letter

specified in Sections 5(q) through 5(u), inclusive, hereof, (iii) afford the Sales Agent the opportunity to conduct a due diligence review in accordance with Section 5(v) hereof prior to filing such Earnings 8-K and (iv) file (rather than furnish) such Earnings 8-K with the Commission. For purposes of clarity, the parties hereto agree that (A) the delivery of any officers' certificates, opinions or letters of counsel or accountants' letter pursuant to this Section 4(g) shall not relieve the Company from any of its obligations under this Agreement with respect to any Quarterly Report on Form 10-Q or Annual Report on Form 10-K, as the case may be, including, without limitation, the obligation to deliver officers' certificates, opinions and letters of counsel and accountants' letters as provided in Sections 5(q) through 5(u), inclusive, hereof, and (B) this Section 4(g) shall in no way affect or limit the operation of Section 4(d) hereof, which shall have independent application.

(g) The Company acknowledges and agrees that (A) there can be no assurance that the Sales Agent will be successful in selling the Shares, (B) the Sales Agent will incur no liability or obligation to the Company or any other person or entity if it does not sell Shares for any reason other than a failure by the Sales Agent to use its commercially reasonable efforts consistent with its normal trading and sales practices and applicable law and regulations to sell such Shares in accordance with the terms of this Agreement, and (C) the Sales Agent shall be under no obligation to purchase Shares on a principal basis pursuant to this Agreement, except as otherwise specifically agreed by the Sales Agent and the Company.

SECTION 5. Covenants of the Company. The Company agrees with the Sales Agent:

(a) During the period in which a prospectus relating to the Shares is required to be delivered under the Act (whether physically, deemed to be delivered pursuant to Rule 153 or through compliance with Rule 172 under the Act or any similar rule), to notify the Sales Agent promptly of the time when any subsequent amendment to the Registration Statement has become effective or any subsequent supplement to the Basic Prospectus, the Prospectus or any Permitted Free Writing Prospectus has been filed; to prepare and file with the Commission, promptly upon the Sales Agent's request, any amendments or supplements to the Registration Statement, the Basic Prospectus, the Prospectus or any Permitted Free Writing Prospectus that, in the Sales Agent's reasonable opinion, may be necessary or advisable in connection with the offering of the Shares by the Sales Agent; and to cause each amendment or supplement to the Basic Prospectus or the Prospectus to be filed with the Commission as required pursuant to the applicable paragraph of Rule 424(b) of the Act or, in the case of any Incorporated Document, to be filed with the Commission as required pursuant to the Exchange Act, within the time period prescribed.

(b) To promptly advise the Sales Agent, confirming such advice in writing, of any suspension of the Sales Agent's obligations under Rule 15c2-8 under the Exchange Act or any request by the Commission for amendments or supplements to the Registration Statement, the Basic Prospectus, the Prospectus or any Permitted Free Writing Prospectus or for additional information with respect thereto, or of notice of examination, institution of proceedings for, or the entry of a stop order suspending the effectiveness of the Registration Statement and, if the Commission should enter a stop order suspending the effectiveness of the Registration Statement, to use its best efforts to obtain the lifting or removal of such order as soon as possible; to promptly advise the Sales Agent of any proposal to amend or supplement the Registration Statement, the Basic Prospectus or the Prospectus, and to provide the Sales Agent and its counsel copies of any such documents for review and comment a reasonable amount of time prior to any proposed filing and to file no such amendment or supplement (other than any prospectus supplement relating to the offering of other securities (including, without limitation, the Common Stock)) to which the Sales Agent shall have objected in writing.

(c) To make available to the Sales Agent, as soon as practicable after this Agreement becomes effective, and thereafter from time to time to furnish to the Sales Agent, as many copies of the Prospectus (or of the Prospectus as amended or supplemented if the Company shall have made any amendments or supplements thereto after the effective date of the Registration Statement) as the Sales Agent may request for the purposes contemplated by the Act; in case the Sales Agent is required to deliver (whether physically, deemed to be delivered pursuant to Rule 153 or through compliance with Rule 172 under the Act or any similar rule), in connection with the sale of the Shares, a prospectus after the nine-month period referred to in Section 10(a)(3) of the Act, or after the time a post-effective amendment to the Registration Statement is required pursuant to Item 512(a) of Regulation S-K under the Act, the Company will prepare, at its expense, promptly upon request such amendment or amendments to the Registration Statement and the Prospectus as may be necessary to permit compliance with the requirements of Section 10(a)(3) of the Act or Item 512(a) of Regulation S-K under the Act, as the case may be.

(d) Subject to Section 5(b) hereof, to file promptly all reports and documents and any preliminary or definitive proxy or information statement required to be filed by the Company with the Commission in order to comply with the Exchange Act for so long as a prospectus is required by the Act to be delivered (whether physically, deemed to be delivered pursuant to Rule 153 or through compliance with Rule 172 under the Act or any similar rule) in connection with any sale of Shares; and to provide the Sales Agent, for its review and comment, with a copy of such reports and statements and other documents to be filed by the Company pursuant to Section 13, 14 or 15(d) of the Exchange Act during such period a reasonable amount of time prior to any proposed filing, and to file no such report, statement or document to which the Sales Agent shall have objected in writing; and to promptly notify the Sales Agent of such filing.

(e) To pay the fees applicable to the Registration Statement in connection with the offering of the Shares within the time required by Rule 456(b)(1) (i) under the Act (without reliance on the proviso to Rule 456(b)(1)(i) under the Act) and in compliance with Rule 456(b) and Rule 457(r) under the Act.

(f) If at any time when Shares remain unsold by the Sales Agent the Company receives from the Commission a notice pursuant to Rule 401(g)(2) under the Act or otherwise ceases to be eligible to use the automatic shelf registration statement form, the Company will (a) promptly notify the Sales Agent, (b) promptly file a new registration statement or post-effective amendment on the proper form relating to the Shares, in a form satisfactory to the Sales Agent, (c) use its best efforts to cause such registration statement or post-effective amendment to be declared effective as soon as practicable (if such filing is not otherwise effective immediately pursuant to Rule 462 under the Act) and (d) promptly notify the Sales Agent of such effectiveness. The Company will take all other action necessary or appropriate to permit the public offering and sale of the Shares to continue as contemplated in the Registration Statement that was the subject of the notice under Rule 401(g)(2) under the Act or for which the Company has otherwise become ineligible. References herein to the Registration Statement relating to the Shares shall include such new registration statement or post-effective amendment, as the case may be.

(g) If immediately prior to the third anniversary (the "Renewal Deadline") of the initial effective date of the Registration Statement, any of the Shares remain unsold by the Sales Agent, the Company will, prior to the Renewal Deadline file, if it has not already done so and is eligible to do so, a new automatic shelf registration statement relating to the Shares, in a form satisfactory to the Sales Agent. If the Company is not eligible to file an automatic shelf registration statement, the Company will, prior to the Renewal Deadline, if it has not already done so, file a new shelf registration statement relating to the Shares, in a form satisfactory to the

Sales Agent, and will use its best efforts to cause such registration statement to be declared effective within 180 days after the Renewal Deadline. The Company will take all other action necessary or appropriate to permit the public offering and sale of the Shares to continue as contemplated in the expired registration statement. References herein to the Registration Statement shall include such new automatic shelf registration statement or such new shelf registration statement, as the case may be.

(h) To promptly notify the Sales Agent of the happening of any event that could require the making of any change in the Prospectus then being used so that the Prospectus would not include an untrue statement of material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they are made, not misleading, and, during any period during which a prospectus is required to be delivered (whether physically, deemed to be delivered pursuant to Rule 153 or through compliance with Rule 172 under the Act or any similar rule) in connection with any sale of Shares, subject to Section 5(b), to prepare and furnish, at the Company's expense, to the Sales Agent promptly such amendments or supplements to such Prospectus as may be necessary to reflect any such change.

(i) To furnish such information as may be required and otherwise to cooperate in qualifying the Shares for offering and sale under the securities or blue sky laws of such states or other jurisdictions as the Sales Agent may designate and to maintain such qualifications in effect so long as required for the distribution of the Shares; provided, however, that the Company shall not be required to qualify as a foreign corporation or to consent to the service of process under the laws of any such jurisdiction (except service of process with respect to the offering and sale of the Shares); and to promptly advise the Sales Agent of the receipt by the Company of any notification with respect to the suspension of the qualification of the Shares for offer or sale in any jurisdiction or the initiation or threatening of any proceeding for such purpose.

(j) To make generally available to its security holders, and to deliver to the Sales Agent, an earnings statement of the Company (which will satisfy the provisions of Section 11(a) of the Act) covering a period of twelve months beginning after the effective date of the Registration Statement (as defined in Rule 158(c) of the Act) as soon as is reasonably practicable after the termination of such twelve-month period but not later than eighteen months after the effective date of the Registration Statement (as such date is defined in Rule 158(c) under the Act).

(k) To apply the net proceeds from the sale of the Shares in the manner set forth under the caption "Use of Proceeds" in the Prospectus Supplement or, if not so specified, in the Prospectus, and if not so specified, in the Basic Prospectus.

(l) Until the settlement of sale of all Common Stock being offered pursuant to this Agreement, at any time that sales of the Common Stock have been made but not settled or at any time the Company has outstanding with the Sales Agent any instructions to sell the Common Stock but such instructions have not been fulfilled or cancelled, the Company will not sell, offer to sell, contract or agree to sell, hypothecate, pledge, grant any option to sell or otherwise dispose of or agree to dispose of, directly or indirectly, any shares of the Common Stock or securities convertible into or exchangeable or exercisable for the Common Stock or warrants or other rights to purchase the Common Stock or any other securities of the Company that are substantially similar to the Common Stock or permit the registration under the Act of any shares of the Common Stock, including pursuant to another Distribution Agreement, in each case without giving the Sales Agent at least three business days' prior written notice specifying the nature of the proposed sale and the date of such proposed sale. Notwithstanding the foregoing, the Company may (i) register the offer and sale of the Shares through the Sales Agent pursuant to

this Agreement; (ii) issue Common Stock, restricted stock, options or other units or awards pursuant to the Company's long term stock incentive plans as currently in effect (or file a Form S-8 related to such plans) or pursuant to the exercise of employee stock options or other awards; (iii) issue Common Stock pursuant to the DRSPP or any successor dividend reinvestment or share purchase plan (or the filing of a Form S-3 related to such a plan) and (iv) offer or issue any series of preferred stock that is not convertible into shares of Common Stock other than in connection with a "change of control." For the avoidance of doubt, the Company will not be prohibited from issuing Common Stock upon the election by a holder of Preferred Stock to convert Preferred Stock into Common Stock. In the event that notice of a proposed sale is provided by the Company pursuant to this Section 5(l), the Sales Agent may suspend activity under this program for such period of time as may be requested by the Company or as may be deemed appropriate by the Sales Agent.

(m) Not, at any time at or after the execution of this Agreement, to offer or sell any Shares by means of any "prospectus" (within the meaning of the Act), or use any "prospectus" (within the meaning of the Act) in connection with the offer or sale of the Shares, in each case other than the Prospectus.

(n) The Company will not, and will cause its subsidiaries not to, take, directly or indirectly, any action designed, or which will constitute, or has constituted, or might reasonably be expected to cause or result in the stabilization or manipulation of the price of any security of the Company to facilitate the sale or resale of the Shares.

(o) To use its best efforts to cause the Common Stock to be listed on the NYSE and to maintain such listing.

(p) To advise the Sales Agent immediately after it shall have received notice or obtain knowledge thereof, of any information or fact that would alter or affect any opinion, certificate, letter and other document provided to the Sales Agent pursuant to Section 8 herein.

(q) Upon commencement of the offering of the Shares under this Agreement, and within four trading days of each time that (i) the Registration Statement or the Prospectus shall be amended or supplemented (other than pursuant to subclause (ii) below and other than a prospectus supplement filed pursuant to Rule 424(b) under the Act relating solely to the offering of securities other than the Shares), (ii) there is filed with the Commission any document incorporated by reference into the Prospectus (other than a Current Report on Form 8-K, unless the Sales Agent shall otherwise reasonably request), or (iii) otherwise as the Sales Agent may reasonably request (the date of commencement of the offering of the Shares under this Agreement and each date referred to in subclauses (i), (ii) and (iii) above, each a "Representation Date"), the Company shall furnish or cause to be furnished to the Sales Agent forthwith a certificate dated as of such delivery date, in form satisfactory to the Sales Agent to the effect that the statements contained in the certificate referred to in Section 8(e)(i) of this Agreement which were last furnished to the Sales Agent are true and correct as of such delivery date, as though made at and as of such date (except that such statements shall be deemed to relate to the Registration Statement and the Prospectus as amended and supplemented to such date) or, in lieu of such certificate, a certificate of the same tenor as the certificate referred to in said Section 8(e)(i), modified as necessary to relate to the Registration Statement and the Prospectus as amended and supplemented to the time of delivery of such certificate. The requirement to provide a certificate under this Section 5(q) shall be waived for any Representation Date occurring at a time at which no Placement Notice is pending, which waiver shall continue until the earlier to occur of the date the Company delivers a Placement Notice hereunder or under any Alternative Agreement (which for such calendar quarter shall be considered a Representation Date) and the next occurring Representation Date. Notwithstanding the foregoing, if the

Company subsequently decides to sell Shares through the Sales Agent or any Alternative Agent following a Representation Date when the Company relied on such waiver and did not provide the Agents with a certificate under this Section 5(q), then before the Company delivers the Placement Notice or the Sales Agent or any Alternative Agent sells any Shares, the Company shall provide the Sales Agent with such certificate, dated the date of the Placement Notice.

(r) On or prior to four trading days after each Representation Date with respect to which the Company is obligated to deliver a certificate under Section 8(e) for which no waiver is applicable, the Company shall furnish or cause to be furnished forthwith to the Sales Agent written opinions of (i) Davis Polk & Wardwell LLP, special counsel for the Company (including negative assurance), (ii) Hunton Andrews Kurth LLP, tax counsel for the Company, (iii) Venable LLP, Maryland counsel for the Company and (iv) Anthony C. Green, Chief Corporate Officer, Chief Legal Officer and Secretary for the Company or other counsels satisfactory to the Sales Agent, dated and delivered as of such delivery date, in form and substance satisfactory to the Sales Agent, of the same tenor as the opinions referred to in Section 8(c) of this Agreement, but modified as necessary to relate to the Registration Statement and the Prospectus as amended and supplemented to the time of delivery of such opinions.

(s) On or prior to four trading days after each Representation Date with respect to which the Company is obligated to deliver a certificate under Section 8(e) for which no waiver is applicable, the Company shall furnish or cause to be furnished to the Sales Agent forthwith a certificate of the Secretary of the Company, dated and delivered as of such delivery date, in form and substance satisfactory to the Sales Agent.

(t) On or prior to four trading days after each Representation Date with respect to which the Company is obligated to deliver a certificate under Section 8(e) for which no waiver is applicable, Cravath, Swaine & Moore LLP, counsel to the Sales Agent, shall deliver a written opinion, dated and delivered as of such delivery date, in form and substance satisfactory to the Sales Agent.

(u) On or prior to four trading days after each Representation Date with respect to which the Company is obligated to deliver a certificate under Section 8(e) for which no waiver is applicable, the Company shall cause the Accountants or other independent accountants satisfactory to the Sales Agent, forthwith to furnish to the Sales Agent a letter, dated as of such delivery date, in form and substance satisfactory to the Sales Agent, of the same tenor as the letter referred to in Section 8(d) of this Agreement but modified to relate to the Registration Statement and the Prospectus, as amended and supplemented to the date of such letter. Notwithstanding anything else contained herein to the contrary, other than as set forth in this Section 5(u) and Section 8(d) of this Agreement the Company shall be under no additional obligations to cause the Accountants to provide a letter to the Sales Agent, provided however, so long as this Agreement remains in effect, to the extent the Sales Agent reasonably believes it needs such a letter at some time other than as required under this Section 5(u) and Section 8(d), the Sales Agent may suspend the offering of the Shares in accordance with Section 4(a)(ii) of this Agreement, if such letter is not delivered.

(v) At each Representation Date with respect to which the Company is obligated to deliver a certificate under Section 8(e) for which no waiver is applicable, to conduct a due diligence session, in form and substance, satisfactory to the Sales Agent, which shall include representatives of the management and the accountants of the Company.

(w) That the Company consents to the Sales Agent trading in the Common Stock for the Sales Agent's own account and for the account of its clients at the same time as sales of the Shares occur pursuant to this Agreement.

(x) If to the knowledge of the Company, any condition set forth in Section 8(a) or Section 8(h) of this Agreement shall not have been satisfied on the applicable Settlement Date, to offer to any person who has agreed to purchase the Shares from the Company as the result of an offer to purchase solicited by the Sales Agent the right to refuse to purchase and pay for such Shares.

(y) To disclose in its quarterly reports on Form 10-Q and in its annual report on Form 10-K the number of the Shares sold through or to the Sales Agent under this Agreement, the Net Proceeds to the Company and the compensation paid by the Company with respect to sales of the Shares pursuant to this Agreement during the relevant quarter.

(z) To ensure that prior to instructing the Sales Agent to sell Shares the Company shall have obtained all necessary corporate authority for the offer and sale of such Shares.

(aa) That each acceptance by the Company of an offer to purchase the Shares hereunder shall be deemed to be an affirmation to the Sales Agent that the representations and warranties of the Company contained in or made pursuant to this Agreement are true and correct as of the date of such acceptance as though made at and as of such date, and an undertaking that such representations and warranties will be true and correct as of the Settlement Date for the Shares relating to such acceptance, as though made at and as of such date (except that such representations and warranties shall be deemed to relate to the Registration Statement and the Prospectus as amended and supplemented relating to such Shares).

(ab) The Company has been organized and operated in conformity with the requirements for qualification and taxation of the Company as a REIT under the Code, and the Company's proposed methods of operation will enable the Company to continue to meet the requirements for qualification and taxation as a REIT under the Code.

(ac) The Company has retained the Accountants as its qualified accountants and qualified tax experts (i) to test procedures and conduct annual compliance reviews designed to determine compliance with the REIT provisions of the Code and the Company's exempt status under the Investment Company Act and (ii) to otherwise assist the Company in monitoring appropriate accounting systems and procedures designed to determine compliance with the REIT provisions of the Code and the Company's exempt status under the Investment Company Act.

SECTION 6. Reserved.

SECTION 7. Payment of Expenses. The Company agrees with the Sales Agent that whether or not the transactions contemplated hereunder are consummated or this Agreement is terminated, to pay all of its expenses incident to the performance of its obligations hereunder, including, but not limited to, such costs, expenses, fees and taxes in connection with (i) the preparation and filing of the Registration Statement, the Basic Prospectus, the Prospectus Supplement, the Prospectus, each Permitted Free Writing Prospectus and any amendments or supplements thereto, and the printing and furnishing of copies of each thereof to the Sales Agent (including costs of mailing and shipment), (ii) the registration, issue, sale and delivery of the Shares including any stock or transfer taxes and stamp or similar duties payable upon the sale, issuance or delivery of the Shares, (iii) the producing, word processing and/or printing of this Agreement, any Powers of Attorney and any closing documents (including compilations thereof) and the reproduction and/or printing and furnishing of copies of each thereof to the Sales Agent (including costs of mailing and shipment), (iv) the qualification of the Shares for offering and sale under state laws and the determination of their eligibility for investment under state law as aforesaid (including the reasonable legal fees and filing fees and other disbursements of counsel for the Sales Agent) and the printing and furnishing of copies of any blue sky surveys to the

Sales Agent, (v) the listing of the Shares on any securities exchange or qualification of the Shares for quotation on the NYSE and any registration thereof under the Exchange Act and (vi) any filing for review of the public offering of the Shares by FINRA, including the reasonable legal fees and disbursements of counsel for the Sales Agent relating to FINRA matters. The Sales Agent will pay all of its other out-of-pocket costs and expenses incurred in connection with entering into this Agreement and the transactions contemplated by this Agreement, including, without limitation, travel, reproduction, printing and similar expenses.

SECTION 8. Conditions of Sales Agent's Obligations. The obligations of the Sales Agent hereunder are subject to (i) the accuracy of the representations and warranties on the part of the Company on the date hereof, any applicable date referred to in Section 5(q) of this Agreement and as of each Settlement Date, (ii) the performance by the Company of its obligations hereunder and (iii) to the following additional conditions precedent.

(a) (i) No stop order with respect to the effectiveness of the Registration Statement shall have been issued under the Act or proceedings initiated under Section 8(d) or 8(e) of the Act, and no order directed at or in relation to any document incorporated by reference therein and no order preventing or suspending the use of the Prospectus has been issued by the Commission, the Commission shall not have notified the Company of any objection to the use of the form of the Registration Statement or any post-effective amendment thereto, and no suspension of the qualification of the Shares for offering or sale in any jurisdiction, or to the knowledge of the Company or the Sales Agent of the initiation or threatening of any proceedings for any of such purposes, has occurred; (ii) the Registration Statement and all amendments thereto, or modifications thereof, if any, shall not contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading; (iii) none of the Basic Prospectus or the Prospectus, and no amendment or supplement thereto, or modification thereof, if any, shall include an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary in order to make the statements therein, in the light of the circumstances under which they are made, not misleading; (iv) no Prospectus, together with any combination of one or more of the Permitted Free Writing Prospectuses, if any, and no amendment or supplement thereto, shall include an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they are made, not misleading; and (v) none of the Permitted Free Writing Prospectuses, if any, shall include an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they are made, not misleading.

(b) Subsequent to the respective dates as of which information is given in the Registration Statement, the Basic Prospectus, the Prospectus and the Permitted Free Writing Prospectuses, if any, (i) no material and unfavorable change, financial or otherwise (other than as referred to in the Registration Statement and the Prospectus), in the business, condition, net worth or prospects of the Company and its subsidiaries, taken as a whole, in the judgment of the Sales Agent, shall occur or become known and (ii) no transaction which is material and unfavorable to the Company or any of its subsidiaries, taken as a whole (other than as referred to in the Registration Statement and Prospectus), in the judgment of the Sales Agent, shall have been entered into by the Company or any of its subsidiaries.

(c) The Company shall furnish to the Sales Agent, at every date specified in Section 5(r) of this Agreement for which no waiver is applicable, the opinions of Davis Polk & Wardwell LLP, Hunton Andrew Kurth LLP, Venable LLP and the Chief Legal Officer of the Company addressed to the Sales Agent, and dated as of such date, and in form satisfactory to the Sales Agent, in the form set forth in Exhibits A-1, A-2, A-3 and A-4 hereto.

(d) At the dates specified in Section 5(u) of this Agreement, the Sales Agent shall have received from the Accountants letters dated the date of delivery thereof and addressed to the Sales Agent in form and substance satisfactory to the Sales Agent.

(e) (i) The Company shall deliver to the Sales Agent, on or prior to four trading days after each Representation Date specified in Section 5(q) of this Agreement, a certificate of two of its executive officers to the effect that (i) the representations and warranties of the Company as set forth in this Agreement are true and correct as of such delivery date, (ii) the Company has performed such of its obligations under this Agreement as are to be performed at or before each such delivery date and (iii) the conditions set forth in paragraphs (a) and (b) of this Section 8 have been met. The certificate shall also state that the Shares have been duly and validly authorized by the Company, that all corporate action required to be taken for the issuance and sale of the Shares has been validly and sufficiently taken, and that the Company's Board of Directors or any other body with authority has not revoked, rescinded or otherwise modified or withdrawn such authorization or corporate action.

(f) The Sales Agent shall have received, at every date specified in Section 5(t) of this Agreement, the favorable opinion of Cravath, Swaine & Moore LLP, counsel to the Sales Agent, dated as of such date, and in form and substance satisfactory to the Sales Agent.

(g) The Sales Agent shall have received, at every date specified in Section 5(s) of this Agreement, a certificate of the Secretary of the Company, dated as of such date, and in form and substance satisfactory to the Sales Agent.

(h) All filings with the Commission required by Rule 424 under the Act to have been filed by the Settlement Date shall have been made within the applicable time period prescribed for such filing by Rule 424.

(i) The Shares shall have been approved for listing on the NYSE, subject only to notice of issuance at or prior to the Settlement Date.

For purposes of clarity and without limitation to any other provision of this Section 8 or elsewhere in this Agreement, the Company and the Sales Agent agree that the Sales Agent's obligations, if any, to solicit purchases of Shares on an agency basis or otherwise take any action pursuant to a Placement Notice shall, unless otherwise agreed in writing by the Sales Agent, be suspended during the period from and including a Representation Date for which certificates are required to be delivered pursuant to Section 5(q) through and including the time the Sales Agent shall have received the documents described in Sections 8(c) through 8(g), inclusive.

SECTION 9. Indemnification and Contribution.

(a) The Company agrees to indemnify, defend and hold harmless the Sales Agent and its affiliates, its and their directors, officers, employees and agents and any person who controls the Sales Agent within the meaning of Section 15 of the Act or Section 20 of the Exchange Act, and the successors and assigns of all of the foregoing persons, from and against any loss, damage, expense, liability or claim (including the reasonable cost of investigation) which the Sales Agent or any such person may incur under the Act, the Exchange Act, the common law or otherwise, insofar as such loss, damage, expense, liability or claim arises out of or is based upon (i) any untrue statement or alleged untrue statement of a material fact contained in the Registration Statement (or in the Registration Statement as amended by any post-effective amendment thereof by the Company) or arises out of or is based upon any omission or alleged omission to state a material fact required to be stated therein or necessary to make the statements

therein not misleading, except insofar as any such loss, damage, expense, liability or claim arises out of or is based upon any untrue statement or alleged untrue statement of a material fact contained in, and in conformity with information furnished in writing by or on behalf of the Sales Agent to the Company expressly for use in, the Registration Statement or arises out of or is based upon any omission or alleged omission to state a material fact in the Registration Statement in connection with such information, which material fact was not contained in such information and which material fact was required to be stated in such Registration Statement or was necessary to make such information not misleading or (ii) any untrue statement or alleged untrue statement of a material fact included in any Prospectus (the term Prospectus for the purpose of this Section 9 being deemed to include the Basic Prospectus, the Prospectus Supplement, the Prospectus and any amendments or supplements to the foregoing), in any Permitted Free Writing Prospectus, in any "issuer information" (as defined in Rule 433 under the Act) of the Company or in any Prospectus together with any combination of one or more of the Permitted Free Writing Prospectuses, if any, or arises out of or is based upon any omission or alleged omission to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading, except, with respect to such Prospectus or Permitted Free Writing Prospectus, insofar as any such loss, damage, expense, liability or claim arises out of or is based upon any untrue statement or alleged untrue statement of a material fact contained in, and in conformity with information furnished in writing by or on behalf of the Sales Agent to the Company expressly for use in, such Prospectus or Permitted Free Writing Prospectus or arises out of or is based upon any omission or alleged omission to state a material fact in such Prospectus or Permitted Free Writing Prospectus in connection with such information, which material fact was not contained in such information and which material fact was necessary in order to make the statements in such information, in the light of the circumstances under which they were made, not misleading.

If any action, suit or proceeding (together, a "Proceeding") is brought against the Sales Agent or any such person in respect of which indemnity may be sought against the Company pursuant to the foregoing paragraph, the Sales Agent or such person shall promptly notify the indemnifying party in writing of the institution of such Proceeding and the Company shall assume the defense of such Proceeding, including the employment of counsel reasonably satisfactory to such indemnified party and payment of all fees and expenses; provided, however, that the omission to so notify the Company shall not relieve the Company from any liability which the Company may have to the Sales Agent or any such person or otherwise except to the extent the Company was materially prejudiced by such omission. The Sales Agent or such person shall have the right to employ its or their own counsel in any such case, but the fees and expenses of such counsel shall be at the expense of the Sales Agent or of such person unless the employment of such counsel shall have been authorized in writing by the Company in connection with the defense of such Proceeding or the Company shall not have, within a reasonable period of time in light of the circumstances, employed counsel to have charge of the defense of such Proceeding or such indemnified party or parties shall have reasonably concluded that there may be defenses available to it or them which are different from, additional to or in conflict with those available to the Company (in which case the Company shall not have the right to direct the defense of such Proceeding on behalf of the indemnified party or parties), in any of which events such fees and expenses shall be borne by the Company, and paid as incurred (it being understood, however, that the Company shall not be liable for the expenses of more than one separate counsel (in addition to any local counsel) in any one Proceeding or series of related Proceedings in the same jurisdiction representing the indemnified parties who are parties to such Proceeding). The Company shall not be liable for any settlement of any Proceeding effected

without its written consent but if settled with the written consent of the Company, the Company agrees to indemnify and hold harmless the Sales Agent and any such person from and against any loss or liability by reason of such settlement. Notwithstanding the foregoing sentence, if at any time an indemnified party shall have requested the Company to reimburse the indemnified party for fees and expenses of counsel as contemplated by the second sentence of this paragraph, then the Company agrees that it shall be liable for any settlement of any Proceeding effected without its written consent if (i) such settlement is entered into more than 60 business days after receipt by the Company of the aforesaid request, (ii) the Company shall not have reimbursed the indemnified party in accordance with such request prior to the date of such settlement and (iii) such indemnified party shall have given the indemnifying party at least 30 days' prior notice of its intention to settle. The Company shall not, without the prior written consent of the indemnified party, effect any settlement of any pending or threatened Proceeding in respect of which any indemnified party is or may be a party and indemnity could have been sought hereunder by such indemnified party, unless such settlement includes an unconditional release of such indemnified party from all liability on claims that are the subject matter of such Proceeding and does not include an admission of fault or culpability or a failure to act, by or on behalf of such indemnified party.

(b) The Sales Agent agrees to indemnify, defend and hold harmless the Company, and each of its directors and each of the Company's officers, who signed the Registration Statement, and each person, if any, who controls the Company within the meaning of Section 15 of the Act or Section 20 of the Exchange Act, and the successors and assigns of all of the foregoing persons, from and against any loss, damage, expense, liability or claim (including the reasonable cost of investigation) which, jointly or severally, the Company or any such person may incur under the Act, the Exchange Act, the common law or otherwise, insofar as such loss, damage, expense, liability or claim arises out of or is based upon (i) any untrue statement or alleged untrue statement of a material fact contained in and, in conformity with information furnished in writing by or on behalf of the Sales Agent to the Company expressly for use with reference to the Sales Agent in the Registration Statement (or in the Registration Statement as amended by any post-effective amendment thereof by the Company), or arises out of or is based upon any omission or alleged omission to state a material fact in such Registration Statement in connection with such information, which material fact was not contained in such information and which material fact was required to be stated in such Registration Statement or was necessary to make such information not misleading or (ii) any untrue statement or alleged untrue statement of a material fact contained in, and in conformity with information furnished in writing by or on behalf of the Sales Agent to the Company expressly for use in, the Prospectus Supplement or a Permitted Free Writing Prospectus, or arises out of or is based upon any omission or alleged omission to state a material fact in the Prospectus Supplement or a Permitted Free Writing Prospectus in connection with such information, which material fact was not contained in such information and which material fact was necessary in order to make the statements in such information, in the light of the circumstances under which they were made, not misleading.

If any Proceeding is brought against the Company or any such person in respect of which indemnity may be sought against the Sales Agent pursuant to the foregoing paragraph, the Company or such person shall promptly notify the Sales Agent in writing of the institution of such Proceeding and the Sales Agent shall assume the defense of such Proceeding, including the employment of counsel reasonably satisfactory to such indemnified party and payment of all fees and expenses; *provided*, *however*, that the omission to so notify the Sales Agent shall not relieve the Sales Agent from any liability which the Sales Agent may have to the Company or

any such person or otherwise. The Company or such person shall have the right to employ its own counsel in any such case, but the fees and expenses of such counsel shall be at the expense of the Company such person unless the employment of such counsel shall have been authorized in writing by the Sales Agent in connection with the defense of such Proceeding or the Sales Agent shall not have, within a reasonable period of time in light of the circumstances, employed counsel to have charge of the defense of such Proceeding or such indemnified party or parties shall have reasonably concluded that there may be defenses available to it or them which are different from or additional to or in conflict with those available to the Sales Agent (in which case the Sales Agent shall not have the right to direct the defense of such Proceeding on behalf of the indemnified party or parties, but the Sales Agent may employ counsel and participate in the defense thereof but the fees and expenses of such counsel shall be at the expense of the Sales Agent), in any of which events such fees and expenses shall be borne by the Sales Agent and paid as incurred (it being understood, however, that the Sales Agent shall not be liable for the expenses of more than one separate counsel (in addition to any local counsel) in any one Proceeding or series of related Proceedings in the same jurisdiction representing the indemnified parties who are parties to such Proceeding). The Sales Agent shall not be liable for any settlement of any such Proceeding effected without the written consent of the Sales Agent but if settled with the written consent of the Sales Agent, the Sales Agent agrees to indemnify and hold harmless the Company and any such person from and against any loss or liability by reason of such settlement. Notwithstanding the foregoing sentence, if at any time an indemnified party shall have requested the Sales Agent to reimburse the indemnified party for fees and expenses of counsel as contemplated by the second sentence of this paragraph, then the Sales Agent agrees that it shall be liable for any settlement of any Proceeding effected without its written consent if (i) such settlement is entered into more than 60 business days after receipt by the Sales Agent of the aforesaid request, (ii) the Sales Agent shall not have reimbursed the indemnified party in accordance with such request prior to the date of such settlement and (iii) such indemnified party shall have given the Sales Agent at least 30 days' prior notice of its intention to settle. The Sales Agent shall not, without the prior written consent of the indemnified party, effect any settlement of any pending or threatened Proceeding in respect of which any indemnified party is a party and indemnity could have been sought hereunder by such indemnified party, unless such settlement includes an unconditional release of such indemnified party from all liability on claims that are the subject matter of such Proceeding.

(c) If the indemnification provided for in this Section 9 is unavailable to an indemnified party under subsections (a) and (b) of this Section 9 or insufficient to hold an indemnified party harmless in respect of any losses, damages, expenses, liabilities or claims referred to therein, then each applicable indemnifying party shall contribute to the amount paid or payable by such indemnified party as a result of such losses, damages, expenses, liabilities or claims (i) in such proportion as is appropriate to reflect the relative benefits received by the Company, on the one hand, and the Sales Agent, on the other hand, from the offering of the Shares or (ii) if the allocation provided by clause (i) above is not permitted by applicable law, in such proportion as is appropriate to reflect not only the relative benefits referred to in clause (i) above but also the relative fault of the Company, on the one hand, and of the Sales Agent, on the other, in connection with the statements or omissions which resulted in such losses, damages, expenses, liabilities or claims, as well as any other relevant equitable considerations. The relative benefits received by the Company, on the one hand, and the Sales Agent, on the other, shall be deemed to be in the same respective proportions as the total proceeds from the offering

(net of underwriting discounts and commissions but before deducting expenses) received by the Company, and the total underwriting discounts and commissions received by the Sales Agent, bear to the aggregate public offering price of the Shares. The relative fault of the Company, on the one hand, and of the Sales Agent, on the other, shall be determined by reference to, among other things, whether the untrue statement or alleged untrue statement of a material fact or omission or alleged omission relates to information supplied by the Company or by the Sales Agent and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission. The amount paid or payable by a party as a result of the losses, damages, expenses, liabilities and claims referred to in this subsection shall be deemed to include any legal or other fees or expenses reasonably incurred by such party in connection with investigating, preparing to defend or defending any Proceeding.

(d) The Company and the Sales Agent agree that it would not be just and equitable if contributions pursuant to this Section 9 were determined by pro rata allocation or by any other method of allocation which does not take account of the equitable considerations referred to in subsection (c) above. Notwithstanding the provisions of this Section 9, the Sales Agent shall not be required to contribute any amount in excess of commissions received by it under this Agreement. No person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation.

(e) The Company and the Sales Agent agree promptly to notify each other of the commencement of any Proceeding against it and, in the case of the Company, against any of the Company's officers or directors in connection with the issuance and sale of the Shares, or in connection with the Registration Statement, the Basic Prospectus, the Prospectus or any Permitted Free Writing Prospectus.

SECTION 10. Representations and Agreements to Survive Delivery. The indemnity and contribution agreements contained in Section 9 and the covenants, warranties and representations of the Company contained in this Agreement or in certificates delivered pursuant hereto shall remain in full force and effect regardless of any investigation made by or on behalf of the Sales Agent, its partners, directors or officers or any person (including each partner, officer or director of such person) who controls the Sales Agent within the meaning of Section 15 of the Act or Section 20 of the Exchange Act, or by or on behalf of the Company, its directors or officers or any person who controls the Company within the meaning of Section 15 of the Act or Section 20 of the Exchange Act, and shall survive any termination of this Agreement or the issuance and delivery of the Shares.

SECTION 11. Termination.

(a) The Company shall have the right, by giving written notice as hereinafter specified, to terminate the provisions of this Agreement relating to the solicitation of offers to purchase the Shares in its sole discretion at any time. Any such termination shall be without liability of any party to any other party except that (i) if any of the Shares have been sold through the Sales Agent for the Company, then Section 5(j) and Section 5(w) shall remain in full force and effect, (ii) with respect to any pending sale, through the Sales Agent for the Company, the obligations of the Company, including in respect of compensation of the Sales Agent, shall remain in full force and effect notwithstanding the termination and (iii) the provisions of Sections 7, 9, 10, 12, 13, 14, 18 and 20 of this Agreement shall remain in full force and effect notwithstanding such termination.

(b) The Sales Agent shall have the right, by giving written notice as hereinafter specified, to terminate the provisions of this Agreement relating to the solicitation of offers to

purchase the Shares in its sole discretion at any time. Any such termination shall be without liability of any party to any other party except that (i) if any of the Shares have been sold through the Sales Agent for the Company, then Section 5(j) and Section 5(w) shall remain in full force and effect and (ii) the provisions of Sections 7, 9, 10, 12, 13, 14, 18 and 20 of this Agreement shall remain in full force and effect notwithstanding such termination.

(c) This Agreement shall remain in full force and effect unless terminated pursuant to Sections 11(a) or 11(b) above or otherwise by mutual agreement of the parties; and shall automatically terminate on May 8, 2030; *provided* that any such termination by mutual agreement shall in all cases be deemed to provide that Sections 7, 9 and 10 shall remain in full force and effect.

(d) Any termination of this Agreement shall be effective on the date specified in such notice of termination; *provided* that such termination shall not be effective until the close of business on the date of receipt of such notice by the Sales Agent or the Company, as the case may be. If such termination shall occur prior to the Settlement Date for any sale of the Shares, such sale shall settle in accordance with the provisions of Section 4(a)(vi) of this Agreement.

SECTION 12. Notices. Except as otherwise herein provided, all statements, requests, notices and agreements under this Agreement shall be in writing and delivered by hand, overnight courier, mail or facsimile and, if to the Sales Agent, shall be sufficient in all respects if delivered or sent to Piper Sandler & Co., U.S. Bancorp Center, 800 Nicollet Mall, Minneapolis, Minnesota 55402, Attention: Connor Leahey, Email: connor.leahey@psc.com; Attention: Neil A. Riley, Email: neil.riley@psc.com; Attention: Connor N. Anderson, Email: connor.anderson@psc.com, and a copy for information purposes to Andrew J. Pitts, Esq. and Ryan J. Patrone, Esq. at Cravath, Swaine & Moore LLP, Two Manhattan West, 375 Ninth Avenue, New York, New York 10001 and, if to the Company, it shall be sufficient in all respects if delivered or sent to the Company at the offices of the Company at 1211 Avenue of the Americas, New York, New York 10036, Attention: David L. Finkelstein with a copy for information purposes to Davis Polk & Wardwell LLP at 450 Lexington Avenue New York, New York 10017, Attention: Shane Tintle, facsimile number: (212) 450-4000, Email: shane.tintle@davispolk.com. Each party to this Agreement may change such address for notices by sending to the parties to this Agreement written notice of a new address for such purpose.

SECTION 13. Parties at Interest. The Agreement herein set forth has been and is made solely for the benefit of the Sales Agent, the Company and, to the extent provided in Section 9 of this Agreement, the controlling persons, directors and officers referred to in such section, and their respective successors, assigns, heirs, personal representatives and executors and administrators. No other person, partnership, association or corporation (including a purchaser, as such purchaser, from the Sales Agent) shall acquire or have any right under or by virtue of this Agreement.

SECTION 14. No Fiduciary Relationship. The Company hereby acknowledges that the Sales Agent is acting solely as sales agent and/or principal in connection with the purchase and sale of the Company's securities. The Company further acknowledges that the Sales Agent is acting pursuant to a contractual relationship created solely by this Agreement entered into on an arm's length basis, and in no event do the parties intend that the Sales Agent act or be responsible as a fiduciary to the Company or its management, stockholders or creditors or any other person in connection with any activity that the Sales Agent may undertake or have undertaken in furtherance of the purchase and sale of the Company's securities, either before or after the date hereof. The Sales Agent hereby expressly disclaims any fiduciary or similar obligations to the Company, either in connection with the transactions contemplated by this Agreement or any matters leading up to such transactions, and the Company hereby confirms its

understanding and agreement to that effect. The Company and the Sales Agent agree that they are each responsible for making their own independent judgments with respect to any such transactions and that any opinions or views expressed by the Sales Agent to the Company regarding such transactions, including, but not limited to, any opinions or views with respect to the price or market for the Company's securities, do not constitute advice or recommendations to the Company, nor shall the expression of such opinions or views constitute any solicitation of any action by the Sales Agent. The Company hereby (a) waives and releases, to the fullest extent permitted by law, any claims that the Company may have against the Sales Agent with respect to any breach or alleged breach of any fiduciary or similar duty to the Company in connection with the transactions contemplated by this Agreement or any matters leading up to such transactions and (b) agrees that none of the activities of the Sales Agent in connection with the transactions contemplated herein constitutes a recommendation, investment advice or solicitation of any action by the Sales Agent with respect to any entity or natural person. The Company has consulted its own legal, accounting, financial, regulatory and tax advisors to the extent deemed appropriate.

SECTION 15. Press Releases and Disclosure. The Company may issue a press release in compliance with Rule 134 under the Act describing the material terms of the transactions contemplated hereby as soon as practicable following the date hereof, and may file with the Commission a Current Report on Form 8-K describing the material terms of the transaction contemplated hereby, and the Company shall consult with the Sales Agent prior to making such disclosures, and the parties shall use all reasonable efforts, acting in good faith, to agree upon a text for such disclosures that is reasonably satisfactory to all parties. No party hereto shall issue thereafter any press release or like public statement (including, without limitation, any disclosure required in reports filed with the Commission pursuant to the Exchange Act) related to this Agreement or any of the transactions contemplated hereby without the prior written approval of the other parties hereto, except as may be necessary or appropriate in the opinion of the party seeking to make disclosure to comply with the requirements of applicable law or stock exchange rules. If any such press release or like public statement is so required, the party making such disclosure shall consult with the other party prior to making such disclosure, and the parties shall use all reasonable efforts, acting in good faith, to agree upon a text for such disclosure that is reasonably satisfactory to all parties.

SECTION 16. Adjustments for Stock Splits. The parties acknowledge and agree that all share related numbers contained in this Agreement shall be adjusted to take into account any stock split effected with respect to the Shares.

SECTION 17. Entire Agreement. This Agreement constitutes the entire agreement and supersedes all other prior and contemporaneous agreements and undertakings, both written and oral, among the parties hereto with regard to the subject matter hereof.

SECTION 18. Counterparts; Electronic Signatures. This Agreement may be signed by the parties in one or more counterparts which together shall constitute one and the same agreement among the parties. Delivery of this Agreement by one party to the other may be made by facsimile, electronic mail (including any electronic signature complying with the New York Electronic Signatures and Records Act (N.Y. State Tech. §§ 301-309), as amended from time to time, or other applicable law) or other transmission method, and the parties hereto agree that any counterpart so delivered shall be deemed to have been duly and validly delivered and be valid and effective for all purposes.

SECTION 19. Law; Construction. This Agreement and any claim, counterclaim or dispute of any kind or nature whatsoever arising out of or in any way relating to this Agreement

("Claim"), directly or indirectly, shall be governed by, and construed in accordance with, the internal laws of the State of New York.

SECTION 20. Headings. The Section headings in this Agreement have been inserted as a matter of convenience of reference and are not a part of this Agreement.

SECTION 21. Submission to Jurisdiction. Except as set forth below, no Claim may be commenced, prosecuted or continued in any court other than the courts of the State of New York located in the City and County of New York or in the United States District Court for the Southern District of New York, which courts shall have jurisdiction over the adjudication of such matters, and the Company consents to the non-exclusive jurisdiction of such courts and personal service with respect thereto. The Company hereby consents to personal jurisdiction, service and venue in any court in which any Claim arising out of or in any way relating to this Agreement is brought by any third party against the Sales Agent or any indemnified party. Each of the Sales Agent and the Company (on its behalf and, to the extent permitted by applicable law, on behalf of its stockholders and affiliates) waives all right to trial by jury in any action, proceeding or counterclaim (whether based upon contract, tort or otherwise) in any way arising out of or relating to this Agreement. The Company agrees that a final judgment in any such action, proceeding or counterclaim brought in any such court shall be conclusive and binding upon the Company and may be enforced in any other courts in the jurisdiction of which the Company is or may be subject, by suit upon such judgment.

SECTION 22. Successors and Assigns. This Agreement shall be binding upon the Sales Agent, the Company and their successors and assigns and any successor or assign of any substantial portion of the Company's and the Sales Agent's respective businesses and/or assets.

SECTION 23. Recognition of the U.S. Special Resolution Regimes. In the event that the Sales Agent that is a Covered Entity becomes subject to a proceeding under a U.S. Special Resolution Regime, the transfer from the Sales Agent of this Agreement, and any interest and obligation in or under this Agreement, will be effective to the same extent as the transfer would be effective under the U.S. Special Resolution Regime if this Agreement, and any such interest and obligation, were governed by the laws of the United States or a state of the United States.

In the event that the Sales Agent that is a Covered Entity or a BHC Act Affiliate of such Sales Agent becomes subject to a proceeding under a U.S. Special Resolution Regime, Default Rights under this Agreement that may be exercised against such Sales Agent are permitted to be exercised to no greater extent than such Default Rights could be exercised under the U.S. Special Resolution Regime if this Agreement were governed by the laws of the United States or a state of the United States.

For purposes of this Section 23, a "BHC Act Affiliate" has the meaning assigned to the term "affiliate" in, and shall be interpreted in accordance with, 12 U.S.C. § 1841(k). "Covered Entity" means any of the following: (i) a "covered entity" as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 252.82(b); (ii) a "covered bank" as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 47.3(b); or (iii) a "covered FSI" as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 382.2(b). "Default Right" has the meaning assigned to that term in, and shall be interpreted in accordance with, 12 C.F.R. §§ 252.81, 47.2 or 382.1, as applicable. "U.S. Special Resolution Regime" means each of (i) the Federal Deposit Insurance Act and the regulations promulgated thereunder and (ii) Title II of the

Dodd-Frank Wall Street Reform and Consumer Protection Act and the regulations promulgated thereunder.

If the foregoing correctly sets forth the understanding among the Company and the Sales Agent, please so indicate in the space provided below for that purpose, whereupon this Agreement and your acceptance shall constitute a binding agreement among the Company and the Sales Agent. Alternatively, the execution of this Agreement by the Company and its acceptance by or on behalf of the Sales Agent may be evidenced by an exchange of telegraphic or other written communications.

Very truly yours,

ANNALY CAPITAL MANAGEMENT, INC.

By: /s/ David L. Finkelstein
Name: David L. Finkelstein
Title: Chief Executive Officer and
Co-Chief Investment Officer

[***Signature Page to Distribution Agency Agreement***]

ACCEPTED as of the date
first above written

PIPER SANDLER & CO.

By: /s/ Connor Leahey
Name: Connor Leahey
Title: Director

Schedule A
Permitted Free Writing Prospectuses

None.

Schedule B

Authorized Company Representatives

David Finkelstein, Chief Executive Officer and Co-Chief Investment Officer
Telephone: (212) 205-7256
Fax: (212) 696-0100
Email: dfinkelstein@annaly.com

Steve Campbell, President and Chief Operating Officer
Telephone: (212) 413-1885
Fax: (212) 696-0100
Email: scampbell@annaly.com

Serena Wolfe, Chief Financial Officer
Telephone: (212) 626-2308
Fax: (212) 696-0100
Email: swolfe@annaly.com

Anthony Green, Chief Corporate Officer, Chief Legal Officer and Secretary
Telephone: (646) 728-7668
Fax: (212) 696-0100
Email: agreen@annaly.com

Exhibit A-1

Opinion of Davis Polk & Wardwell LLP

See attached.

Exhibit A-2

Opinion of Hunton Andrew Kurth LLP

See attached.

Exhibit A-3

Opinion of Venable LLP

See attached.

Exhibit A-4

Opinion of the Company's Chief Legal Officer

See attached.

ANNALY CAPITAL MANAGEMENT, INC.

Shares of Common Stock
(par value $0.01 per share)

DISTRIBUTION AGENCY AGREEMENT

May 8, 2025

RBC Capital Markets, LLC
200 Vesey Street
Three World Financial Center, 8th Floor
New York, New York 10281

Ladies and Gentlemen:

Annaly Capital Management, Inc., a Maryland corporation (the "Company"), agrees with RBC Capital Markets, LLC (the "Sales Agent"), to issue and sell from time to time through the Sales Agent, as sales agent and/or principal, shares of its common stock, par value $0.01 per share (the "Common Stock"), on the terms set forth in this agreement (this "Agreement").

The Company is concurrently entering into separate distribution agency agreements (the "Alternative Agreements"), each dated of even date herewith, with Barclays Capital Inc., BNP Paribas Securities Corp., BofA Securities, Inc., BTIG, LLC, Citizens JMP Securities, LLC, Goldman Sachs & Co. LLC, J.P. Morgan Securities LLC, Keefe, Bruyette & Woods, Inc., Morgan Stanley & Co, LLC, Piper Sandler & Co., UBS Securities LLC and Wells Fargo Securities, LLC (each, an "Alternative Agent," and together with the Sales Agent, the "Agents"), to issue and sell from time to time through each Alternative Agent, as sales agent and/or principal, shares of the Company's Common Stock (the "Shares") on the terms set forth in the Alternative Agreements. This Agreement and the Alternative Agreements are collectively referred to herein as the "Distribution Agreements."

SECTION 1. Description of Securities. The Company proposes to issue and sell through or to the Sales Agent, as sales agent and/or principal, the Shares on the terms set forth in Section 4 of this Agreement. The Company agrees that whenever it determines to sell the Shares directly to the Sales Agent as principal, it will enter into a separate agreement (each, a "Terms Agreement"), in form and substance satisfactory to the Sales Agent, relating to such sale in accordance with Section 4 of this Agreement.

SECTION 2. Representations and Warranties of the Company. The Company represents and warrants to and agrees with the Sales Agent that:

(a) An "automatic shelf registration statement" (the "registration statement") as defined in Rule 405 under the Securities Act of 1933, as amended, and the rules and regulations thereunder (collectively called the "Act"), on Form S-3 (File No. 333-282261) in respect of the Shares, including a form of prospectus, has been prepared and filed by the Company not earlier

than three years prior to the date hereof, in conformity with the requirements of the Act, and the rules and regulations of the Securities and Exchange Commission (the "Commission") thereunder (the "Rules and Regulations"). The registration statement contains certain information concerning the offering and sale of the Common Stock, including the Shares, and contains additional information concerning the Company and its business; the Commission has not issued an order preventing or suspending the use of the Basic Prospectus (as defined below), the Prospectus Supplement (as defined below), the Prospectus (as defined below) or any Permitted Free Writing Prospectus (as defined below), or the effectiveness of the Registration Statement (as defined below), and no proceeding for that purpose or pursuant to Section 8A of the Act has been instituted or, to the Company's knowledge, threatened by the Commission. Except where the context otherwise requires, "Registration Statement," as used herein, means the registration statement, as amended at the time of such registration statement's effectiveness for purposes of Section 11 of the Act, as such section applies to the Sales Agent, as well as any new registration statement, post-effective amendment or new automatic shelf registration statement as may have been filed pursuant to Section 5(f) or (g) of this Agreement, including (1) all documents filed as a part thereof or incorporated or deemed to be incorporated by reference therein, (2) any information contained or incorporated by reference in a prospectus filed with the Commission pursuant to Rule 424(b) under the Act, to the extent such information is deemed, pursuant to Rule 430B or Rule 430C under the Act, to be part of the registration statement at the time of such registration statement's effectiveness for purposes of Section 11 of the Act, as such section applies to the Sales Agent, and (3) any registration statement filed to register the offer and sale of Shares pursuant to Rule 462(b) under the Act. Except where the context otherwise requires, "Basic Prospectus," as used herein, means the prospectus filed as part of each Registration Statement, together with any amendments or supplements thereto as of the date of this Agreement. Except where the context otherwise requires, "Prospectus Supplement," as used herein, means the final prospectus supplement, relating to the Shares, filed by the Company with the Commission pursuant to Rule 424(b) under the Act on or before the second business day after the date hereof (or such earlier time as may be required under the Act), or if after such date, the most recently filed final prospectus supplement relating to the Shares, in the form furnished by the Company to the Sales Agent in connection with the offering of the Shares. Except where the context otherwise requires, "Prospectus," as used herein, means the Prospectus Supplement together with the Basic Prospectus attached to or used with the Prospectus Supplement. "Permitted Free Writing Prospectuses," as used herein, means the documents listed on Schedule A attached hereto. Any reference herein to the registration statement, the Registration Statement, the Basic Prospectus, the Prospectus Supplement, the Prospectus or any Permitted Free Writing Prospectus shall be deemed to refer to and include the documents, if any, incorporated by reference, or deemed to be incorporated by reference, therein (the "Incorporated Documents"), including, unless the context otherwise requires, the documents, if any, filed as exhibits to such Incorporated Documents. Any reference herein to the terms "amend," "amendment" or "supplement" with respect to the Registration Statement, the Basic Prospectus, the Prospectus Supplement, the Prospectus or any Permitted Free Writing Prospectus shall be deemed to refer to and include the filing of any document under the Securities Exchange Act of 1934, as amended, and the rules and regulations thereunder (collectively, the "Exchange Act") on or after the initial effective date of the Registration Statement, or the date of the Basic Prospectus, the Prospectus Supplement, the Prospectus or such Permitted Free Writing Prospectus, as the case may be, and deemed to be incorporated therein by reference.

(b) The Registration Statement complied when it became effective, complies as of the date hereof and, as amended or supplemented, at each deemed effective date with respect to the Sales Agent pursuant to Rule 430(B)(f)(2) of the Act, at each Settlement Date (as defined in Section 4(a)(vi) hereof), and at all times during which a prospectus is required by the Act to be delivered (whether physically, deemed to be delivered pursuant to Rule 153 or through compliance with Rule 172 under the Act or any similar rule) in connection with any sale of

Shares, will comply, in all material respects, with the requirements of the Act, and the Registration Statement did not and will not, at or during such times, contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading; the conditions to the use of Form S-3 in connection with the offering and sale of the Shares as contemplated hereby have been satisfied; the Registration Statement meets, and the offering and sale of the Shares as contemplated hereby complies with, the requirements of Rule 415 under the Act (including, without limitation, Rule 415(a)(5)); the Basic Prospectus complied or will comply, at the time it was or will be filed with the Commission, complies as of the date hereof (if filed with the Commission on or prior to the date hereof) and, as of the time of each sale of Shares pursuant to this Agreement (each, a "Time of Sale"), at each Settlement Date and at all times during which a prospectus is required by the Act to be delivered (whether physically, deemed to be delivered pursuant to Rule 153 or through compliance with Rule 172 under the Act or any similar rule) in connection with any sale of Shares, will comply, in all material respects, with the requirements of the Act; at no time during the period that begins on the earlier of the date of the Basic Prospectus and the date the Basic Prospectus was filed with the Commission and ends on each Settlement Date did or will the Basic Prospectus, as then amended or supplemented, include an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; the Prospectus will comply, as of the date that it is filed with the Commission, the date of the Prospectus Supplement, each Time of Sale, each Settlement Date, and at all times during which a prospectus is required by the Act to be delivered (whether physically, deemed to be delivered pursuant to Rule 153 or through compliance with Rule 172 under the Act or any similar rule) in connection with any sale of Shares, in all material respects, with the requirements of the Act (including, without limitation, Section 10(a) of the Act); at no time during the period that begins on the date of the Prospectus Supplement and ends at the later of each Settlement Date and the end of the period during which a prospectus is required by the Act to be delivered (whether physically, deemed to be delivered pursuant to Rule 153 or through compliance with Rule 172 under the Act or any similar rule) in connection with any sale of Shares did or will the Prospectus, as then amended or supplemented, either alone or together with any combination of one or more of the then issued Permitted Free Writing Prospectuses, if any, include an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; at no time during the period that begins on the date of such Permitted Free Writing Prospectus and ends at each Settlement Date did or will any Permitted Free Writing Prospectus include an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided, however, that the Company makes no representation or warranty with respect to any statement contained in the Registration Statement, the Basic Prospectus, the Prospectus or any Permitted Free Writing Prospectus in reliance upon and in conformity with information concerning the Sales Agent and furnished in writing by or on behalf of the Sales Agent expressly for use in the Registration Statement, the Basic Prospectus, the Prospectus or such Permitted Free Writing Prospectus; each Incorporated Document, at the time such document was filed with the Commission or at the time such document became effective, as applicable, complied, in all material respects, with the requirements of the Exchange Act and did not include an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(c) (i) At the time of filing of the Registration Statement, (ii) at the time of the most recent amendment thereto for the purposes of complying with Section 10(a)(3) of the Act or otherwise (whether such amendment was by post-effective amendment, incorporated report filed pursuant to Section 13 or 15(d) of the Exchange Act or form of prospectus), (iii) at the time the Company or any person acting on its behalf (within the meaning, for this clause only, of

Rule 163(c) of the Act) made any offer relating to the Shares in reliance on the exemption of Rule 163 of the Act and (iv) at the date hereof, the Company is a "well-known seasoned issuer" as defined in Rule 405 of the Act ("Rule 405"), including not having been and not being an "ineligible issuer" as defined by Rule 405. The Registration Statement is an "automatic shelf registration statement," as defined in Rule 405, and the Shares, since their registration on the Registration Statement, have been and remain eligible for registration by the Company on a Rule 405 "automatic shelf registration statement." The Company has not received from the Commission any notice pursuant to Rule 401(g)(2) of the Act objecting to the use of the automatic shelf registration statement form.

(d) Prior to the execution of this Agreement, the Company has not, directly or indirectly, offered or sold any Shares by means of any "prospectus" (within the meaning of the Act) or used any "prospectus" (within the meaning of the Act) in connection with the offer or sale of the Shares; the Company has not, directly or indirectly, prepared, used or referred to any Permitted Free Writing Prospectus except in compliance with Rule 163 or with Rules 164 and 433 under the Act; assuming that any such Permitted Free Writing Prospectus is so sent or given after the Registration Statement was filed with the Commission (and after such Permitted Free Writing Prospectus was, if required pursuant to Rule 433(d) under the Act, filed with the Commission), the sending or giving, by the Sales Agent, of any Permitted Free Writing Prospectus will satisfy the provisions of Rule 164 or Rule 433 (without reliance on subsections (b), (c) and (d) of Rule 164); the conditions set forth in one or more of subclauses (i) through (iv), inclusive, of Rule 433(b)(1) under the Act are satisfied, and the registration statement relating to the offering of the Shares contemplated hereby, as initially filed with the Commission, includes a prospectus that, other than by reason of Rule 433 or Rule 431 under the Act, satisfies the requirements of Section 10 of the Act; neither the Company nor the Sales Agent is disqualified, by reason of subsection (f) or (g) of Rule 164 under the Act, from using, in connection with the offer and sale of the Shares, "free writing prospectuses" (as defined in Rule 405 under the Act) pursuant to Rules 164 and 433 under the Act; the Company is not an "ineligible issuer" (as defined in Rule 405 under the Act) as of the eligibility determination date for purposes of Rules 164 and 433 under the Act with respect to the offering of the Shares contemplated by the Registration Statement; the parties hereto agree and understand that the content of any and all "road shows" (as defined in Rule 433 under the Act) related to the offering of the Shares contemplated hereby is solely the property of the Company.

(e) The Company has an authorized and outstanding capitalization as set forth in the consolidated balance sheet included or incorporated by reference in the Registration Statement, the Prospectus or any Permitted Free Writing Prospectus or as of the Company's then most recently completed quarter or fiscal year, contained in the Company's quarterly report on Form 10-Q or the Company's annual report on Form 10-K, as applicable, at the indicated date, and there has been no material change in such information since the Company's then most recently completed quarter or fiscal year (subject to the issuance of shares of Common Stock upon exercise of stock options and warrants disclosed as outstanding in the Registration Statement (excluding the exhibits thereto) and the Prospectus and the grant of options under existing stock option plans described in the Registration Statement (excluding the exhibits thereto), the Basic Prospectus and the Prospectus).

(f) The consolidated financial statements of the Company, together with the related schedules and notes thereto, set forth or included or incorporated by reference in the Registration Statement, the Prospectus or any Permitted Free Writing Prospectus are accurate in all material respects and fairly present the financial condition of the Company on a consolidated basis as of the dates indicated and the results of operations, changes in financial position, stockholders' equity and cash flows for the periods therein specified are in conformity with generally accepted accounting principles consistently applied throughout the periods involved (except as otherwise

stated therein). The selected financial and statistical data included or incorporated by reference in the Registration Statement and the Prospectus present fairly the information shown therein and, to the extent based upon or derived from the financial statements, have been compiled on a basis consistent with the financial statements presented therein. No other financial statements are required to be set forth or to be incorporated by reference in the Registration Statement or the Prospectus under the Act. The interactive data in eXtensible Business Reporting Language included or incorporated by reference in the Registration Statement, the Prospectus or any Permitted Free Writing Prospectus fairly present the information called for in all material respects and have been prepared in accordance with the Commission's rules and guidelines applicable thereto.

(g) The Prospectus and any Permitted Free Writing Prospectus delivered to the Sales Agent for use in connection with this offering will be, identical to the versions of the Prospectus and any Permitted Free Writing Prospectus, respectively, created to be transmitted to the Commission for filing via EDGAR, except to the extent permitted by Regulation S-T.

(h) The Company and each of its subsidiaries has been duly formed or, if a corporation, incorporated and is validly existing as a limited liability company, limited partnership or corporation in good standing under the laws of the state of its formation or incorporation, as applicable, is duly qualified to do business and is in good standing as a foreign limited liability company, limited partnership or corporation, as applicable, in each jurisdiction in which its ownership or lease of property or assets or the conduct of its business requires such qualification, except where the failure to so qualify would not have a material adverse effect on the business, assets, properties, prospects, financial condition or results of operation of the Company and its subsidiaries taken as a whole (a "Company Material Adverse Effect"), and has full limited liability company, limited partnership or corporate, as applicable, power and authority necessary to own, hold, lease and/or operate its assets and properties, to conduct the business in which it is engaged and as described in the Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any, and to enter into and perform its obligations under this Agreement and to consummate the transactions contemplated hereby, and the Company and its subsidiary Arcola Securities, Inc. ("Arcola") are each in compliance in all material respects with the laws, orders, rules, regulations and directives issued or administered by such jurisdictions.

(i) The Company has no "significant subsidiaries" (as such term is defined in Rule 1-02 of Regulation S-X promulgated under the Securities Act), and has no other subsidiaries except as (i) set forth in Exhibit 21.1 to the Company's most recently filed annual report on Form 10-K, (ii) otherwise disclosed by the Company in the Registration Statement, the Prospectus or the Permitted Free Writing Prospectus, if any, or (iii) would not, individually or in the aggregate, be material to the Company. Complete and correct copies of the charter and of the bylaws of the Company and all amendments thereto have been delivered to the Sales Agent (or otherwise made available on EDGAR) and, except as set forth in the exhibits to, or incorporated by reference into, the Registration Statement, no changes therein will be made subsequent to the date hereof and prior to each Time of Sale and each Settlement Date.

(j) The Company is not in breach of, or in default under (nor has any event occurred which with notice, lapse of time or both would result in any breach of or constitute a default under), (i) its charter or bylaws or (ii) any obligation, agreement, covenant or condition contained in any contract, license, repurchase agreement, indenture, mortgage, deed of trust, bank loan or credit agreement, note, lease or other evidence of indebtedness, or any lease, contract or other agreement or instrument to which the Company is a party or by which it or any of its assets or properties may be bound or affected, the effect of which breach or default under this clause (ii) could have a Company Material Adverse Effect. The execution, delivery and performance of

this Agreement, the issuance and sale of the Shares and the consummation of the transactions contemplated hereby will not conflict with, or result in any breach of, constitute a default under or a Repayment Event (as defined below) under (nor constitute any event which with notice, lapse of time or both would result in any breach of, constitute a default under or a Repayment Event under), (i) any provision of the charter or bylaws of the Company, (ii) any provision of any contract, license, repurchase agreement, indenture, mortgage, deed of trust, bank loan or credit agreement, note, lease or other evidence of indebtedness, or any lease, contract or other agreement or instrument to which the Company is a party or by which the Company or any of its assets or properties may be bound or affected, the effect of which could have a Company Material Adverse Effect or (iii) under any federal, state, local or foreign law, regulation or rule or any decree, judgment or order applicable to the Company. As used herein, a "Repayment Event" means any event or condition which gives the holder of any note, debenture or other evidence of indebtedness (or any person acting on such holder's behalf) the right to require the repurchase, redemption or repayment of all or a portion of such indebtedness by the Company or any subsidiary.

(k) All of the issued and outstanding shares of capital stock, including the Common Stock, of the Company have been duly and validly authorized and issued and are fully paid and non-assessable, have been issued in compliance with all federal and state securities laws and were not issued in violation of any preemptive right, resale right, right of first refusal or similar right.

(l) This Agreement has been duly authorized, executed and delivered by the Company.

(m) Reserved.

(n) The capital stock of the Company, including the Shares, conforms and will conform in all material respects to the description thereof contained in the Registration Statement, the Prospectus or any Permitted Free Writing Prospectus and such description conforms to the rights set forth in the instruments defining the same. If certificated, the global certificates representing the Shares are in due and proper form and the holders of the Shares will not be subject to personal liability by reason of being such holders.

(o) The Shares have been duly and validly authorized by the Company for issuance and sale pursuant to this Agreement and, when issued and delivered against payment therefor as provided herein, will be duly and validly issued and fully paid and non-assessable, free and clear of any pledge, lien, encumbrance, security interest or other claim, and will be registered pursuant to Section 12 of the Exchange Act.

(p) No approval, authorization, consent or order of or filing with any national, state or local governmental or regulatory commission, board, body, authority or agency is required in connection with the issuance and sale of the Shares or the consummation by the Company of the transaction contemplated hereby other than (i) registration of the Shares under the Act, (ii) any necessary qualification under the securities or blue sky laws of the various jurisdictions in which the Shares are being offered by the Sales Agent and (iii) such approvals in connection with the approval of the listing of the Shares on the New York Stock Exchange LLC (the "NYSE").

(q) No person, as such term is defined in Rule 1-02 of Regulation S-X promulgated under the Act (each, a "Person"), has the right, contractual or otherwise, to cause the Company to issue to it any shares of capital stock or other securities of the Company upon the issue and sale of the Shares to the Sales Agent hereunder, nor does any Person have preemptive rights, co-sale rights, rights of first refusal or other rights to purchase or subscribe for any of the Shares or any

securities or obligations convertible into or exchangeable for, or any contracts or commitments to issue or sell any of, the Shares or any options, rights or convertible securities or obligations, other than those that have been expressly waived prior to the date hereof.

(r) Ernst & Young LLP (the "Accountants"), whose report on the consolidated financial statements of the Company is filed with the Commission as part of the Registration Statement and the Prospectus, are and, during the periods covered by their reports, were independent public accountants as required by the Act.

(s) Each of the Company and its subsidiaries has all necessary licenses, authorizations, consents and approvals and has made all necessary filings required under any federal, state, local or foreign law, regulation or rule, and has obtained all necessary permits, authorizations, consents and approvals from other Persons, in order to conduct its business as described in the Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any, except as such as could not have a Company Material Adverse Effect. Neither the Company nor any of its subsidiaries is required by any applicable law to obtain accreditation or certification from any governmental agency or authority in order to provide the products and services which it currently provides or which it proposes to provide as set forth in the Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any, except as such could not have a Company Material Adverse Effect. Neither the Company nor any of its subsidiaries is in violation of, or in default under, any such license, permit, authorization, consent or approval or any federal, state, local or foreign law, regulation or rule or any decree, order or judgment applicable to the Company or any of its subsidiaries, the effect of which could have a Company Material Adverse Effect.

(t) The descriptions in the Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any, of the legal or governmental proceedings, contracts, leases and other legal documents therein described present fairly in all material respects the information required to be shown, and there are no legal or governmental proceedings, contracts, leases or other documents of a character required to be described in the Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any, or to be filed as exhibits to the Registration Statement which are not described or filed as required. All agreements between the Company and third parties expressly referenced in the Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any, are legal, valid and binding obligations of the Company, enforceable in accordance with their respective terms, except to the extent enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws affecting creditors' rights generally and by general equitable principles and except to the extent that any indemnification provision thereof may be limited by public policy considerations in respect thereof.

(u) Except as set forth in the Registration Statement, the Prospectus or a Permitted Free Writing Prospectus, there are no actions, suits, claims, investigations, inquiries or proceedings pending or, to the best of the Company's knowledge, threatened to which the Company or any of the subsidiaries or any of their respective officers or directors is a party or of which any of its properties or other assets is subject at law or in equity, or before or by any federal, state, local or foreign governmental or regulatory commission, board, body, authority or agency which could result in a judgment, decree or order having a Company Material Adverse Effect.

(v) Except as otherwise may be disclosed therein, subsequent to the respective dates as of which information is given in the Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any, there has not been (i) any Company Material Adverse Effect, or any development which would reasonably be expected to cause a Company Material Adverse

Effect, in the business, properties or assets described or referred to in the Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any, or the results of operations, condition (financial or otherwise), net worth, business, prospects or operations of the Company and its subsidiaries, taken as a whole, (ii) any transaction which is material to the Company and its subsidiaries, taken as a whole, except transactions in the ordinary course of business, (iii) any obligation, direct or contingent, which is material to the Company and its subsidiaries, taken as a whole, incurred by the Company or any subsidiary, except obligations incurred in the ordinary course of business, (iv) any change in the capital stock or, except in the ordinary course of business, outstanding indebtedness of the Company or any subsidiary or (v) except for regular quarterly dividends on the outstanding shares of preferred stock (collectively, the "Preferred Stock") and the Common Stock, in amounts per share that are consistent with past practice and the descriptions thereof in the Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any, any dividend or distribution of any kind declared, paid or made by the Company on any class of its capital stock. There are no contingent obligations that are material to the Company and its subsidiaries, taken as a whole, which are not disclosed in the Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any.

(w) Except as set forth in the Registration Statement, the Prospectus or a Permitted Free Writing Prospectus, there are no Persons with registration or other similar rights to have any equity or debt securities, including securities which are convertible into or exchangeable for equity securities, registered pursuant to the Registration Statement or otherwise registered by the Company under the Act.

(x) The Company (i) does not have any issued and outstanding preferred stock, other than the shares of Preferred Stock, in such number and series, as are described in the Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any, (ii) has not failed to pay any dividend or sinking fund installment on preferred stock and (iii) has not defaulted on any installment on indebtedness for borrowed money or on any rental on one or more long term leases, which defaults would have a Company Material Adverse Effect on the financial position of the Company and its subsidiaries, taken as a whole. The Company has not filed a report pursuant to Section 13(a) or 15(d) of the Exchange Act since the filing of its last annual report on Form 10-K, indicating that it (i) has failed to pay any dividend or sinking fund installment on the Preferred Stock or (ii) has defaulted on any installment on indebtedness for borrowed money or on any rental on one or more long term leases, which defaults would have a Company Material Adverse Effect.

(y) Neither the Company nor any of its officers, directors and controlling Persons have, directly or indirectly, (i) taken any action designed to cause or to result in, or that has constituted or which might reasonably be expected to constitute, the stabilization or manipulation of the price of the Common Stock to facilitate the sale of the Shares, or (ii) (except pursuant to this Agreement, shares of the Company's Common Stock issued pursuant to the Company's dividend reinvestment and share purchase plan (the "DRSPP"), as may have been incurred in connection with the Company's publicly disclosed repurchase of Common Stock and the retirement of the Company's long-term indebtedness) (A) sold, bid for, purchased, or paid anyone any compensation for soliciting purchases of, the Shares or, (B) other than as disclosed in the Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any, during the one hundred eighty (180) day period preceding the date of this Agreement, paid or agreed to pay to any Person any compensation for soliciting another to purchase any other securities of the Company.

(z) The Company has applied to have the Shares listed on the NYSE, and the Shares will have been approved for listing on the NYSE as of the time of purchase, subject only to official notice of issuance.

(aa) Neither the Company nor any of its affiliates, except for Arcola, (i) is required to register as a "broker" or "dealer" in accordance with the provisions of the Exchange Act or (ii) directly or indirectly through one or more intermediaries, controls or has any other association with (within the meaning of Article I of the Bylaws of the Financial Industry Regulatory Authority, Inc. ("FINRA")) any member firm of FINRA.

(ab) Any certificate signed by any officer of the Company delivered to the Sales Agent or to counsel for the Sales Agent pursuant to or in connection with this Agreement shall be deemed a representation and warranty by the Company to the Sales Agent as to the matters covered thereby.

(ac) As of the date of this Agreement, the Company has no plan or intention to materially alter its capital investment policy or investment allocation strategy, both as described in the Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any, and is in compliance with its stated capital investment policy and investment allocation strategy. Each of the Company and its subsidiaries has good and marketable title to all of the properties and assets owned by them, in each case free and clear of any security interests, liens, encumbrances, equities, claims and other defects (except for any security interest, lien, encumbrance or claim that may otherwise exist under any applicable repurchase agreement or loan agreement), except such as do not have a Company Material Adverse Effect and do not interfere with the use made or proposed to be made of such property or asset by the Company or any subsidiary, and except as described in or contemplated by the Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any. The Company owns no real property that is material, on an individual basis, to the Company. Any real property and buildings held under lease by the Company or any subsidiary are held under valid, existing and enforceable leases, with such exceptions as are disclosed in the Prospectus or are not material and do not interfere with the use made or proposed to be made of such property and buildings by the Company.

(ad) The Company has filed all federal and material state and foreign income and franchise tax returns required to be filed on or prior to the date hereof and has paid taxes shown as due thereon (or that are otherwise due and payable), other than taxes which are being contested in good faith and for which adequate reserves have been established in accordance with generally accepted accounting principles. The Company has no knowledge, after due inquiry, of any tax deficiency which has been asserted or threatened against the Company. To the knowledge of the Company, there are no tax returns of the Company that are currently being audited by federal, state or local taxing authorities or agencies which would have a Company Material Adverse Effect.

(ae) The Company owns or possesses adequate license or other rights to use all patents, trademarks, service marks, trade names, copyrights, software and design licenses, trade secrets, manufacturing processes, other intangible property rights and know-how (collectively, "Intangibles") necessary to entitle the Company to conduct its business as described in the Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any, and the Company has not received notice of infringement of or conflict with (and the Company knows of no such infringement of or conflict with) asserted rights of others with respect to any Intangibles which could have a Company Material Adverse Effect.

(af) The Company maintains a system of internal accounting controls sufficient to provide reasonable assurance that (i) transactions are executed in accordance with management's general or specific authorizations, (ii) transactions are recorded as necessary to permit preparation of financial statements in conformity with generally accepted accounting principles as applied in the United States and to maintain asset accountability, (iii) access to assets is

permitted only in accordance with management's general or specific authorization, (iv) the recorded accountability for assets is compared with the existing assets at reasonable intervals and appropriate action is taken with respect to any differences and (v) the interactive data in eXtensible Business Reporting Language incorporated by reference in the Registration Statement, the Prospectus and any Permitted Free Writing Prospectus fairly present the information called for in all material respects and is prepared in accordance with the Commission's rules and guidelines applicable thereto.

(ag) The Company has established and maintains disclosure controls and procedures (as such term is defined in Rule 13a-14 and 15d-14 under the Exchange Act); such disclosure controls and procedures are designed to ensure that material information relating to the Company is made known to the Company's Chief Executive Officer and its Chief Financial Officer, and such disclosure controls and procedures are effective to perform the functions for which they were established; any significant material weaknesses in internal controls have been identified for the Company's Chief Executive Officer and its Chief Financial Officer; and since the date of the most recent evaluation of such disclosure controls and procedures, there have been no significant changes in internal controls or in other factors that could significantly affect internal controls.

(ah) The Company is insured by insurers of recognized financial responsibility against such losses and risks and in such amounts as are prudent and customary in the business in which it is engaged. The Company has no reason to believe that it will not be able to renew its existing insurance coverage as and when such coverage expires or to obtain similar coverage from similar insurers as may be necessary to continue its business at a cost that would not have a Company Material Adverse Effect.

(ai) Except as set forth in the Registration Statement, the Prospectus or a Permitted Free Writing Prospectus, the Company is not in violation, and has not received notice of any violation with respect to, any applicable environmental, safety or similar law applicable to the business of the Company. The Company has received all permits, licenses or other approvals required of them under applicable federal and state occupational safety and health and environmental laws and regulations to conduct its business, and the Company is in compliance with all terms and conditions of any such permit, license or approval, except any such violation of law or regulation, failure to receive required permits, licenses or other approvals or failure to comply with the terms and conditions of such permits, licenses or approvals which could not, singly or in the aggregate, have a Company Material Adverse Effect.

(aj) Neither the Company nor any of its subsidiaries has incurred any liability for any finder's fees or similar payments in connection with the transactions herein contemplated, except as may otherwise exist with respect to the Sales Agent pursuant to this Agreement.

(ak) Except as set forth in the Registration Statement, the Prospectus or a Permitted Free Writing Prospectus, there are no existing or threatened labor disputes with the employees of the Company which are likely to have individually or in the aggregate a Company Material Adverse Effect.

(al) No relationship, direct or indirect, exists between or among the Company or any of its subsidiaries, on the one hand, and the directors, officers and stockholders of the Company, on the other hand, which is required by the Act to be described in the Registration Statement and the Prospectus that is not so described.

(am) The Company, since its date of inception, has been, and upon the sale of the Shares will continue to be, organized and operated in conformity with the requirements for

qualification and taxation as a "real estate investment trust" (a "REIT") under Sections 856 through 860 of the Internal Revenue Code of 1986, as amended and the regulations and published interpretations thereunder (collectively, the "Code"), for all taxable years commencing with its taxable year ended December 31, 1997. The proposed method of operation of the Company as described in Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any, will enable the Company to continue to meet the requirements for qualification and taxation as a REIT under the Code, and no actions have been taken (or not taken which are required to be taken) which would cause such qualification to be lost. The Company intends to continue to operate in a manner which would permit it to qualify as a REIT under the Code. The Company has no intention of changing its operations or engaging in activities which would cause it to fail to qualify, or make economically undesirable its continued qualification, as a REIT.

(an) Neither the Company nor any subsidiary is and, after giving effect to the offering and sale of the Shares, will be required to register as an "investment company" or an entity "controlled" by an "investment company," as such terms are defined in the Investment Company Act of 1940, as amended (the "Investment Company Act").

(ao) To the Company's knowledge, no relationship, direct or indirect, exists between or among the Company or any subsidiary, on the one hand, and the officers, 10% stockholders or directors of the Company or any subsidiary, on the other hand, which is required by the rules of FINRA to be described in the Registration Statement and the Prospectus which is not so described.

(ap) The Company has not, directly or indirectly, including through any subsidiary, extended credit, arranged to extend credit, or renewed any extension of credit, in the form of a personal loan, to or for any director or executive officer of the Company, or to or for any family member or affiliate of any director or executive officer of the Company.

(aq) Neither the Company nor any of the subsidiaries nor, to the Company's knowledge, any employee or agent of the Company or the subsidiaries has made any payment of funds of the Company or the subsidiaries or received or retained any funds in violation of any law, rule or regulation, which payment, receipt or retention of funds is of a character required to be disclosed in the Registration Statement or the Prospectus.

(ar) The Company is in compliance with all applicable provisions of the Sarbanes-Oxley Act of 2002 and the rules and regulations promulgated thereunder.

(as) The Common Stock is an "actively traded security" excepted from the requirements of Rule 101 of Regulation M under the Exchange Act by subsection (c)(1) of such rule.

(at) Other than any Terms Agreement or the Alternative Agreements, the Company has not entered into any other sales agency or distribution agreements or similar arrangements with any agent or other representative in respect of the Shares and the equity shelf program established by the Distribution Agreements, the terms of which have not been properly and duly waived.

(au) The operations of the Company and its subsidiaries are and have been conducted at all times in material compliance with all applicable financial recordkeeping and reporting requirements, including those of the Bank Secrecy Act, as amended by Title III of the Uniting and Strengthening America by Providing Appropriate Tools Required to intercept and Obstruct Terrorism Act of 2001 (USA PATRIOT Act), as amended, and the applicable anti-money

laundering statutes of jurisdictions where the Company and its subsidiaries conduct business, the rules and regulations thereunder and any related or similar rules, regulations or guidelines, issued, administered or enforced by any governmental agency (collectively, the "Anti-Money Laundering Laws"), and no action, suit or proceeding by or before any court or governmental agency, authority or body or any arbitrator involving the Company or any of its subsidiaries with respect to Anti-Money Laundering Laws is pending or, to the best knowledge of the Company, threatened.

(av) (A) Neither the Company nor any of its subsidiaries, nor any director, officer or employee thereof, nor, to the Company's knowledge, any agent, affiliate or representative of the Company or any of them, is an individual or entity ("Covered Person") that is, or is owned or controlled by a Covered Person that is:

(i) the subject of any sanctions administered or enforced by the U.S. Department of Treasury's Office of Foreign Assets Control ("OFAC"), the United Nations Security Council, the European Union, His Majesty's Treasury or other relevant sanctions authority (collectively, "Sanctions"); nor

(ii) located, organized or resident in a country or territory that is the subject of Sanctions (including, without limitation, the so-called Donetsk People's Republic, the so-called Luhansk People's Republic, the Kherson, the non-government controlled areas of the Kherson and Zaporizhzhia regions of Ukraine, and any other Covered Region of Ukraine identified pursuant to Executive Order 14065, the Crimea region of Ukraine, Cuba, Iran, North Korea, Syria and Venezuelan State-owned entities).

(A) The Company will not use the proceeds of the offering, or lend, contribute or otherwise make available such proceeds to any subsidiary, joint venture partner or other Covered Person:

(i) to fund or facilitate any activities or business of or with any Covered Person or in any country or territory that, at the time of such funding or facilitation, is the subject of Sanctions; or

(ii) in any other manner that will result in a violation of Sanctions by any Covered Person (including any Covered Person participating in the offering, whether as underwriter, advisor, investor or otherwise).

(B) The Company and its subsidiaries have not knowingly engaged in, are not now knowingly engaged in, and will not engage in, any dealings or transactions with any Covered Person, or in any country or territory, that at the time of the dealing or transaction is or was the subject of Sanctions.

(C) Neither the Company nor any of its subsidiaries, nor any director, officer or, to the Company's knowledge, employee thereof, nor, to the Company's knowledge, any agent, affiliate or representative of the Company or any of them: (i) has used any corporate funds for any unlawful contribution, gift, entertainment or other unlawful expense relating to political activity; (ii) has made any direct or indirect unlawful contribution or payment to any official of, or candidate for, or any employee of, any federal, state or foreign office from corporate funds; (iii) has made any bribe, unlawful rebate, payoff, influence payment, kickback or other unlawful payment; or (iv) is aware of or has taken any action, directly or indirectly, that would result in a violation by such persons of the OECD Convention on Bribery of Foreign Public Officials in International

Business Transactions, the Foreign Corrupt Practices Act of 1977, as amended, and the rules and regulations thereunder (collectively, the "FCPA") or any similar law or regulation to which the Company, any of its subsidiaries, any director, officer, agent, employee, affiliate or other person associated with or acting on behalf of the Company or any of its subsidiaries is subject. The Company, its subsidiaries and their affiliates have each conducted its businesses in compliance with the FCPA and any applicable similar law or regulation and have instituted and maintain policies and procedures designed to ensure, and which are reasonably expected to continue to ensure, continued compliance therewith.

SECTION 3. Reserved.

SECTION 4. Sale and Delivery of Securities. (a) On the basis of the representations, warranties and agreements herein contained, but subject to the terms and conditions herein set forth, the Company agrees to issue and sell through the Sales Agent, as sales agent, and the Sales Agent agrees to use its commercially reasonable efforts to sell, as sales agent for the Company, the Shares on the following terms.

(i) The Shares are to be sold on a daily basis or otherwise as shall be agreed to by the Company and the Sales Agent on any day that (A) is a trading day for the NYSE (other than a day on which the NYSE is scheduled to close prior to its regular weekday closing time), (B) the Company has instructed the Sales Agent by telephone (confirmed promptly by electronic mail) (or as otherwise agreed to by the Company and the Sales Agent) from any of the individuals listed as authorized representatives of the Company on Schedule B hereto (the "Authorized Company Representatives") to make such sales and (C) the Company has satisfied its obligations under Section 8 of this Agreement. The Company will designate the maximum amount of the Shares to be sold by the Sales Agent daily as agreed to by the Sales Agent and in any event not in excess of the amount available for issuance under the currently effective Registration Statement relating to the sale of up to $2,000,000,000 of Shares as described in the prospectus supplement dated May 8, 2025, or any Registration Statement filed pursuant to Section 5(g), or in a number in excess of the number of Shares authorized from time to time to be issued and sold under this Agreement by the Company's board of directors, or a duly authorized committee thereof, and notified to the Sales Agent in writing (a "Placement Notice").

Subject to the terms and conditions hereof, the Sales Agent shall use its commercially reasonable efforts to offer and sell all of the Shares designated; provided, however, that the Sales Agent shall have no obligation to offer or sell any Shares, and the Company acknowledges and agrees that the Sales Agent shall have no such obligation, in the event an offer or sale of the Shares on behalf of the Company may in the judgment of the Sales Agent constitute the sale of a "block" under Rule 10b-18(a)(5) under the Exchange Act or a "distribution" within the meaning of Rule 100 of Regulation M under the Exchange Act or the Sales Agent reasonably believes it may be deemed an "underwriter" under the Act in a transaction that is other than by means of ordinary brokers' transactions between members of the NYSE that qualify for delivery of a Prospectus to the NYSE in accordance with Rule 153 under the Act (such transactions are hereinafter referred to as "At-the-Market Offerings").

(ii) Notwithstanding the foregoing, the Company, through any of the Authorized Company Representatives, may instruct the Sales Agent by telephone

(confirmed promptly by electronic mail) (or as otherwise agreed to by the Company and the Sales Agent) not to sell the Shares if such sales cannot be effected at or above the price designated by the Company in any such instruction. In addition, the Company or the Sales Agent may, upon notice to the other party hereto by telephone (confirmed promptly by electronic mail) (or as otherwise agreed to by the Company and the Sales Agent), suspend the offering of the Shares; provided, however, that such suspension shall not affect or impair the parties' respective obligations with respect to the Shares sold hereunder prior to the giving of such notice.

(iii) The Sales Agent hereby covenants and agrees not to make any sales of the Shares on behalf of the Company, pursuant to this Section 4(a), other than (A) by means of At-the-Market Offerings and (B) such other sales of the Shares on behalf of the Company in its capacity as agent of the Company as shall be agreed by the Company and the Sales Agent.

(iv) The compensation to the Sales Agent, as an agent of the Company, for sales of the Shares shall be up to 1.25% of the gross sales price of the Shares sold pursuant to this Section 4(a) or such lower amount as otherwise mutually agreed upon by the Company and the Sales Agent from time to time. The remaining proceeds, after further deduction for any transaction fees imposed by any governmental or self-regulatory organization in respect of such sales, shall constitute the net proceeds to the Company for such Shares (the "Net Proceeds").

(v) The Sales Agent shall provide written confirmation to the Company following the close of trading on the NYSE each day in which the Shares are sold under this Section 4(a) setting forth the amount of the Shares sold on such day, the Net Proceeds to the Company and the compensation payable by the Company to the Sales Agent with respect to such sales.

(vi) Settlement for sales of the Shares pursuant to this Section 4(a) will occur on the first business day following the date on which such sales are made or such other date as may be agreed by the Company and the Sales Agent (each such date, a "Settlement Date"). On each Settlement Date, the Shares sold through the Sales Agent for settlement on such date shall be issued and delivered by the Company to the Sales Agent against payment of the Net Proceeds for the sale of such Shares. Settlement for all such Shares shall be effected by free delivery of the Shares by the Company or its transfer agent to the Sales Agent's account, or to the account of the Sales Agent's designee, at The Depository Trust Company through its Deposit and Withdrawal at Custodian System ("DWAC") or by such other means of delivery as may be mutually agreed upon by the parties hereto, which in all cases shall be freely tradable, transferable, registered shares in good deliverable form, in return for payments in same day funds delivered to the account designated by the Company. If the Company, or its transfer agent (if applicable), shall default on its obligation to deliver the Shares on any Settlement Date, the Company shall (A) indemnify and hold the Sales Agent harmless against any loss, claim or damage arising from or as a result of such default by the Company and (B) pay the Sales Agent any commission to which it would otherwise be entitled absent such default. The Authorized Company Representatives shall be the contact persons for the Company for all matters related to the settlement of the transfer of the Shares through DWAC for purposes of this Section 4(a)(vi).

(vii) At each Time of Sale, Settlement Date and Representation Date (as defined in Section 5(q)), the Company shall be deemed to have affirmed each of their respective representations and warranties contained in this Agreement. Any obligation of

the Sales Agent to use its commercially reasonable efforts to sell the Shares on behalf of the Company shall be subject to the continuing accuracy of the representations and warranties of the Company herein, to the performance by the Company of its obligations hereunder and to the continuing satisfaction of the additional conditions specified in Section 8 of this Agreement.

(a) (i) If the Company wishes to issue and sell the Shares other than as set forth in Section 4(a) of this Agreement (each, a "Placement"), it will notify the Sales Agent of the proposed terms of such Placement. If the Sales Agent, acting as principal, wishes to accept such proposed terms (which it may decline to do for any reason in its sole discretion) or, following discussions with the Company, wishes to accept amended terms, the Sales Agent and the Company will enter into a Terms Agreement setting forth the terms of such Placement. In the event of a conflict between the terms of this Agreement and the terms of any Terms Agreement, the terms of such Terms Agreement will control.

(b) (i) Under no circumstances shall the aggregate number of Shares sold pursuant to this Agreement exceed the number of Shares authorized from time to time to be issued and sold under this Agreement by the Company's board of directors, or a duly authorized committee thereof, and notified to the Sales Agent in writing.

(i) If either party has reason to believe that the exemptive provisions set forth in Rule 101(c)(1) of Regulation M under the Exchange Act are not satisfied with respect to the Shares, it shall promptly notify the other party and sales of the Shares under this Agreement shall be suspended until that or other exemptive provisions have been satisfied in the judgment of each party.

(c) Each sale of the Shares to or through the Sales Agent shall be made in accordance with the terms of this Agreement or, if applicable, a Terms Agreement.

(d) Any offer, solicitation or sale of the Shares shall be effected by or through only one of the Agents on any single trading day.

(e) Subject to the limitations set forth herein and as may be mutually agreed upon by the Company and the Sales Agent, sales pursuant to this Agreement may not be requested by the Company and need not be made by the Sales Agent during any period in which the Company is or could be deemed to be, in possession of material non-public information.

(f) Notwithstanding any other provision of this Agreement, the Company shall not offer, sell or deliver, or request the offer or sale, of any Shares pursuant to this Agreement at any time during the period from and including the time the Company issues a press release containing, or shall otherwise publicly announce, its earnings, revenues or other operating results for a fiscal period or periods (each, an "Earnings Announcement") through and including the Representation Date that occurs in connection with the Company filing a Quarterly Report on Form 10-Q or an Annual Report on Form 10-K (a "Filing Time") that includes consolidated financial statements as of and for the same fiscal period or periods, as the case may be, covered by such Earnings Announcement, unless the Company shall first (i) prepare and deliver to the Sales Agent (with a copy to counsel for the Sales Agent) a Current Report on Form 8-K that includes substantially the same financial and related information that was included in such Earnings Announcement (other than any earnings projections and similar forward-looking data and officers' quotations) (each, an "Earnings 8-K"), in form and substance reasonably satisfactory to the Sales Agent, and, prior to its filing, obtain the written consent of the Sales Agent to such filing (which consent shall not be unreasonably withheld), (ii) provide the Sales Agent with the officers' certificates, opinions and letters of counsels and accountants' letter

specified in Sections 5(q) through 5(u), inclusive, hereof, (iii) afford the Sales Agent the opportunity to conduct a due diligence review in accordance with Section 5(v) hereof prior to filing such Earnings 8-K and (iv) file (rather than furnish) such Earnings 8-K with the Commission. For purposes of clarity, the parties hereto agree that (A) the delivery of any officers' certificates, opinions or letters of counsel or accountants' letter pursuant to this Section 4(g) shall not relieve the Company from any of its obligations under this Agreement with respect to any Quarterly Report on Form 10-Q or Annual Report on Form 10-K, as the case may be, including, without limitation, the obligation to deliver officers' certificates, opinions and letters of counsel and accountants' letters as provided in Sections 5(q) through 5(u), inclusive, hereof, and (B) this Section 4(g) shall in no way affect or limit the operation of Section 4(d) hereof, which shall have independent application.

(g) The Company acknowledges and agrees that (A) there can be no assurance that the Sales Agent will be successful in selling the Shares, (B) the Sales Agent will incur no liability or obligation to the Company or any other person or entity if it does not sell Shares for any reason other than a failure by the Sales Agent to use its commercially reasonable efforts consistent with its normal trading and sales practices and applicable law and regulations to sell such Shares in accordance with the terms of this Agreement, and (C) the Sales Agent shall be under no obligation to purchase Shares on a principal basis pursuant to this Agreement, except as otherwise specifically agreed by the Sales Agent and the Company.

SECTION 5. Covenants of the Company. The Company agrees with the Sales Agent:

(a) During the period in which a prospectus relating to the Shares is required to be delivered under the Act (whether physically, deemed to be delivered pursuant to Rule 153 or through compliance with Rule 172 under the Act or any similar rule), to notify the Sales Agent promptly of the time when any subsequent amendment to the Registration Statement has become effective or any subsequent supplement to the Basic Prospectus, the Prospectus or any Permitted Free Writing Prospectus has been filed; to prepare and file with the Commission, promptly upon the Sales Agent's request, any amendments or supplements to the Registration Statement, the Basic Prospectus, the Prospectus or any Permitted Free Writing Prospectus that, in the Sales Agent's reasonable opinion, may be necessary or advisable in connection with the offering of the Shares by the Sales Agent; and to cause each amendment or supplement to the Basic Prospectus or the Prospectus to be filed with the Commission as required pursuant to the applicable paragraph of Rule 424(b) of the Act or, in the case of any Incorporated Document, to be filed with the Commission as required pursuant to the Exchange Act, within the time period prescribed.

(b) To promptly advise the Sales Agent, confirming such advice in writing, of any suspension of the Sales Agent's obligations under Rule 15c2-8 under the Exchange Act or any request by the Commission for amendments or supplements to the Registration Statement, the Basic Prospectus, the Prospectus or any Permitted Free Writing Prospectus or for additional information with respect thereto, or of notice of examination, institution of proceedings for, or the entry of a stop order suspending the effectiveness of the Registration Statement and, if the Commission should enter a stop order suspending the effectiveness of the Registration Statement, to use its best efforts to obtain the lifting or removal of such order as soon as possible; to promptly advise the Sales Agent of any proposal to amend or supplement the Registration Statement, the Basic Prospectus or the Prospectus, and to provide the Sales Agent and its counsel copies of any such documents for review and comment a reasonable amount of time prior to any proposed filing and to file no such amendment or supplement (other than any prospectus supplement relating to the offering of other securities (including, without limitation, the Common Stock)) to which the Sales Agent shall have objected in writing.

(c) To make available to the Sales Agent, as soon as practicable after this Agreement becomes effective, and thereafter from time to time to furnish to the Sales Agent, as many copies of the Prospectus (or of the Prospectus as amended or supplemented if the Company shall have made any amendments or supplements thereto after the effective date of the Registration Statement) as the Sales Agent may request for the purposes contemplated by the Act; in case the Sales Agent is required to deliver (whether physically, deemed to be delivered pursuant to Rule 153 or through compliance with Rule 172 under the Act or any similar rule), in connection with the sale of the Shares, a prospectus after the nine-month period referred to in Section 10(a)(3) of the Act, or after the time a post-effective amendment to the Registration Statement is required pursuant to Item 512(a) of Regulation S-K under the Act, the Company will prepare, at its expense, promptly upon request such amendment or amendments to the Registration Statement and the Prospectus as may be necessary to permit compliance with the requirements of Section 10(a)(3) of the Act or Item 512(a) of Regulation S-K under the Act, as the case may be.

(d) Subject to Section 5(b) hereof, to file promptly all reports and documents and any preliminary or definitive proxy or information statement required to be filed by the Company with the Commission in order to comply with the Exchange Act for so long as a prospectus is required by the Act to be delivered (whether physically, deemed to be delivered pursuant to Rule 153 or through compliance with Rule 172 under the Act or any similar rule) in connection with any sale of Shares; and to provide the Sales Agent, for its review and comment, with a copy of such reports and statements and other documents to be filed by the Company pursuant to Section 13, 14 or 15(d) of the Exchange Act during such period a reasonable amount of time prior to any proposed filing, and to file no such report, statement or document to which the Sales Agent shall have objected in writing; and to promptly notify the Sales Agent of such filing.

(e) To pay the fees applicable to the Registration Statement in connection with the offering of the Shares within the time required by Rule 456(b)(1) (i) under the Act (without reliance on the proviso to Rule 456(b)(1)(i) under the Act) and in compliance with Rule 456(b) and Rule 457(r) under the Act.

(f) If at any time when Shares remain unsold by the Sales Agent the Company receives from the Commission a notice pursuant to Rule 401(g)(2) under the Act or otherwise ceases to be eligible to use the automatic shelf registration statement form, the Company will (a) promptly notify the Sales Agent, (b) promptly file a new registration statement or post-effective amendment on the proper form relating to the Shares, in a form satisfactory to the Sales Agent, (c) use its best efforts to cause such registration statement or post-effective amendment to be declared effective as soon as practicable (if such filing is not otherwise effective immediately pursuant to Rule 462 under the Act) and (d) promptly notify the Sales Agent of such effectiveness. The Company will take all other action necessary or appropriate to permit the public offering and sale of the Shares to continue as contemplated in the Registration Statement that was the subject of the notice under Rule 401(g)(2) under the Act or for which the Company has otherwise become ineligible. References herein to the Registration Statement relating to the Shares shall include such new registration statement or post-effective amendment, as the case may be.

(g) If immediately prior to the third anniversary (the "Renewal Deadline") of the initial effective date of the Registration Statement, any of the Shares remain unsold by the Sales Agent, the Company will, prior to the Renewal Deadline file, if it has not already done so and is eligible to do so, a new automatic shelf registration statement relating to the Shares, in a form satisfactory to the Sales Agent. If the Company is not eligible to file an automatic shelf registration statement, the Company will, prior to the Renewal Deadline, if it has not already done so, file a new shelf registration statement relating to the Shares, in a form satisfactory to the

Sales Agent, and will use its best efforts to cause such registration statement to be declared effective within 180 days after the Renewal Deadline. The Company will take all other action necessary or appropriate to permit the public offering and sale of the Shares to continue as contemplated in the expired registration statement. References herein to the Registration Statement shall include such new automatic shelf registration statement or such new shelf registration statement, as the case may be.

(h) To promptly notify the Sales Agent of the happening of any event that could require the making of any change in the Prospectus then being used so that the Prospectus would not include an untrue statement of material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they are made, not misleading, and, during any period during which a prospectus is required to be delivered (whether physically, deemed to be delivered pursuant to Rule 153 or through compliance with Rule 172 under the Act or any similar rule) in connection with any sale of Shares, subject to Section 5(b), to prepare and furnish, at the Company's expense, to the Sales Agent promptly such amendments or supplements to such Prospectus as may be necessary to reflect any such change.

(i) To furnish such information as may be required and otherwise to cooperate in qualifying the Shares for offering and sale under the securities or blue sky laws of such states or other jurisdictions as the Sales Agent may designate and to maintain such qualifications in effect so long as required for the distribution of the Shares; provided, however, that the Company shall not be required to qualify as a foreign corporation or to consent to the service of process under the laws of any such jurisdiction (except service of process with respect to the offering and sale of the Shares); and to promptly advise the Sales Agent of the receipt by the Company of any notification with respect to the suspension of the qualification of the Shares for offer or sale in any jurisdiction or the initiation or threatening of any proceeding for such purpose.

(j) To make generally available to its security holders, and to deliver to the Sales Agent, an earnings statement of the Company (which will satisfy the provisions of Section 11(a) of the Act) covering a period of twelve months beginning after the effective date of the Registration Statement (as defined in Rule 158(c) of the Act) as soon as is reasonably practicable after the termination of such twelve-month period but not later than eighteen months after the effective date of the Registration Statement (as such date is defined in Rule 158(c) under the Act).

(k) To apply the net proceeds from the sale of the Shares in the manner set forth under the caption "Use of Proceeds" in the Prospectus Supplement or, if not so specified, in the Prospectus, and if not so specified, in the Basic Prospectus.

(l) Until the settlement of sale of all Common Stock being offered pursuant to this Agreement, at any time that sales of the Common Stock have been made but not settled or at any time the Company has outstanding with the Sales Agent any instructions to sell the Common Stock but such instructions have not been fulfilled or cancelled, the Company will not sell, offer to sell, contract or agree to sell, hypothecate, pledge, grant any option to sell or otherwise dispose of or agree to dispose of, directly or indirectly, any shares of the Common Stock or securities convertible into or exchangeable or exercisable for the Common Stock or warrants or other rights to purchase the Common Stock or any other securities of the Company that are substantially similar to the Common Stock or permit the registration under the Act of any shares of the Common Stock, including pursuant to another Distribution Agreement, in each case without giving the Sales Agent at least three business days' prior written notice specifying the nature of the proposed sale and the date of such proposed sale. Notwithstanding the foregoing, the Company may (i) register the offer and sale of the Shares through the Sales Agent pursuant to

this Agreement; (ii) issue Common Stock, restricted stock, options or other units or awards pursuant to the Company's long term stock incentive plans as currently in effect (or file a Form S-8 related to such plans) or pursuant to the exercise of employee stock options or other awards; (iii) issue Common Stock pursuant to the DRSPP or any successor dividend reinvestment or share purchase plan (or the filing of a Form S-3 related to such a plan) and (iv) offer or issue any series of preferred stock that is not convertible into shares of Common Stock other than in connection with a "change of control." For the avoidance of doubt, the Company will not be prohibited from issuing Common Stock upon the election by a holder of Preferred Stock to convert Preferred Stock into Common Stock. In the event that notice of a proposed sale is provided by the Company pursuant to this Section 5(l), the Sales Agent may suspend activity under this program for such period of time as may be requested by the Company or as may be deemed appropriate by the Sales Agent.

(m) Not, at any time at or after the execution of this Agreement, to offer or sell any Shares by means of any "prospectus" (within the meaning of the Act), or use any "prospectus" (within the meaning of the Act) in connection with the offer or sale of the Shares, in each case other than the Prospectus.

(n) The Company will not, and will cause its subsidiaries not to, take, directly or indirectly, any action designed, or which will constitute, or has constituted, or might reasonably be expected to cause or result in the stabilization or manipulation of the price of any security of the Company to facilitate the sale or resale of the Shares.

(o) To use its best efforts to cause the Common Stock to be listed on the NYSE and to maintain such listing.

(p) To advise the Sales Agent immediately after it shall have received notice or obtain knowledge thereof, of any information or fact that would alter or affect any opinion, certificate, letter and other document provided to the Sales Agent pursuant to Section 8 herein.

(q) Upon commencement of the offering of the Shares under this Agreement, and within four trading days of each time that (i) the Registration Statement or the Prospectus shall be amended or supplemented (other than pursuant to subclause (ii) below and other than a prospectus supplement filed pursuant to Rule 424(b) under the Act relating solely to the offering of securities other than the Shares), (ii) there is filed with the Commission any document incorporated by reference into the Prospectus (other than a Current Report on Form 8-K, unless the Sales Agent shall otherwise reasonably request), or (iii) otherwise as the Sales Agent may reasonably request (the date of commencement of the offering of the Shares under this Agreement and each date referred to in subclauses (i), (ii) and (iii) above, each a "Representation Date"), the Company shall furnish or cause to be furnished to the Sales Agent forthwith a certificate dated as of such delivery date, in form satisfactory to the Sales Agent to the effect that the statements contained in the certificate referred to in Section 8(e)(i) of this Agreement which were last furnished to the Sales Agent are true and correct as of such delivery date, as though made at and as of such date (except that such statements shall be deemed to relate to the Registration Statement and the Prospectus as amended and supplemented to such date) or, in lieu of such certificate, a certificate of the same tenor as the certificate referred to in said Section 8(e)(i), modified as necessary to relate to the Registration Statement and the Prospectus as amended and supplemented to the time of delivery of such certificate. The requirement to provide a certificate under this Section 5(q) shall be waived for any Representation Date occurring at a time at which no Placement Notice is pending, which waiver shall continue until the earlier to occur of the date the Company delivers a Placement Notice hereunder or under any Alternative Agreement (which for such calendar quarter shall be considered a Representation Date) and the next occurring Representation Date. Notwithstanding the foregoing, if the

Company subsequently decides to sell Shares through the Sales Agent or any Alternative Agent following a Representation Date when the Company relied on such waiver and did not provide the Agents with a certificate under this Section 5(q), then before the Company delivers the Placement Notice or the Sales Agent or any Alternative Agent sells any Shares, the Company shall provide the Sales Agent with such certificate, dated the date of the Placement Notice.

(r) On or prior to four trading days after each Representation Date with respect to which the Company is obligated to deliver a certificate under Section 8(e) for which no waiver is applicable, the Company shall furnish or cause to be furnished forthwith to the Sales Agent written opinions of (i) Davis Polk & Wardwell LLP, special counsel for the Company (including negative assurance), (ii) Hunton Andrews Kurth LLP, tax counsel for the Company, (iii) Venable LLP, Maryland counsel for the Company and (iv) Anthony C. Green, Chief Corporate Officer, Chief Legal Officer and Secretary for the Company or other counsels satisfactory to the Sales Agent, dated and delivered as of such delivery date, in form and substance satisfactory to the Sales Agent, of the same tenor as the opinions referred to in Section 8(c) of this Agreement, but modified as necessary to relate to the Registration Statement and the Prospectus as amended and supplemented to the time of delivery of such opinions.

(s) On or prior to four trading days after each Representation Date with respect to which the Company is obligated to deliver a certificate under Section 8(e) for which no waiver is applicable, the Company shall furnish or cause to be furnished to the Sales Agent forthwith a certificate of the Secretary of the Company, dated and delivered as of such delivery date, in form and substance satisfactory to the Sales Agent.

(t) On or prior to four trading days after each Representation Date with respect to which the Company is obligated to deliver a certificate under Section 8(e) for which no waiver is applicable, Cravath, Swaine & Moore LLP, counsel to the Sales Agent, shall deliver a written opinion, dated and delivered as of such delivery date, in form and substance satisfactory to the Sales Agent.

(u) On or prior to four trading days after each Representation Date with respect to which the Company is obligated to deliver a certificate under Section 8(e) for which no waiver is applicable, the Company shall cause the Accountants or other independent accountants satisfactory to the Sales Agent, forthwith to furnish to the Sales Agent a letter, dated as of such delivery date, in form and substance satisfactory to the Sales Agent, of the same tenor as the letter referred to in Section 8(d) of this Agreement but modified to relate to the Registration Statement and the Prospectus, as amended and supplemented to the date of such letter. Notwithstanding anything else contained herein to the contrary, other than as set forth in this Section 5(u) and Section 8(d) of this Agreement the Company shall be under no additional obligations to cause the Accountants to provide a letter to the Sales Agent, provided however, so long as this Agreement remains in effect, to the extent the Sales Agent reasonably believes it needs such a letter at some time other than as required under this Section 5(u) and Section 8(d), the Sales Agent may suspend the offering of the Shares in accordance with Section 4(a)(ii) of this Agreement, if such letter is not delivered.

(v) At each Representation Date with respect to which the Company is obligated to deliver a certificate under Section 8(e) for which no waiver is applicable, to conduct a due diligence session, in form and substance, satisfactory to the Sales Agent, which shall include representatives of the management and the accountants of the Company.

(w) That the Company consents to the Sales Agent trading in the Common Stock for the Sales Agent's own account and for the account of its clients at the same time as sales of the Shares occur pursuant to this Agreement.

(x) If to the knowledge of the Company, any condition set forth in Section 8(a) or Section 8(h) of this Agreement shall not have been satisfied on the applicable Settlement Date, to offer to any person who has agreed to purchase the Shares from the Company as the result of an offer to purchase solicited by the Sales Agent the right to refuse to purchase and pay for such Shares.

(y) To disclose in its quarterly reports on Form 10-Q and in its annual report on Form 10-K the number of the Shares sold through or to the Sales Agent under this Agreement, the Net Proceeds to the Company and the compensation paid by the Company with respect to sales of the Shares pursuant to this Agreement during the relevant quarter.

(z) To ensure that prior to instructing the Sales Agent to sell Shares the Company shall have obtained all necessary corporate authority for the offer and sale of such Shares.

(aa) That each acceptance by the Company of an offer to purchase the Shares hereunder shall be deemed to be an affirmation to the Sales Agent that the representations and warranties of the Company contained in or made pursuant to this Agreement are true and correct as of the date of such acceptance as though made at and as of such date, and an undertaking that such representations and warranties will be true and correct as of the Settlement Date for the Shares relating to such acceptance, as though made at and as of such date (except that such representations and warranties shall be deemed to relate to the Registration Statement and the Prospectus as amended and supplemented relating to such Shares).

(ab) The Company has been organized and operated in conformity with the requirements for qualification and taxation of the Company as a REIT under the Code, and the Company's proposed methods of operation will enable the Company to continue to meet the requirements for qualification and taxation as a REIT under the Code.

(ac) The Company has retained the Accountants as its qualified accountants and qualified tax experts (i) to test procedures and conduct annual compliance reviews designed to determine compliance with the REIT provisions of the Code and the Company's exempt status under the Investment Company Act and (ii) to otherwise assist the Company in monitoring appropriate accounting systems and procedures designed to determine compliance with the REIT provisions of the Code and the Company's exempt status under the Investment Company Act.

SECTION 6. Reserved.

SECTION 7. Payment of Expenses. The Company agrees with the Sales Agent that whether or not the transactions contemplated hereunder are consummated or this Agreement is terminated, to pay all of its expenses incident to the performance of its obligations hereunder, including, but not limited to, such costs, expenses, fees and taxes in connection with (i) the preparation and filing of the Registration Statement, the Basic Prospectus, the Prospectus Supplement, the Prospectus, each Permitted Free Writing Prospectus and any amendments or supplements thereto, and the printing and furnishing of copies of each thereof to the Sales Agent (including costs of mailing and shipment), (ii) the registration, issue, sale and delivery of the Shares including any stock or transfer taxes and stamp or similar duties payable upon the sale, issuance or delivery of the Shares, (iii) the producing, word processing and/or printing of this Agreement, any Powers of Attorney and any closing documents (including compilations thereof) and the reproduction and/or printing and furnishing of copies of each thereof to the Sales Agent (including costs of mailing and shipment), (iv) the qualification of the Shares for offering and sale under state laws and the determination of their eligibility for investment under state law as aforesaid (including the reasonable legal fees and filing fees and other disbursements of counsel for the Sales Agent) and the printing and furnishing of copies of any blue sky surveys to the

Sales Agent, (v) the listing of the Shares on any securities exchange or qualification of the Shares for quotation on the NYSE and any registration thereof under the Exchange Act and (vi) any filing for review of the public offering of the Shares by FINRA, including the reasonable legal fees and disbursements of counsel for the Sales Agent relating to FINRA matters. The Sales Agent will pay all of its other out-of-pocket costs and expenses incurred in connection with entering into this Agreement and the transactions contemplated by this Agreement, including, without limitation, travel, reproduction, printing and similar expenses.

SECTION 8. Conditions of Sales Agent's Obligations. The obligations of the Sales Agent hereunder are subject to (i) the accuracy of the representations and warranties on the part of the Company on the date hereof, any applicable date referred to in Section 5(q) of this Agreement and as of each Settlement Date, (ii) the performance by the Company of its obligations hereunder and (iii) to the following additional conditions precedent.

(a) (i) No stop order with respect to the effectiveness of the Registration Statement shall have been issued under the Act or proceedings initiated under Section 8(d) or 8(e) of the Act, and no order directed at or in relation to any document incorporated by reference therein and no order preventing or suspending the use of the Prospectus has been issued by the Commission, the Commission shall not have notified the Company of any objection to the use of the form of the Registration Statement or any post-effective amendment thereto, and no suspension of the qualification of the Shares for offering or sale in any jurisdiction, or to the knowledge of the Company or the Sales Agent of the initiation or threatening of any proceedings for any of such purposes, has occurred; (ii) the Registration Statement and all amendments thereto, or modifications thereof, if any, shall not contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading; (iii) none of the Basic Prospectus or the Prospectus, and no amendment or supplement thereto, or modification thereof, if any, shall include an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary in order to make the statements therein, in the light of the circumstances under which they are made, not misleading; (iv) no Prospectus, together with any combination of one or more of the Permitted Free Writing Prospectuses, if any, and no amendment or supplement thereto, shall include an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they are made, not misleading; and (v) none of the Permitted Free Writing Prospectuses, if any, shall include an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they are made, not misleading.

(b) Subsequent to the respective dates as of which information is given in the Registration Statement, the Basic Prospectus, the Prospectus and the Permitted Free Writing Prospectuses, if any, (i) no material and unfavorable change, financial or otherwise (other than as referred to in the Registration Statement and the Prospectus), in the business, condition, net worth or prospects of the Company and its subsidiaries, taken as a whole, in the judgment of the Sales Agent, shall occur or become known and (ii) no transaction which is material and unfavorable to the Company or any of its subsidiaries, taken as a whole (other than as referred to in the Registration Statement and Prospectus), in the judgment of the Sales Agent, shall have been entered into by the Company or any of its subsidiaries.

(c) The Company shall furnish to the Sales Agent, at every date specified in Section 5(r) of this Agreement for which no waiver is applicable, the opinions of Davis Polk & Wardwell LLP, Hunton Andrew Kurth LLP, Venable LLP and the Chief Legal Officer of the Company addressed to the Sales Agent, and dated as of such date, and in form satisfactory to the Sales Agent, in the form set forth in Exhibits A-1, A-2, A-3 and A-4 hereto.

(d) At the dates specified in Section 5(u) of this Agreement, the Sales Agent shall have received from the Accountants letters dated the date of delivery thereof and addressed to the Sales Agent in form and substance satisfactory to the Sales Agent.

(e) (i) The Company shall deliver to the Sales Agent, on or prior to four trading days after each Representation Date specified in Section 5(q) of this Agreement, a certificate of two of its executive officers to the effect that (i) the representations and warranties of the Company as set forth in this Agreement are true and correct as of such delivery date, (ii) the Company has performed such of its obligations under this Agreement as are to be performed at or before each such delivery date and (iii) the conditions set forth in paragraphs (a) and (b) of this Section 8 have been met. The certificate shall also state that the Shares have been duly and validly authorized by the Company, that all corporate action required to be taken for the issuance and sale of the Shares has been validly and sufficiently taken, and that the Company's Board of Directors or any other body with authority has not revoked, rescinded or otherwise modified or withdrawn such authorization or corporate action.

(f) The Sales Agent shall have received, at every date specified in Section 5(t) of this Agreement, the favorable opinion of Cravath, Swaine & Moore LLP, counsel to the Sales Agent, dated as of such date, and in form and substance satisfactory to the Sales Agent.

(g) The Sales Agent shall have received, at every date specified in Section 5(s) of this Agreement, a certificate of the Secretary of the Company, dated as of such date, and in form and substance satisfactory to the Sales Agent.

(h) All filings with the Commission required by Rule 424 under the Act to have been filed by the Settlement Date shall have been made within the applicable time period prescribed for such filing by Rule 424.

(i) The Shares shall have been approved for listing on the NYSE, subject only to notice of issuance at or prior to the Settlement Date.

For purposes of clarity and without limitation to any other provision of this Section 8 or elsewhere in this Agreement, the Company and the Sales Agent agree that the Sales Agent's obligations, if any, to solicit purchases of Shares on an agency basis or otherwise take any action pursuant to a Placement Notice shall, unless otherwise agreed in writing by the Sales Agent, be suspended during the period from and including a Representation Date for which certificates are required to be delivered pursuant to Section 5(q) through and including the time the Sales Agent shall have received the documents described in Sections 8(c) through 8(g), inclusive.

SECTION 9. Indemnification and Contribution.

(a) The Company agrees to indemnify, defend and hold harmless the Sales Agent and its affiliates, its and their directors, officers, employees and agents and any person who controls the Sales Agent within the meaning of Section 15 of the Act or Section 20 of the Exchange Act, and the successors and assigns of all of the foregoing persons, from and against any loss, damage, expense, liability or claim (including the reasonable cost of investigation) which the Sales Agent or any such person may incur under the Act, the Exchange Act, the common law or otherwise, insofar as such loss, damage, expense, liability or claim arises out of or is based upon (i) any untrue statement or alleged untrue statement of a material fact contained in the Registration Statement (or in the Registration Statement as amended by any post-effective amendment thereof by the Company) or arises out of or is based upon any omission or alleged omission to state a material fact required to be stated therein or necessary to make the statements

therein not misleading, except insofar as any such loss, damage, expense, liability or claim arises out of or is based upon any untrue statement or alleged untrue statement of a material fact contained in, and in conformity with information furnished in writing by or on behalf of the Sales Agent to the Company expressly for use in, the Registration Statement or arises out of or is based upon any omission or alleged omission to state a material fact in the Registration Statement in connection with such information, which material fact was not contained in such information and which material fact was required to be stated in such Registration Statement or was necessary to make such information not misleading or (ii) any untrue statement or alleged untrue statement of a material fact included in any Prospectus (the term Prospectus for the purpose of this Section 9 being deemed to include the Basic Prospectus, the Prospectus Supplement, the Prospectus and any amendments or supplements to the foregoing), in any Permitted Free Writing Prospectus, in any "issuer information" (as defined in Rule 433 under the Act) of the Company or in any Prospectus together with any combination of one or more of the Permitted Free Writing Prospectuses, if any, or arises out of or is based upon any omission or alleged omission to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading, except, with respect to such Prospectus or Permitted Free Writing Prospectus, insofar as any such loss, damage, expense, liability or claim arises out of or is based upon any untrue statement or alleged untrue statement of a material fact contained in, and in conformity with information furnished in writing by or on behalf of the Sales Agent to the Company expressly for use in, such Prospectus or Permitted Free Writing Prospectus or arises out of or is based upon any omission or alleged omission to state a material fact in such Prospectus or Permitted Free Writing Prospectus in connection with such information, which material fact was not contained in such information and which material fact was necessary in order to make the statements in such information, in the light of the circumstances under which they were made, not misleading.

If any action, suit or proceeding (together, a "Proceeding") is brought against the Sales Agent or any such person in respect of which indemnity may be sought against the Company pursuant to the foregoing paragraph, the Sales Agent or such person shall promptly notify the indemnifying party in writing of the institution of such Proceeding and the Company shall assume the defense of such Proceeding, including the employment of counsel reasonably satisfactory to such indemnified party and payment of all fees and expenses; provided, however, that the omission to so notify the Company shall not relieve the Company from any liability which the Company may have to the Sales Agent or any such person or otherwise except to the extent the Company was materially prejudiced by such omission. The Sales Agent or such person shall have the right to employ its or their own counsel in any such case, but the fees and expenses of such counsel shall be at the expense of the Sales Agent or of such person unless the employment of such counsel shall have been authorized in writing by the Company in connection with the defense of such Proceeding or the Company shall not have, within a reasonable period of time in light of the circumstances, employed counsel to have charge of the defense of such Proceeding or such indemnified party or parties shall have reasonably concluded that there may be defenses available to it or them which are different from, additional to or in conflict with those available to the Company (in which case the Company shall not have the right to direct the defense of such Proceeding on behalf of the indemnified party or parties), in any of which events such fees and expenses shall be borne by the Company, and paid as incurred (it being understood, however, that the Company shall not be liable for the expenses of more than one separate counsel (in addition to any local counsel) in any one Proceeding or series of related Proceedings in the same jurisdiction representing the indemnified parties who are parties to such Proceeding). The Company shall not be liable for any settlement of any Proceeding effected

without its written consent but if settled with the written consent of the Company, the Company agrees to indemnify and hold harmless the Sales Agent and any such person from and against any loss or liability by reason of such settlement. Notwithstanding the foregoing sentence, if at any time an indemnified party shall have requested the Company to reimburse the indemnified party for fees and expenses of counsel as contemplated by the second sentence of this paragraph, then the Company agrees that it shall be liable for any settlement of any Proceeding effected without its written consent if (i) such settlement is entered into more than 60 business days after receipt by the Company of the aforesaid request, (ii) the Company shall not have reimbursed the indemnified party in accordance with such request prior to the date of such settlement and (iii) such indemnified party shall have given the indemnifying party at least 30 days' prior notice of its intention to settle. The Company shall not, without the prior written consent of the indemnified party, effect any settlement of any pending or threatened Proceeding in respect of which any indemnified party is or may be a party and indemnity could have been sought hereunder by such indemnified party, unless such settlement includes an unconditional release of such indemnified party from all liability on claims that are the subject matter of such Proceeding and does not include an admission of fault or culpability or a failure to act, by or on behalf of such indemnified party.

(b) The Sales Agent agrees to indemnify, defend and hold harmless the Company, and each of its directors and each of the Company's officers, who signed the Registration Statement, and each person, if any, who controls the Company within the meaning of Section 15 of the Act or Section 20 of the Exchange Act, and the successors and assigns of all of the foregoing persons, from and against any loss, damage, expense, liability or claim (including the reasonable cost of investigation) which, jointly or severally, the Company or any such person may incur under the Act, the Exchange Act, the common law or otherwise, insofar as such loss, damage, expense, liability or claim arises out of or is based upon (i) any untrue statement or alleged untrue statement of a material fact contained in and, in conformity with information furnished in writing by or on behalf of the Sales Agent to the Company expressly for use with reference to the Sales Agent in the Registration Statement (or in the Registration Statement as amended by any post-effective amendment thereof by the Company), or arises out of or is based upon any omission or alleged omission to state a material fact in such Registration Statement in connection with such information, which material fact was not contained in such information and which material fact was required to be stated in such Registration Statement or was necessary to make such information not misleading or (ii) any untrue statement or alleged untrue statement of a material fact contained in, and in conformity with information furnished in writing by or on behalf of the Sales Agent to the Company expressly for use in, the Prospectus Supplement or a Permitted Free Writing Prospectus, or arises out of or is based upon any omission or alleged omission to state a material fact in the Prospectus Supplement or a Permitted Free Writing Prospectus in connection with such information, which material fact was not contained in such information and which material fact was necessary in order to make the statements in such information, in the light of the circumstances under which they were made, not misleading.

If any Proceeding is brought against the Company or any such person in respect of which indemnity may be sought against the Sales Agent pursuant to the foregoing paragraph, the Company or such person shall promptly notify the Sales Agent in writing of the institution of such Proceeding and the Sales Agent shall assume the defense of such Proceeding, including the employment of counsel reasonably satisfactory to such indemnified party and payment of all fees and expenses; *provided*, *however*, that the omission to so notify the Sales Agent shall not relieve the Sales Agent from any liability which the Sales Agent may have to the Company or

any such person or otherwise. The Company or such person shall have the right to employ its own counsel in any such case, but the fees and expenses of such counsel shall be at the expense of the Company such person unless the employment of such counsel shall have been authorized in writing by the Sales Agent in connection with the defense of such Proceeding or the Sales Agent shall not have, within a reasonable period of time in light of the circumstances, employed counsel to have charge of the defense of such Proceeding or such indemnified party or parties shall have reasonably concluded that there may be defenses available to it or them which are different from or additional to or in conflict with those available to the Sales Agent (in which case the Sales Agent shall not have the right to direct the defense of such Proceeding on behalf of the indemnified party or parties, but the Sales Agent may employ counsel and participate in the defense thereof but the fees and expenses of such counsel shall be at the expense of the Sales Agent), in any of which events such fees and expenses shall be borne by the Sales Agent and paid as incurred (it being understood, however, that the Sales Agent shall not be liable for the expenses of more than one separate counsel (in addition to any local counsel) in any one Proceeding or series of related Proceedings in the same jurisdiction representing the indemnified parties who are parties to such Proceeding). The Sales Agent shall not be liable for any settlement of any such Proceeding effected without the written consent of the Sales Agent but if settled with the written consent of the Sales Agent, the Sales Agent agrees to indemnify and hold harmless the Company and any such person from and against any loss or liability by reason of such settlement. Notwithstanding the foregoing sentence, if at any time an indemnified party shall have requested the Sales Agent to reimburse the indemnified party for fees and expenses of counsel as contemplated by the second sentence of this paragraph, then the Sales Agent agrees that it shall be liable for any settlement of any Proceeding effected without its written consent if (i) such settlement is entered into more than 60 business days after receipt by the Sales Agent of the aforesaid request, (ii) the Sales Agent shall not have reimbursed the indemnified party in accordance with such request prior to the date of such settlement and (iii) such indemnified party shall have given the Sales Agent at least 30 days' prior notice of its intention to settle. The Sales Agent shall not, without the prior written consent of the indemnified party, effect any settlement of any pending or threatened Proceeding in respect of which any indemnified party is a party and indemnity could have been sought hereunder by such indemnified party, unless such settlement includes an unconditional release of such indemnified party from all liability on claims that are the subject matter of such Proceeding.

(c) If the indemnification provided for in this Section 9 is unavailable to an indemnified party under subsections (a) and (b) of this Section 9 or insufficient to hold an indemnified party harmless in respect of any losses, damages, expenses, liabilities or claims referred to therein, then each applicable indemnifying party shall contribute to the amount paid or payable by such indemnified party as a result of such losses, damages, expenses, liabilities or claims (i) in such proportion as is appropriate to reflect the relative benefits received by the Company, on the one hand, and the Sales Agent, on the other hand, from the offering of the Shares or (ii) if the allocation provided by clause (i) above is not permitted by applicable law, in such proportion as is appropriate to reflect not only the relative benefits referred to in clause (i) above but also the relative fault of the Company, on the one hand, and of the Sales Agent, on the other, in connection with the statements or omissions which resulted in such losses, damages, expenses, liabilities or claims, as well as any other relevant equitable considerations. The relative benefits received by the Company, on the one hand, and the Sales Agent, on the other, shall be deemed to be in the same respective proportions as the total proceeds from the offering

(net of underwriting discounts and commissions but before deducting expenses) received by the Company, and the total underwriting discounts and commissions received by the Sales Agent, bear to the aggregate public offering price of the Shares. The relative fault of the Company, on the one hand, and of the Sales Agent, on the other, shall be determined by reference to, among other things, whether the untrue statement or alleged untrue statement of a material fact or omission or alleged omission relates to information supplied by the Company or by the Sales Agent and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission. The amount paid or payable by a party as a result of the losses, damages, expenses, liabilities and claims referred to in this subsection shall be deemed to include any legal or other fees or expenses reasonably incurred by such party in connection with investigating, preparing to defend or defending any Proceeding.

(d) The Company and the Sales Agent agree that it would not be just and equitable if contributions pursuant to this Section 9 were determined by pro rata allocation or by any other method of allocation which does not take account of the equitable considerations referred to in subsection (c) above. Notwithstanding the provisions of this Section 9, the Sales Agent shall not be required to contribute any amount in excess of commissions received by it under this Agreement. No person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation.

(e) The Company and the Sales Agent agree promptly to notify each other of the commencement of any Proceeding against it and, in the case of the Company, against any of the Company's officers or directors in connection with the issuance and sale of the Shares, or in connection with the Registration Statement, the Basic Prospectus, the Prospectus or any Permitted Free Writing Prospectus.

SECTION 10. Representations and Agreements to Survive Delivery. The indemnity and contribution agreements contained in Section 9 and the covenants, warranties and representations of the Company contained in this Agreement or in certificates delivered pursuant hereto shall remain in full force and effect regardless of any investigation made by or on behalf of the Sales Agent, its partners, directors or officers or any person (including each partner, officer or director of such person) who controls the Sales Agent within the meaning of Section 15 of the Act or Section 20 of the Exchange Act, or by or on behalf of the Company, its directors or officers or any person who controls the Company within the meaning of Section 15 of the Act or Section 20 of the Exchange Act, and shall survive any termination of this Agreement or the issuance and delivery of the Shares.

SECTION 11. Termination.

(a) The Company shall have the right, by giving written notice as hereinafter specified, to terminate the provisions of this Agreement relating to the solicitation of offers to purchase the Shares in its sole discretion at any time. Any such termination shall be without liability of any party to any other party except that (i) if any of the Shares have been sold through the Sales Agent for the Company, then Section 5(j) and Section 5(w) shall remain in full force and effect, (ii) with respect to any pending sale, through the Sales Agent for the Company, the obligations of the Company, including in respect of compensation of the Sales Agent, shall remain in full force and effect notwithstanding the termination and (iii) the provisions of Sections 7, 9, 10, 12, 13, 14, 18 and 20 of this Agreement shall remain in full force and effect notwithstanding such termination.

(b) The Sales Agent shall have the right, by giving written notice as hereinafter specified, to terminate the provisions of this Agreement relating to the solicitation of offers to

purchase the Shares in its sole discretion at any time. Any such termination shall be without liability of any party to any other party except that (i) if any of the Shares have been sold through the Sales Agent for the Company, then Section 5(j) and Section 5(w) shall remain in full force and effect and (ii) the provisions of Sections 7, 9, 10, 12, 13, 14, 18 and 20 of this Agreement shall remain in full force and effect notwithstanding such termination.

(c) This Agreement shall remain in full force and effect unless terminated pursuant to Sections 11(a) or 11(b) above or otherwise by mutual agreement of the parties; and shall automatically terminate on May 8, 2030; *provided* that any such termination by mutual agreement shall in all cases be deemed to provide that Sections 7, 9 and 10 shall remain in full force and effect.

(d) Any termination of this Agreement shall be effective on the date specified in such notice of termination; *provided* that such termination shall not be effective until the close of business on the date of receipt of such notice by the Sales Agent or the Company, as the case may be. If such termination shall occur prior to the Settlement Date for any sale of the Shares, such sale shall settle in accordance with the provisions of Section 4(a)(vi) of this Agreement.

SECTION 12. Notices. Except as otherwise herein provided, all statements, requests, notices and agreements under this Agreement shall be in writing and delivered by hand, overnight courier, mail or facsimile and, if to the Sales Agent, shall be sufficient in all respects if delivered or sent to RBC Capital Markets, LLC, 200 Vesey Street, 8th Floor, New York, New York 10281, Attention: TJ Opladen, facsimile number: (212) 428-6260, Email: tj.opladen@rbccm.com, and a copy for information purposes to Andrew J. Pitts, Esq. and Ryan J. Patrone, Esq. at Cravath, Swaine & Moore LLP, Two Manhattan West, 375 Ninth Avenue, New York, New York 10001 and, if to the Company, it shall be sufficient in all respects if delivered or sent to the Company at the offices of the Company at 1211 Avenue of the Americas, New York, New York 10036, Attention: David L. Finkelstein with a copy for information purposes to Davis Polk & Wardwell LLP at 450 Lexington Avenue New York, New York 10017, Attention: Shane Tintle, facsimile number: (212) 450-4000, Email: shane.tintle@davispolk.com. Each party to this Agreement may change such address for notices by sending to the parties to this Agreement written notice of a new address for such purpose.

SECTION 13. Parties at Interest. The Agreement herein set forth has been and is made solely for the benefit of the Sales Agent, the Company and, to the extent provided in Section 9 of this Agreement, the controlling persons, directors and officers referred to in such section, and their respective successors, assigns, heirs, personal representatives and executors and administrators. No other person, partnership, association or corporation (including a purchaser, as such purchaser, from the Sales Agent) shall acquire or have any right under or by virtue of this Agreement.

SECTION 14. No Fiduciary Relationship. The Company hereby acknowledges that the Sales Agent is acting solely as sales agent and/or principal in connection with the purchase and sale of the Company's securities. The Company further acknowledges that the Sales Agent is acting pursuant to a contractual relationship created solely by this Agreement entered into on an arm's length basis, and in no event do the parties intend that the Sales Agent act or be responsible as a fiduciary to the Company or its management, stockholders or creditors or any other person in connection with any activity that the Sales Agent may undertake or have undertaken in furtherance of the purchase and sale of the Company's securities, either before or after the date hereof. The Sales Agent hereby expressly disclaims any fiduciary or similar obligations to the Company, either in connection with the transactions contemplated by this Agreement or any matters leading up to such transactions, and the Company hereby confirms its understanding and agreement to that effect. The Company and the Sales Agent agree that they

are each responsible for making their own independent judgments with respect to any such transactions and that any opinions or views expressed by the Sales Agent to the Company regarding such transactions, including, but not limited to, any opinions or views with respect to the price or market for the Company's securities, do not constitute advice or recommendations to the Company, nor shall the expression of such opinions or views constitute any solicitation of any action by the Sales Agent. The Company hereby (a) waives and releases, to the fullest extent permitted by law, any claims that the Company may have against the Sales Agent with respect to any breach or alleged breach of any fiduciary or similar duty to the Company in connection with the transactions contemplated by this Agreement or any matters leading up to such transactions and (b) agrees that none of the activities of the Sales Agent in connection with the transactions contemplated herein constitutes a recommendation, investment advice or solicitation of any action by the Sales Agent with respect to any entity or natural person. The Company has consulted its own legal, accounting, financial, regulatory and tax advisors to the extent deemed appropriate.

SECTION 15. Press Releases and Disclosure. The Company may issue a press release in compliance with Rule 134 under the Act describing the material terms of the transactions contemplated hereby as soon as practicable following the date hereof, and may file with the Commission a Current Report on Form 8-K describing the material terms of the transaction contemplated hereby, and the Company shall consult with the Sales Agent prior to making such disclosures, and the parties shall use all reasonable efforts, acting in good faith, to agree upon a text for such disclosures that is reasonably satisfactory to all parties. No party hereto shall issue thereafter any press release or like public statement (including, without limitation, any disclosure required in reports filed with the Commission pursuant to the Exchange Act) related to this Agreement or any of the transactions contemplated hereby without the prior written approval of the other parties hereto, except as may be necessary or appropriate in the opinion of the party seeking to make disclosure to comply with the requirements of applicable law or stock exchange rules. If any such press release or like public statement is so required, the party making such disclosure shall consult with the other party prior to making such disclosure, and the parties shall use all reasonable efforts, acting in good faith, to agree upon a text for such disclosure that is reasonably satisfactory to all parties.

SECTION 16. Adjustments for Stock Splits. The parties acknowledge and agree that all share related numbers contained in this Agreement shall be adjusted to take into account any stock split effected with respect to the Shares.

SECTION 17. Entire Agreement. This Agreement constitutes the entire agreement and supersedes all other prior and contemporaneous agreements and undertakings, both written and oral, among the parties hereto with regard to the subject matter hereof. The Company and the Sales Agent hereby confirm and agree that the Distribution Agency Agreement, dated September 20, 2024 (as amended, supplemented or otherwise modified from time to time, the "Prior Sales Agreement"), between the Company and the Sales Agent is hereby deemed to be terminated, effective as of May 8, 2025, pursuant to Section 11(a) thereof and, except as provided in Section 11 thereof, is of no further force and effect.

SECTION 18. Counterparts; Electronic Signatures. This Agreement may be signed by the parties in one or more counterparts which together shall constitute one and the same agreement among the parties. Delivery of this Agreement by one party to the other may be made by facsimile, electronic mail (including any electronic signature complying with the New York Electronic Signatures and Records Act (N.Y. State Tech. §§ 301-309), as amended from time to time, or other applicable law) or other transmission method, and the parties hereto agree that any counterpart so delivered shall be deemed to have been duly and validly delivered and be valid and effective for all purposes.

SECTION 19. Law; Construction. This Agreement and any claim, counterclaim or dispute of any kind or nature whatsoever arising out of or in any way relating to this Agreement ("Claim"), directly or indirectly, shall be governed by, and construed in accordance with, the internal laws of the State of New York.

SECTION 20. Headings. The Section headings in this Agreement have been inserted as a matter of convenience of reference and are not a part of this Agreement.

SECTION 21. Submission to Jurisdiction. Except as set forth below, no Claim may be commenced, prosecuted or continued in any court other than the courts of the State of New York located in the City and County of New York or in the United States District Court for the Southern District of New York, which courts shall have jurisdiction over the adjudication of such matters, and the Company consents to the non-exclusive jurisdiction of such courts and personal service with respect thereto. The Company hereby consents to personal jurisdiction, service and venue in any court in which any Claim arising out of or in any way relating to this Agreement is brought by any third party against the Sales Agent or any indemnified party. Each of the Sales Agent and the Company (on its behalf and, to the extent permitted by applicable law, on behalf of its stockholders and affiliates) waives all right to trial by jury in any action, proceeding or counterclaim (whether based upon contract, tort or otherwise) in any way arising out of or relating to this Agreement. The Company agrees that a final judgment in any such action, proceeding or counterclaim brought in any such court shall be conclusive and binding upon the Company and may be enforced in any other courts in the jurisdiction of which the Company is or may be subject, by suit upon such judgment.

SECTION 22. Successors and Assigns. This Agreement shall be binding upon the Sales Agent, the Company and their successors and assigns and any successor or assign of any substantial portion of the Company's and the Sales Agent's respective businesses and/or assets.

SECTION 23. Recognition of the U.S. Special Resolution Regimes. In the event that the Sales Agent that is a Covered Entity becomes subject to a proceeding under a U.S. Special Resolution Regime, the transfer from the Sales Agent of this Agreement, and any interest and obligation in or under this Agreement, will be effective to the same extent as the transfer would be effective under the U.S. Special Resolution Regime if this Agreement, and any such interest and obligation, were governed by the laws of the United States or a state of the United States.

In the event that the Sales Agent that is a Covered Entity or a BHC Act Affiliate of such Sales Agent becomes subject to a proceeding under a U.S. Special Resolution Regime, Default Rights under this Agreement that may be exercised against such Sales Agent are permitted to be exercised to no greater extent than such Default Rights could be exercised under the U.S. Special Resolution Regime if this Agreement were governed by the laws of the United States or a state of the United States.

For purposes of this Section 23, a "BHC Act Affiliate" has the meaning assigned to the term "affiliate" in, and shall be interpreted in accordance with, 12 U.S.C. § 1841(k). "Covered Entity" means any of the following: (i) a "covered entity" as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 252.82(b); (ii) a "covered bank" as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 47.3(b); or (iii) a "covered FSI" as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 382.2(b). "Default Right" has the meaning assigned to that term in, and shall be interpreted in accordance with, 12 C.F.R. §§ 252.81, 47.2 or 382.1, as applicable. "U.S. Special Resolution Regime" means each of (i) the

Federal Deposit Insurance Act and the regulations promulgated thereunder and (ii) Title II of the Dodd-Frank Wall Street Reform and Consumer Protection Act and the regulations promulgated thereunder.

If the foregoing correctly sets forth the understanding among the Company and the Sales Agent, please so indicate in the space provided below for that purpose, whereupon this Agreement and your acceptance shall constitute a binding agreement among the Company and the Sales Agent. Alternatively, the execution of this Agreement by the Company and its acceptance by or on behalf of the Sales Agent may be evidenced by an exchange of telegraphic or other written communications.

Very truly yours,

ANNALY CAPITAL MANAGEMENT, INC.

By: /s/ David L. Finkelstein
Name: David L. Finkelstein
Title: Chief Executive Officer and
Co-Chief Investment Officer

[***Signature Page to Distribution Agency Agreement***]

ACCEPTED as of the date
first above written

RBC CAPITAL MARKETS, LLC

By: /s/ J.T. Deignan
Name: J.T. Deignan
Title: Managing Director

Schedule A
Permitted Free Writing Prospectuses

None.

Schedule B

Authorized Company Representatives

David Finkelstein, Chief Executive Officer and Co-Chief Investment Officer
Telephone: (212) 205-7256
Fax: (212) 696-0100
Email: dfinkelstein@annaly.com

Steve Campbell, President and Chief Operating Officer
Telephone: (212) 413-1885
Fax: (212) 696-0100
Email: scampbell@annaly.com

Serena Wolfe, Chief Financial Officer
Telephone: (212) 626-2308
Fax: (212) 696-0100
Email: swolfe@annaly.com

Anthony Green, Chief Corporate Officer, Chief Legal Officer and Secretary
Telephone: (646) 728-7668
Fax: (212) 696-0100
Email: agreen@annaly.com

Exhibit A-1

Opinion of Davis Polk & Wardwell LLP

See attached.

Exhibit A-2

Opinion of Hunton Andrew Kurth LLP

See attached.

Exhibit A-3

Opinion of Venable LLP

See attached.

Exhibit A-4

Opinion of the Company's Chief Legal Officer

See attached.

ANNALY CAPITAL MANAGEMENT, INC.

Shares of Common Stock
(par value $0.01 per share)

DISTRIBUTION AGENCY AGREEMENT

May 8, 2025

UBS Securities LLC
11 Madison Avenue
New York, New York 10010

Ladies and Gentlemen:

Annaly Capital Management, Inc., a Maryland corporation (the "Company"), agrees with UBS Securities LLC (the "Sales Agent"), to issue and sell from time to time through the Sales Agent, as sales agent and/or principal, shares of its common stock, par value $0.01 per share (the "Common Stock"), on the terms set forth in this agreement (this "Agreement").

The Company is concurrently entering into separate distribution agency agreements (the "Alternative Agreements"), each dated of even date herewith, with Barclays Capital Inc., BNP Paribas Securities Corp., BofA Securities, Inc., BTIG, LLC, Citizens JMP Securities, LLC, Goldman Sachs & Co. LLC, J.P. Morgan Securities LLC, Keefe, Bruyette & Woods, Inc., Morgan Stanley & Co, LLC, Piper Sandler & Co., RBC Capital Markets, LLC, and Wells Fargo Securities, LLC (each, an "Alternative Agent," and together with the Sales Agent, the "Agents"), to issue and sell from time to time through each Alternative Agent, as sales agent and/or principal, shares of the Company's Common Stock (the "Shares") on the terms set forth in the Alternative Agreements. This Agreement and the Alternative Agreements are collectively referred to herein as the "Distribution Agreements."

SECTION 1. Description of Securities. The Company proposes to issue and sell through or to the Sales Agent, as sales agent and/or principal, the Shares on the terms set forth in Section 4 of this Agreement. The Company agrees that whenever it determines to sell the Shares directly to the Sales Agent as principal, it will enter into a separate agreement (each, a "Terms Agreement"), in form and substance satisfactory to the Sales Agent, relating to such sale in accordance with Section 4 of this Agreement.

SECTION 2. Representations and Warranties of the Company. The Company represents and warrants to and agrees with the Sales Agent that:

(a) An "automatic shelf registration statement" (the "registration statement") as defined in Rule 405 under the Securities Act of 1933, as amended, and the rules and regulations thereunder (collectively called the "Act"), on Form S-3 (File No. 333-282261) in respect of the Shares, including a form of prospectus, has been prepared and filed by the Company not earlier than three years prior to the date hereof, in conformity with the requirements of the Act, and the

rules and regulations of the Securities and Exchange Commission (the "Commission") thereunder (the "Rules and Regulations"). The registration statement contains certain information concerning the offering and sale of the Common Stock, including the Shares, and contains additional information concerning the Company and its business; the Commission has not issued an order preventing or suspending the use of the Basic Prospectus (as defined below), the Prospectus Supplement (as defined below), the Prospectus (as defined below) or any Permitted Free Writing Prospectus (as defined below), or the effectiveness of the Registration Statement (as defined below), and no proceeding for that purpose or pursuant to Section 8A of the Act has been instituted or, to the Company's knowledge, threatened by the Commission. Except where the context otherwise requires, "Registration Statement," as used herein, means the registration statement, as amended at the time of such registration statement's effectiveness for purposes of Section 11 of the Act, as such section applies to the Sales Agent, as well as any new registration statement, post-effective amendment or new automatic shelf registration statement as may have been filed pursuant to Section 5(f) or (g) of this Agreement, including (1) all documents filed as a part thereof or incorporated or deemed to be incorporated by reference therein, (2) any information contained or incorporated by reference in a prospectus filed with the Commission pursuant to Rule 424(b) under the Act, to the extent such information is deemed, pursuant to Rule 430B or Rule 430C under the Act, to be part of the registration statement at the time of such registration statement's effectiveness for purposes of Section 11 of the Act, as such section applies to the Sales Agent, and (3) any registration statement filed to register the offer and sale of Shares pursuant to Rule 462(b) under the Act. Except where the context otherwise requires, "Basic Prospectus," as used herein, means the prospectus filed as part of each Registration Statement, together with any amendments or supplements thereto as of the date of this Agreement. Except where the context otherwise requires, "Prospectus Supplement," as used herein, means the final prospectus supplement, relating to the Shares, filed by the Company with the Commission pursuant to Rule 424(b) under the Act on or before the second business day after the date hereof (or such earlier time as may be required under the Act), or if after such date, the most recently filed final prospectus supplement relating to the Shares, in the form furnished by the Company to the Sales Agent in connection with the offering of the Shares. Except where the context otherwise requires, "Prospectus," as used herein, means the Prospectus Supplement together with the Basic Prospectus attached to or used with the Prospectus Supplement. "Permitted Free Writing Prospectuses," as used herein, means the documents listed on Schedule A attached hereto. Any reference herein to the registration statement, the Registration Statement, the Basic Prospectus, the Prospectus Supplement, the Prospectus or any Permitted Free Writing Prospectus shall be deemed to refer to and include the documents, if any, incorporated by reference, or deemed to be incorporated by reference, therein (the "Incorporated Documents"), including, unless the context otherwise requires, the documents, if any, filed as exhibits to such Incorporated Documents. Any reference herein to the terms "amend," "amendment" or "supplement" with respect to the Registration Statement, the Basic Prospectus, the Prospectus Supplement, the Prospectus or any Permitted Free Writing Prospectus shall be deemed to refer to and include the filing of any document under the Securities Exchange Act of 1934, as amended, and the rules and regulations thereunder (collectively, the "Exchange Act") on or after the initial effective date of the Registration Statement, or the date of the Basic Prospectus, the Prospectus Supplement, the Prospectus or such Permitted Free Writing Prospectus, as the case may be, and deemed to be incorporated therein by reference.

(b) The Registration Statement complied when it became effective, complies as of the date hereof and, as amended or supplemented, at each deemed effective date with respect to the Sales Agent pursuant to Rule 430(B)(f)(2) of the Act, at each Settlement Date (as defined in Section 4(a)(vi) hereof), and at all times during which a prospectus is required by the Act to be delivered (whether physically, deemed to be delivered pursuant to Rule 153 or through compliance with Rule 172 under the Act or any similar rule) in connection with any sale of Shares, will comply, in all material respects, with the requirements of the Act, and the

Registration Statement did not and will not, at or during such times, contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading; the conditions to the use of Form S-3 in connection with the offering and sale of the Shares as contemplated hereby have been satisfied; the Registration Statement meets, and the offering and sale of the Shares as contemplated hereby complies with, the requirements of Rule 415 under the Act (including, without limitation, Rule 415(a)(5)); the Basic Prospectus complied or will comply, at the time it was or will be filed with the Commission, complies as of the date hereof (if filed with the Commission on or prior to the date hereof) and, as of the time of each sale of Shares pursuant to this Agreement (each, a "Time of Sale"), at each Settlement Date and at all times during which a prospectus is required by the Act to be delivered (whether physically, deemed to be delivered pursuant to Rule 153 or through compliance with Rule 172 under the Act or any similar rule) in connection with any sale of Shares, will comply, in all material respects, with the requirements of the Act; at no time during the period that begins on the earlier of the date of the Basic Prospectus and the date the Basic Prospectus was filed with the Commission and ends on each Settlement Date did or will the Basic Prospectus, as then amended or supplemented, include an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; the Prospectus will comply, as of the date that it is filed with the Commission, the date of the Prospectus Supplement, each Time of Sale, each Settlement Date, and at all times during which a prospectus is required by the Act to be delivered (whether physically, deemed to be delivered pursuant to Rule 153 or through compliance with Rule 172 under the Act or any similar rule) in connection with any sale of Shares, in all material respects, with the requirements of the Act (including, without limitation, Section 10(a) of the Act); at no time during the period that begins on the date of the Prospectus Supplement and ends at the later of each Settlement Date and the end of the period during which a prospectus is required by the Act to be delivered (whether physically, deemed to be delivered pursuant to Rule 153 or through compliance with Rule 172 under the Act or any similar rule) in connection with any sale of Shares did or will the Prospectus, as then amended or supplemented, either alone or together with any combination of one or more of the then issued Permitted Free Writing Prospectuses, if any, include an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; at no time during the period that begins on the date of such Permitted Free Writing Prospectus and ends at each Settlement Date did or will any Permitted Free Writing Prospectus include an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided, however, that the Company makes no representation or warranty with respect to any statement contained in the Registration Statement, the Basic Prospectus, the Prospectus or any Permitted Free Writing Prospectus in reliance upon and in conformity with information concerning the Sales Agent and furnished in writing by or on behalf of the Sales Agent expressly for use in the Registration Statement, the Basic Prospectus, the Prospectus or such Permitted Free Writing Prospectus; each Incorporated Document, at the time such document was filed with the Commission or at the time such document became effective, as applicable, complied, in all material respects, with the requirements of the Exchange Act and did not include an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(c) (i) At the time of filing of the Registration Statement, (ii) at the time of the most recent amendment thereto for the purposes of complying with Section 10(a)(3) of the Act or otherwise (whether such amendment was by post-effective amendment, incorporated report filed pursuant to Section 13 or 15(d) of the Exchange Act or form of prospectus), (iii) at the time the Company or any person acting on its behalf (within the meaning, for this clause only, of Rule 163(c) of the Act) made any offer relating to the Shares in reliance on the exemption of

Rule 163 of the Act and (iv) at the date hereof, the Company is a "well-known seasoned issuer" as defined in Rule 405 of the Act ("Rule 405"), including not having been and not being an "ineligible issuer" as defined by Rule 405. The Registration Statement is an "automatic shelf registration statement," as defined in Rule 405, and the Shares, since their registration on the Registration Statement, have been and remain eligible for registration by the Company on a Rule 405 "automatic shelf registration statement." The Company has not received from the Commission any notice pursuant to Rule 401(g)(2) of the Act objecting to the use of the automatic shelf registration statement form.

(d) Prior to the execution of this Agreement, the Company has not, directly or indirectly, offered or sold any Shares by means of any "prospectus" (within the meaning of the Act) or used any "prospectus" (within the meaning of the Act) in connection with the offer or sale of the Shares; the Company has not, directly or indirectly, prepared, used or referred to any Permitted Free Writing Prospectus except in compliance with Rule 163 or with Rules 164 and 433 under the Act; assuming that any such Permitted Free Writing Prospectus is so sent or given after the Registration Statement was filed with the Commission (and after such Permitted Free Writing Prospectus was, if required pursuant to Rule 433(d) under the Act, filed with the Commission), the sending or giving, by the Sales Agent, of any Permitted Free Writing Prospectus will satisfy the provisions of Rule 164 or Rule 433 (without reliance on subsections (b), (c) and (d) of Rule 164); the conditions set forth in one or more of subclauses (i) through (iv), inclusive, of Rule 433(b)(1) under the Act are satisfied, and the registration statement relating to the offering of the Shares contemplated hereby, as initially filed with the Commission, includes a prospectus that, other than by reason of Rule 433 or Rule 431 under the Act, satisfies the requirements of Section 10 of the Act; neither the Company nor the Sales Agent is disqualified, by reason of subsection (f) or (g) of Rule 164 under the Act, from using, in connection with the offer and sale of the Shares, "free writing prospectuses" (as defined in Rule 405 under the Act) pursuant to Rules 164 and 433 under the Act; the Company is not an "ineligible issuer" (as defined in Rule 405 under the Act) as of the eligibility determination date for purposes of Rules 164 and 433 under the Act with respect to the offering of the Shares contemplated by the Registration Statement; the parties hereto agree and understand that the content of any and all "road shows" (as defined in Rule 433 under the Act) related to the offering of the Shares contemplated hereby is solely the property of the Company.

(e) The Company has an authorized and outstanding capitalization as set forth in the consolidated balance sheet included or incorporated by reference in the Registration Statement, the Prospectus or any Permitted Free Writing Prospectus or as of the Company's then most recently completed quarter or fiscal year, contained in the Company's quarterly report on Form 10-Q or the Company's annual report on Form 10-K, as applicable, at the indicated date, and there has been no material change in such information since the Company's then most recently completed quarter or fiscal year (subject to the issuance of shares of Common Stock upon exercise of stock options and warrants disclosed as outstanding in the Registration Statement (excluding the exhibits thereto) and the Prospectus and the grant of options under existing stock option plans described in the Registration Statement (excluding the exhibits thereto), the Basic Prospectus and the Prospectus).

(f) The consolidated financial statements of the Company, together with the related schedules and notes thereto, set forth or included or incorporated by reference in the Registration Statement, the Prospectus or any Permitted Free Writing Prospectus are accurate in all material respects and fairly present the financial condition of the Company on a consolidated basis as of the dates indicated and the results of operations, changes in financial position, stockholders' equity and cash flows for the periods therein specified are in conformity with generally accepted accounting principles consistently applied throughout the periods involved (except as otherwise stated therein). The selected financial and statistical data included or incorporated by reference

in the Registration Statement and the Prospectus present fairly the information shown therein and, to the extent based upon or derived from the financial statements, have been compiled on a basis consistent with the financial statements presented therein. No other financial statements are required to be set forth or to be incorporated by reference in the Registration Statement or the Prospectus under the Act. The interactive data in eXtensible Business Reporting Language included or incorporated by reference in the Registration Statement, the Prospectus or any Permitted Free Writing Prospectus fairly present the information called for in all material respects and have been prepared in accordance with the Commission's rules and guidelines applicable thereto.

(g) The Prospectus and any Permitted Free Writing Prospectus delivered to the Sales Agent for use in connection with this offering will be, identical to the versions of the Prospectus and any Permitted Free Writing Prospectus, respectively, created to be transmitted to the Commission for filing via EDGAR, except to the extent permitted by Regulation S-T.

(h) The Company and each of its subsidiaries has been duly formed or, if a corporation, incorporated and is validly existing as a limited liability company, limited partnership or corporation in good standing under the laws of the state of its formation or incorporation, as applicable, is duly qualified to do business and is in good standing as a foreign limited liability company, limited partnership or corporation, as applicable, in each jurisdiction in which its ownership or lease of property or assets or the conduct of its business requires such qualification, except where the failure to so qualify would not have a material adverse effect on the business, assets, properties, prospects, financial condition or results of operation of the Company and its subsidiaries taken as a whole (a "Company Material Adverse Effect"), and has full limited liability company, limited partnership or corporate, as applicable, power and authority necessary to own, hold, lease and/or operate its assets and properties, to conduct the business in which it is engaged and as described in the Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any, and to enter into and perform its obligations under this Agreement and to consummate the transactions contemplated hereby, and the Company and its subsidiary Arcola Securities, Inc. ("Arcola") are each in compliance in all material respects with the laws, orders, rules, regulations and directives issued or administered by such jurisdictions.

(i) The Company has no "significant subsidiaries" (as such term is defined in Rule 1-02 of Regulation S-X promulgated under the Securities Act), and has no other subsidiaries except as (i) set forth in Exhibit 21.1 to the Company's most recently filed annual report on Form 10-K, (ii) otherwise disclosed by the Company in the Registration Statement, the Prospectus or the Permitted Free Writing Prospectus, if any, or (iii) would not, individually or in the aggregate, be material to the Company. Complete and correct copies of the charter and of the bylaws of the Company and all amendments thereto have been delivered to the Sales Agent (or otherwise made available on EDGAR) and, except as set forth in the exhibits to, or incorporated by reference into, the Registration Statement, no changes therein will be made subsequent to the date hereof and prior to each Time of Sale and each Settlement Date.

(j) The Company is not in breach of, or in default under (nor has any event occurred which with notice, lapse of time or both would result in any breach of or constitute a default under), (i) its charter or bylaws or (ii) any obligation, agreement, covenant or condition contained in any contract, license, repurchase agreement, indenture, mortgage, deed of trust, bank loan or credit agreement, note, lease or other evidence of indebtedness, or any lease, contract or other agreement or instrument to which the Company is a party or by which it or any of its assets or properties may be bound or affected, the effect of which breach or default under this clause (ii) could have a Company Material Adverse Effect. The execution, delivery and performance of this Agreement, the issuance and sale of the Shares and the consummation of the transactions

contemplated hereby will not conflict with, or result in any breach of, constitute a default under or a Repayment Event (as defined below) under (nor constitute any event which with notice, lapse of time or both would result in any breach of, constitute a default under or a Repayment Event under), (i) any provision of the charter or bylaws of the Company, (ii) any provision of any contract, license, repurchase agreement, indenture, mortgage, deed of trust, bank loan or credit agreement, note, lease or other evidence of indebtedness, or any lease, contract or other agreement or instrument to which the Company is a party or by which the Company or any of its assets or properties may be bound or affected, the effect of which could have a Company Material Adverse Effect or (iii) under any federal, state, local or foreign law, regulation or rule or any decree, judgment or order applicable to the Company. As used herein, a "Repayment Event" means any event or condition which gives the holder of any note, debenture or other evidence of indebtedness (or any person acting on such holder's behalf) the right to require the repurchase, redemption or repayment of all or a portion of such indebtedness by the Company or any subsidiary.

(k) All of the issued and outstanding shares of capital stock, including the Common Stock, of the Company have been duly and validly authorized and issued and are fully paid and non-assessable, have been issued in compliance with all federal and state securities laws and were not issued in violation of any preemptive right, resale right, right of first refusal or similar right.

(l) This Agreement has been duly authorized, executed and delivered by the Company.

(m) Reserved.

(n) The capital stock of the Company, including the Shares, conforms and will conform in all material respects to the description thereof contained in the Registration Statement, the Prospectus or any Permitted Free Writing Prospectus and such description conforms to the rights set forth in the instruments defining the same. If certificated, the global certificates representing the Shares are in due and proper form and the holders of the Shares will not be subject to personal liability by reason of being such holders.

(o) The Shares have been duly and validly authorized by the Company for issuance and sale pursuant to this Agreement and, when issued and delivered against payment therefor as provided herein, will be duly and validly issued and fully paid and non-assessable, free and clear of any pledge, lien, encumbrance, security interest or other claim, and will be registered pursuant to Section 12 of the Exchange Act.

(p) No approval, authorization, consent or order of or filing with any national, state or local governmental or regulatory commission, board, body, authority or agency is required in connection with the issuance and sale of the Shares or the consummation by the Company of the transaction contemplated hereby other than (i) registration of the Shares under the Act, (ii) any necessary qualification under the securities or blue sky laws of the various jurisdictions in which the Shares are being offered by the Sales Agent and (iii) such approvals in connection with the approval of the listing of the Shares on the New York Stock Exchange LLC (the "NYSE").

(q) No person, as such term is defined in Rule 1-02 of Regulation S-X promulgated under the Act (each, a "Person"), has the right, contractual or otherwise, to cause the Company to issue to it any shares of capital stock or other securities of the Company upon the issue and sale of the Shares to the Sales Agent hereunder, nor does any Person have preemptive rights, co-sale rights, rights of first refusal or other rights to purchase or subscribe for any of the Shares or any securities or obligations convertible into or exchangeable for, or any contracts or commitments to

issue or sell any of, the Shares or any options, rights or convertible securities or obligations, other than those that have been expressly waived prior to the date hereof.

(r) Ernst & Young LLP (the "Accountants"), whose report on the consolidated financial statements of the Company is filed with the Commission as part of the Registration Statement and the Prospectus, are and, during the periods covered by their reports, were independent public accountants as required by the Act.

(s) Each of the Company and its subsidiaries has all necessary licenses, authorizations, consents and approvals and has made all necessary filings required under any federal, state, local or foreign law, regulation or rule, and has obtained all necessary permits, authorizations, consents and approvals from other Persons, in order to conduct its business as described in the Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any, except as such as could not have a Company Material Adverse Effect. Neither the Company nor any of its subsidiaries is required by any applicable law to obtain accreditation or certification from any governmental agency or authority in order to provide the products and services which it currently provides or which it proposes to provide as set forth in the Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any, except as such could not have a Company Material Adverse Effect. Neither the Company nor any of its subsidiaries is in violation of, or in default under, any such license, permit, authorization, consent or approval or any federal, state, local or foreign law, regulation or rule or any decree, order or judgment applicable to the Company or any of its subsidiaries, the effect of which could have a Company Material Adverse Effect.

(t) The descriptions in the Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any, of the legal or governmental proceedings, contracts, leases and other legal documents therein described present fairly in all material respects the information required to be shown, and there are no legal or governmental proceedings, contracts, leases or other documents of a character required to be described in the Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any, or to be filed as exhibits to the Registration Statement which are not described or filed as required. All agreements between the Company and third parties expressly referenced in the Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any, are legal, valid and binding obligations of the Company, enforceable in accordance with their respective terms, except to the extent enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws affecting creditors' rights generally and by general equitable principles and except to the extent that any indemnification provision thereof may be limited by public policy considerations in respect thereof.

(u) Except as set forth in the Registration Statement, the Prospectus or a Permitted Free Writing Prospectus, there are no actions, suits, claims, investigations, inquiries or proceedings pending or, to the best of the Company's knowledge, threatened to which the Company or any of the subsidiaries or any of their respective officers or directors is a party or of which any of its properties or other assets is subject at law or in equity, or before or by any federal, state, local or foreign governmental or regulatory commission, board, body, authority or agency which could result in a judgment, decree or order having a Company Material Adverse Effect.

(v) Except as otherwise may be disclosed therein, subsequent to the respective dates as of which information is given in the Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any, there has not been (i) any Company Material Adverse Effect, or any development which would reasonably be expected to cause a Company Material Adverse Effect, in the business, properties or assets described or referred to in the Registration Statement,

the Prospectus and the Permitted Free Writing Prospectuses, if any, or the results of operations, condition (financial or otherwise), net worth, business, prospects or operations of the Company and its subsidiaries, taken as a whole, (ii) any transaction which is material to the Company and its subsidiaries, taken as a whole, except transactions in the ordinary course of business, (iii) any obligation, direct or contingent, which is material to the Company and its subsidiaries, taken as a whole, incurred by the Company or any subsidiary, except obligations incurred in the ordinary course of business, (iv) any change in the capital stock or, except in the ordinary course of business, outstanding indebtedness of the Company or any subsidiary or (v) except for regular quarterly dividends on the outstanding shares of preferred stock (collectively, the "Preferred Stock") and the Common Stock, in amounts per share that are consistent with past practice and the descriptions thereof in the Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any, any dividend or distribution of any kind declared, paid or made by the Company on any class of its capital stock. There are no contingent obligations that are material to the Company and its subsidiaries, taken as a whole, which are not disclosed in the Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any.

(w) Except as set forth in the Registration Statement, the Prospectus or a Permitted Free Writing Prospectus, there are no Persons with registration or other similar rights to have any equity or debt securities, including securities which are convertible into or exchangeable for equity securities, registered pursuant to the Registration Statement or otherwise registered by the Company under the Act.

(x) The Company (i) does not have any issued and outstanding preferred stock, other than the shares of Preferred Stock, in such number and series, as are described in the Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any, (ii) has not failed to pay any dividend or sinking fund installment on preferred stock and (iii) has not defaulted on any installment on indebtedness for borrowed money or on any rental on one or more long term leases, which defaults would have a Company Material Adverse Effect on the financial position of the Company and its subsidiaries, taken as a whole. The Company has not filed a report pursuant to Section 13(a) or 15(d) of the Exchange Act since the filing of its last annual report on Form 10-K, indicating that it (i) has failed to pay any dividend or sinking fund installment on the Preferred Stock or (ii) has defaulted on any installment on indebtedness for borrowed money or on any rental on one or more long term leases, which defaults would have a Company Material Adverse Effect.

(y) Neither the Company nor any of its officers, directors and controlling Persons have, directly or indirectly, (i) taken any action designed to cause or to result in, or that has constituted or which might reasonably be expected to constitute, the stabilization or manipulation of the price of the Common Stock to facilitate the sale of the Shares, or (ii) (except pursuant to this Agreement, shares of the Company's Common Stock issued pursuant to the Company's dividend reinvestment and share purchase plan (the "DRSPP"), as may have been incurred in connection with the Company's publicly disclosed repurchase of Common Stock and the retirement of the Company's long-term indebtedness) (A) sold, bid for, purchased, or paid anyone any compensation for soliciting purchases of, the Shares or, (B) other than as disclosed in the Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any, during the one hundred eighty (180) day period preceding the date of this Agreement, paid or agreed to pay to any Person any compensation for soliciting another to purchase any other securities of the Company.

(z) The Company has applied to have the Shares listed on the NYSE, and the Shares will have been approved for listing on the NYSE as of the time of purchase, subject only to official notice of issuance.

(aa) Neither the Company nor any of its affiliates, except for Arcola, (i) is required to register as a "broker" or "dealer" in accordance with the provisions of the Exchange Act or (ii) directly or indirectly through one or more intermediaries, controls or has any other association with (within the meaning of Article I of the Bylaws of the Financial Industry Regulatory Authority, Inc. ("FINRA")) any member firm of FINRA.

(ab) Any certificate signed by any officer of the Company delivered to the Sales Agent or to counsel for the Sales Agent pursuant to or in connection with this Agreement shall be deemed a representation and warranty by the Company to the Sales Agent as to the matters covered thereby.

(ac) As of the date of this Agreement, the Company has no plan or intention to materially alter its capital investment policy or investment allocation strategy, both as described in the Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any, and is in compliance with its stated capital investment policy and investment allocation strategy. Each of the Company and its subsidiaries has good and marketable title to all of the properties and assets owned by them, in each case free and clear of any security interests, liens, encumbrances, equities, claims and other defects (except for any security interest, lien, encumbrance or claim that may otherwise exist under any applicable repurchase agreement or loan agreement), except such as do not have a Company Material Adverse Effect and do not interfere with the use made or proposed to be made of such property or asset by the Company or any subsidiary, and except as described in or contemplated by the Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any. The Company owns no real property that is material, on an individual basis, to the Company. Any real property and buildings held under lease by the Company or any subsidiary are held under valid, existing and enforceable leases, with such exceptions as are disclosed in the Prospectus or are not material and do not interfere with the use made or proposed to be made of such property and buildings by the Company.

(ad) The Company has filed all federal and material state and foreign income and franchise tax returns required to be filed on or prior to the date hereof and has paid taxes shown as due thereon (or that are otherwise due and payable), other than taxes which are being contested in good faith and for which adequate reserves have been established in accordance with generally accepted accounting principles. The Company has no knowledge, after due inquiry, of any tax deficiency which has been asserted or threatened against the Company. To the knowledge of the Company, there are no tax returns of the Company that are currently being audited by federal, state or local taxing authorities or agencies which would have a Company Material Adverse Effect.

(ae) The Company owns or possesses adequate license or other rights to use all patents, trademarks, service marks, trade names, copyrights, software and design licenses, trade secrets, manufacturing processes, other intangible property rights and know-how (collectively, "Intangibles") necessary to entitle the Company to conduct its business as described in the Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any, and the Company has not received notice of infringement of or conflict with (and the Company knows of no such infringement of or conflict with) asserted rights of others with respect to any Intangibles which could have a Company Material Adverse Effect.

(af) The Company maintains a system of internal accounting controls sufficient to provide reasonable assurance that (i) transactions are executed in accordance with management's general or specific authorizations, (ii) transactions are recorded as necessary to permit preparation of financial statements in conformity with generally accepted accounting principles as applied in the United States and to maintain asset accountability, (iii) access to assets is

permitted only in accordance with management's general or specific authorization, (iv) the recorded accountability for assets is compared with the existing assets at reasonable intervals and appropriate action is taken with respect to any differences and (v) the interactive data in eXtensible Business Reporting Language incorporated by reference in the Registration Statement, the Prospectus and any Permitted Free Writing Prospectus fairly present the information called for in all material respects and is prepared in accordance with the Commission's rules and guidelines applicable thereto.

(ag) The Company has established and maintains disclosure controls and procedures (as such term is defined in Rule 13a-14 and 15d-14 under the Exchange Act); such disclosure controls and procedures are designed to ensure that material information relating to the Company is made known to the Company's Chief Executive Officer and its Chief Financial Officer, and such disclosure controls and procedures are effective to perform the functions for which they were established; any significant material weaknesses in internal controls have been identified for the Company's Chief Executive Officer and its Chief Financial Officer; and since the date of the most recent evaluation of such disclosure controls and procedures, there have been no significant changes in internal controls or in other factors that could significantly affect internal controls.

(ah) The Company is insured by insurers of recognized financial responsibility against such losses and risks and in such amounts as are prudent and customary in the business in which it is engaged. The Company has no reason to believe that it will not be able to renew its existing insurance coverage as and when such coverage expires or to obtain similar coverage from similar insurers as may be necessary to continue its business at a cost that would not have a Company Material Adverse Effect.

(ai) Except as set forth in the Registration Statement, the Prospectus or a Permitted Free Writing Prospectus, the Company is not in violation, and has not received notice of any violation with respect to, any applicable environmental, safety or similar law applicable to the business of the Company. The Company has received all permits, licenses or other approvals required of them under applicable federal and state occupational safety and health and environmental laws and regulations to conduct its business, and the Company is in compliance with all terms and conditions of any such permit, license or approval, except any such violation of law or regulation, failure to receive required permits, licenses or other approvals or failure to comply with the terms and conditions of such permits, licenses or approvals which could not, singly or in the aggregate, have a Company Material Adverse Effect.

(aj) Neither the Company nor any of its subsidiaries has incurred any liability for any finder's fees or similar payments in connection with the transactions herein contemplated, except as may otherwise exist with respect to the Sales Agent pursuant to this Agreement.

(ak) Except as set forth in the Registration Statement, the Prospectus or a Permitted Free Writing Prospectus, there are no existing or threatened labor disputes with the employees of the Company which are likely to have individually or in the aggregate a Company Material Adverse Effect.

(al) No relationship, direct or indirect, exists between or among the Company or any of its subsidiaries, on the one hand, and the directors, officers and stockholders of the Company, on the other hand, which is required by the Act to be described in the Registration Statement and the Prospectus that is not so described.

(am) The Company, since its date of inception, has been, and upon the sale of the Shares will continue to be, organized and operated in conformity with the requirements for

qualification and taxation as a "real estate investment trust" (a "REIT") under Sections 856 through 860 of the Internal Revenue Code of 1986, as amended and the regulations and published interpretations thereunder (collectively, the "Code"), for all taxable years commencing with its taxable year ended December 31, 1997. The proposed method of operation of the Company as described in Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any, will enable the Company to continue to meet the requirements for qualification and taxation as a REIT under the Code, and no actions have been taken (or not taken which are required to be taken) which would cause such qualification to be lost. The Company intends to continue to operate in a manner which would permit it to qualify as a REIT under the Code. The Company has no intention of changing its operations or engaging in activities which would cause it to fail to qualify, or make economically undesirable its continued qualification, as a REIT.

(an) Neither the Company nor any subsidiary is and, after giving effect to the offering and sale of the Shares, will be required to register as an "investment company" or an entity "controlled" by an "investment company," as such terms are defined in the Investment Company Act of 1940, as amended (the "Investment Company Act").

(ao) To the Company's knowledge, no relationship, direct or indirect, exists between or among the Company or any subsidiary, on the one hand, and the officers, 10% stockholders or directors of the Company or any subsidiary, on the other hand, which is required by the rules of FINRA to be described in the Registration Statement and the Prospectus which is not so described.

(ap) The Company has not, directly or indirectly, including through any subsidiary, extended credit, arranged to extend credit, or renewed any extension of credit, in the form of a personal loan, to or for any director or executive officer of the Company, or to or for any family member or affiliate of any director or executive officer of the Company.

(aq) Neither the Company nor any of the subsidiaries nor, to the Company's knowledge, any employee or agent of the Company or the subsidiaries has made any payment of funds of the Company or the subsidiaries or received or retained any funds in violation of any law, rule or regulation, which payment, receipt or retention of funds is of a character required to be disclosed in the Registration Statement or the Prospectus.

(ar) The Company is in compliance with all applicable provisions of the Sarbanes-Oxley Act of 2002 and the rules and regulations promulgated thereunder.

(as) The Common Stock is an "actively traded security" excepted from the requirements of Rule 101 of Regulation M under the Exchange Act by subsection (c)(1) of such rule.

(at) Other than any Terms Agreement or the Alternative Agreements, the Company has not entered into any other sales agency or distribution agreements or similar arrangements with any agent or other representative in respect of the Shares and the equity shelf program established by the Distribution Agreements, the terms of which have not been properly and duly waived.

(au) The operations of the Company and its subsidiaries are and have been conducted at all times in material compliance with all applicable financial recordkeeping and reporting requirements, including those of the Bank Secrecy Act, as amended by Title III of the Uniting and Strengthening America by Providing Appropriate Tools Required to intercept and Obstruct Terrorism Act of 2001 (USA PATRIOT Act), as amended, and the applicable anti-money

laundering statutes of jurisdictions where the Company and its subsidiaries conduct business, the rules and regulations thereunder and any related or similar rules, regulations or guidelines, issued, administered or enforced by any governmental agency (collectively, the "Anti-Money Laundering Laws"), and no action, suit or proceeding by or before any court or governmental agency, authority or body or any arbitrator involving the Company or any of its subsidiaries with respect to Anti-Money Laundering Laws is pending or, to the best knowledge of the Company, threatened.

(av) (A) Neither the Company nor any of its subsidiaries, nor any director, officer or employee thereof, nor, to the Company's knowledge, any agent, affiliate or representative of the Company or any of them, is an individual or entity ("Covered Person") that is, or is owned or controlled by a Covered Person that is:

(i) the subject of any sanctions administered or enforced by the U.S. Department of Treasury's Office of Foreign Assets Control ("OFAC"), the United Nations Security Council, the European Union, His Majesty's Treasury or other relevant sanctions authority (collectively, "Sanctions"); nor

(ii) located, organized or resident in a country or territory that is the subject of Sanctions (including, without limitation, the so-called Donetsk People's Republic, the so-called Luhansk People's Republic, the Kherson, the non-government controlled areas of the Kherson and Zaporizhzhia regions of Ukraine, and any other Covered Region of Ukraine identified pursuant to Executive Order 14065, the Crimea region of Ukraine, Cuba, Iran, North Korea, Syria and Venezuelan State-owned entities).

(A) The Company will not use the proceeds of the offering, or lend, contribute or otherwise make available such proceeds to any subsidiary, joint venture partner or other Covered Person:

(i) to fund or facilitate any activities or business of or with any Covered Person or in any country or territory that, at the time of such funding or facilitation, is the subject of Sanctions; or

(ii) in any other manner that will result in a violation of Sanctions by any Covered Person (including any Covered Person participating in the offering, whether as underwriter, advisor, investor or otherwise).

(B) The Company and its subsidiaries have not knowingly engaged in, are not now knowingly engaged in, and will not engage in, any dealings or transactions with any Covered Person, or in any country or territory, that at the time of the dealing or transaction is or was the subject of Sanctions.

(C) Neither the Company nor any of its subsidiaries, nor any director, officer or, to the Company's knowledge, employee thereof, nor, to the Company's knowledge, any agent, affiliate or representative of the Company or any of them: (i) has used any corporate funds for any unlawful contribution, gift, entertainment or other unlawful expense relating to political activity; (ii) has made any direct or indirect unlawful contribution or payment to any official of, or candidate for, or any employee of, any federal, state or foreign office from corporate funds; (iii) has made any bribe, unlawful rebate, payoff, influence payment, kickback or other unlawful payment; or (iv) is aware of or has taken any action, directly or indirectly, that would result in a violation by such persons of the OECD Convention on Bribery of Foreign Public Officials in International

Business Transactions, the Foreign Corrupt Practices Act of 1977, as amended, and the rules and regulations thereunder (collectively, the "FCPA") or any similar law or regulation to which the Company, any of its subsidiaries, any director, officer, agent, employee, affiliate or other person associated with or acting on behalf of the Company or any of its subsidiaries is subject. The Company, its subsidiaries and their affiliates have each conducted its businesses in compliance with the FCPA and any applicable similar law or regulation and have instituted and maintain policies and procedures designed to ensure, and which are reasonably expected to continue to ensure, continued compliance therewith.

SECTION 3. Reserved.

SECTION 4. Sale and Delivery of Securities. (a) On the basis of the representations, warranties and agreements herein contained, but subject to the terms and conditions herein set forth, the Company agrees to issue and sell through the Sales Agent, as sales agent, and the Sales Agent agrees to use its commercially reasonable efforts to sell, as sales agent for the Company, the Shares on the following terms.

(i) The Shares are to be sold on a daily basis or otherwise as shall be agreed to by the Company and the Sales Agent on any day that (A) is a trading day for the NYSE (other than a day on which the NYSE is scheduled to close prior to its regular weekday closing time), (B) the Company has instructed the Sales Agent by telephone (confirmed promptly by electronic mail) (or as otherwise agreed to by the Company and the Sales Agent) from any of the individuals listed as authorized representatives of the Company on Schedule B hereto (the "Authorized Company Representatives") to make such sales and (C) the Company has satisfied its obligations under Section 8 of this Agreement. The Company will designate the maximum amount of the Shares to be sold by the Sales Agent daily as agreed to by the Sales Agent and in any event not in excess of the amount available for issuance under the currently effective Registration Statement relating to the sale of up to $2,000,000,000 of Shares as described in the prospectus supplement dated May 8, 2025, or any Registration Statement filed pursuant to Section 5(g), or in a number in excess of the number of Shares authorized from time to time to be issued and sold under this Agreement by the Company's board of directors, or a duly authorized committee thereof, and notified to the Sales Agent in writing (a "Placement Notice").

Subject to the terms and conditions hereof, the Sales Agent shall use its commercially reasonable efforts to offer and sell all of the Shares designated; provided, however, that the Sales Agent shall have no obligation to offer or sell any Shares, and the Company acknowledges and agrees that the Sales Agent shall have no such obligation, in the event an offer or sale of the Shares on behalf of the Company may in the judgment of the Sales Agent constitute the sale of a "block" under Rule 10b-18(a)(5) under the Exchange Act or a "distribution" within the meaning of Rule 100 of Regulation M under the Exchange Act or the Sales Agent reasonably believes it may be deemed an "underwriter" under the Act in a transaction that is other than by means of ordinary brokers' transactions between members of the NYSE that qualify for delivery of a Prospectus to the NYSE in accordance with Rule 153 under the Act (such transactions are hereinafter referred to as "At-the-Market Offerings").

(ii) Notwithstanding the foregoing, the Company, through any of the Authorized Company Representatives, may instruct the Sales Agent by telephone

(confirmed promptly by electronic mail) (or as otherwise agreed to by the Company and the Sales Agent) not to sell the Shares if such sales cannot be effected at or above the price designated by the Company in any such instruction. In addition, the Company or the Sales Agent may, upon notice to the other party hereto by telephone (confirmed promptly by electronic mail) (or as otherwise agreed to by the Company and the Sales Agent), suspend the offering of the Shares; provided, however, that such suspension shall not affect or impair the parties' respective obligations with respect to the Shares sold hereunder prior to the giving of such notice.

(iii) The Sales Agent hereby covenants and agrees not to make any sales of the Shares on behalf of the Company, pursuant to this Section 4(a), other than (A) by means of At-the-Market Offerings and (B) such other sales of the Shares on behalf of the Company in its capacity as agent of the Company as shall be agreed by the Company and the Sales Agent.

(iv) The compensation to the Sales Agent, as an agent of the Company, for sales of the Shares shall be up to 1.25% of the gross sales price of the Shares sold pursuant to this Section 4(a) or such lower amount as otherwise mutually agreed upon by the Company and the Sales Agent from time to time. The remaining proceeds, after further deduction for any transaction fees imposed by any governmental or self-regulatory organization in respect of such sales, shall constitute the net proceeds to the Company for such Shares (the "Net Proceeds").

(v) The Sales Agent shall provide written confirmation to the Company following the close of trading on the NYSE each day in which the Shares are sold under this Section 4(a) setting forth the amount of the Shares sold on such day, the Net Proceeds to the Company and the compensation payable by the Company to the Sales Agent with respect to such sales.

(vi) Settlement for sales of the Shares pursuant to this Section 4(a) will occur on the first business day following the date on which such sales are made or such other date as may be agreed by the Company and the Sales Agent (each such date, a "Settlement Date"). On each Settlement Date, the Shares sold through the Sales Agent for settlement on such date shall be issued and delivered by the Company to the Sales Agent against payment of the Net Proceeds for the sale of such Shares. Settlement for all such Shares shall be effected by free delivery of the Shares by the Company or its transfer agent to the Sales Agent's account, or to the account of the Sales Agent's designee, at The Depository Trust Company through its Deposit and Withdrawal at Custodian System ("DWAC") or by such other means of delivery as may be mutually agreed upon by the parties hereto, which in all cases shall be freely tradable, transferable, registered shares in good deliverable form, in return for payments in same day funds delivered to the account designated by the Company. If the Company, or its transfer agent (if applicable), shall default on its obligation to deliver the Shares on any Settlement Date, the Company shall (A) indemnify and hold the Sales Agent harmless against any loss, claim or damage arising from or as a result of such default by the Company and (B) pay the Sales Agent any commission to which it would otherwise be entitled absent such default. The Authorized Company Representatives shall be the contact persons for the Company for all matters related to the settlement of the transfer of the Shares through DWAC for purposes of this Section 4(a)(vi).

(vii) At each Time of Sale, Settlement Date and Representation Date (as defined in Section 5(q)), the Company shall be deemed to have affirmed each of their respective representations and warranties contained in this Agreement. Any obligation of

the Sales Agent to use its commercially reasonable efforts to sell the Shares on behalf of the Company shall be subject to the continuing accuracy of the representations and warranties of the Company herein, to the performance by the Company of its obligations hereunder and to the continuing satisfaction of the additional conditions specified in Section 8 of this Agreement.

(a) (i) If the Company wishes to issue and sell the Shares other than as set forth in Section 4(a) of this Agreement (each, a "Placement"), it will notify the Sales Agent of the proposed terms of such Placement. If the Sales Agent, acting as principal, wishes to accept such proposed terms (which it may decline to do for any reason in its sole discretion) or, following discussions with the Company, wishes to accept amended terms, the Sales Agent and the Company will enter into a Terms Agreement setting forth the terms of such Placement. In the event of a conflict between the terms of this Agreement and the terms of any Terms Agreement, the terms of such Terms Agreement will control.

(b) (i) Under no circumstances shall the aggregate number of Shares sold pursuant to this Agreement exceed the number of Shares authorized from time to time to be issued and sold under this Agreement by the Company's board of directors, or a duly authorized committee thereof, and notified to the Sales Agent in writing.

(i) If either party has reason to believe that the exemptive provisions set forth in Rule 101(c)(1) of Regulation M under the Exchange Act are not satisfied with respect to the Shares, it shall promptly notify the other party and sales of the Shares under this Agreement shall be suspended until that or other exemptive provisions have been satisfied in the judgment of each party.

(c) Each sale of the Shares to or through the Sales Agent shall be made in accordance with the terms of this Agreement or, if applicable, a Terms Agreement.

(d) Any offer, solicitation or sale of the Shares shall be effected by or through only one of the Agents on any single trading day.

(e) Subject to the limitations set forth herein and as may be mutually agreed upon by the Company and the Sales Agent, sales pursuant to this Agreement may not be requested by the Company and need not be made by the Sales Agent during any period in which the Company is or could be deemed to be, in possession of material non-public information.

(f) Notwithstanding any other provision of this Agreement, the Company shall not offer, sell or deliver, or request the offer or sale, of any Shares pursuant to this Agreement at any time during the period from and including the time the Company issues a press release containing, or shall otherwise publicly announce, its earnings, revenues or other operating results for a fiscal period or periods (each, an "Earnings Announcement") through and including the Representation Date that occurs in connection with the Company filing a Quarterly Report on Form 10-Q or an Annual Report on Form 10-K (a "Filing Time") that includes consolidated financial statements as of and for the same fiscal period or periods, as the case may be, covered by such Earnings Announcement, unless the Company shall first (i) prepare and deliver to the Sales Agent (with a copy to counsel for the Sales Agent) a Current Report on Form 8-K that includes substantially the same financial and related information that was included in such Earnings Announcement (other than any earnings projections and similar forward-looking data and officers' quotations) (each, an "Earnings 8-K"), in form and substance reasonably satisfactory to the Sales Agent, and, prior to its filing, obtain the written consent of the Sales Agent to such filing (which consent shall not be unreasonably withheld), (ii) provide the Sales Agent with the officers' certificates, opinions and letters of counsels and accountants' letter

specified in Sections 5(q) through 5(u), inclusive, hereof, (iii) afford the Sales Agent the opportunity to conduct a due diligence review in accordance with Section 5(v) hereof prior to filing such Earnings 8-K and (iv) file (rather than furnish) such Earnings 8-K with the Commission. For purposes of clarity, the parties hereto agree that (A) the delivery of any officers' certificates, opinions or letters of counsel or accountants' letter pursuant to this Section 4(g) shall not relieve the Company from any of its obligations under this Agreement with respect to any Quarterly Report on Form 10-Q or Annual Report on Form 10-K, as the case may be, including, without limitation, the obligation to deliver officers' certificates, opinions and letters of counsel and accountants' letters as provided in Sections 5(q) through 5(u), inclusive, hereof, and (B) this Section 4(g) shall in no way affect or limit the operation of Section 4(d) hereof, which shall have independent application.

(g) The Company acknowledges and agrees that (A) there can be no assurance that the Sales Agent will be successful in selling the Shares, (B) the Sales Agent will incur no liability or obligation to the Company or any other person or entity if it does not sell Shares for any reason other than a failure by the Sales Agent to use its commercially reasonable efforts consistent with its normal trading and sales practices and applicable law and regulations to sell such Shares in accordance with the terms of this Agreement, and (C) the Sales Agent shall be under no obligation to purchase Shares on a principal basis pursuant to this Agreement, except as otherwise specifically agreed by the Sales Agent and the Company.

SECTION 5. Covenants of the Company. The Company agrees with the Sales Agent:

(a) During the period in which a prospectus relating to the Shares is required to be delivered under the Act (whether physically, deemed to be delivered pursuant to Rule 153 or through compliance with Rule 172 under the Act or any similar rule), to notify the Sales Agent promptly of the time when any subsequent amendment to the Registration Statement has become effective or any subsequent supplement to the Basic Prospectus, the Prospectus or any Permitted Free Writing Prospectus has been filed; to prepare and file with the Commission, promptly upon the Sales Agent's request, any amendments or supplements to the Registration Statement, the Basic Prospectus, the Prospectus or any Permitted Free Writing Prospectus that, in the Sales Agent's reasonable opinion, may be necessary or advisable in connection with the offering of the Shares by the Sales Agent; and to cause each amendment or supplement to the Basic Prospectus or the Prospectus to be filed with the Commission as required pursuant to the applicable paragraph of Rule 424(b) of the Act or, in the case of any Incorporated Document, to be filed with the Commission as required pursuant to the Exchange Act, within the time period prescribed.

(b) To promptly advise the Sales Agent, confirming such advice in writing, of any suspension of the Sales Agent's obligations under Rule 15c2-8 under the Exchange Act or any request by the Commission for amendments or supplements to the Registration Statement, the Basic Prospectus, the Prospectus or any Permitted Free Writing Prospectus or for additional information with respect thereto, or of notice of examination, institution of proceedings for, or the entry of a stop order suspending the effectiveness of the Registration Statement and, if the Commission should enter a stop order suspending the effectiveness of the Registration Statement, to use its best efforts to obtain the lifting or removal of such order as soon as possible; to promptly advise the Sales Agent of any proposal to amend or supplement the Registration Statement, the Basic Prospectus or the Prospectus, and to provide the Sales Agent and its counsel copies of any such documents for review and comment a reasonable amount of time prior to any proposed filing and to file no such amendment or supplement (other than any prospectus supplement relating to the offering of other securities (including, without limitation, the Common Stock)) to which the Sales Agent shall have objected in writing.

(c) To make available to the Sales Agent, as soon as practicable after this Agreement becomes effective, and thereafter from time to time to furnish to the Sales Agent, as many copies of the Prospectus (or of the Prospectus as amended or supplemented if the Company shall have made any amendments or supplements thereto after the effective date of the Registration Statement) as the Sales Agent may request for the purposes contemplated by the Act; in case the Sales Agent is required to deliver (whether physically, deemed to be delivered pursuant to Rule 153 or through compliance with Rule 172 under the Act or any similar rule), in connection with the sale of the Shares, a prospectus after the nine-month period referred to in Section 10(a)(3) of the Act, or after the time a post-effective amendment to the Registration Statement is required pursuant to Item 512(a) of Regulation S-K under the Act, the Company will prepare, at its expense, promptly upon request such amendment or amendments to the Registration Statement and the Prospectus as may be necessary to permit compliance with the requirements of Section 10(a)(3) of the Act or Item 512(a) of Regulation S-K under the Act, as the case may be.

(d) Subject to Section 5(b) hereof, to file promptly all reports and documents and any preliminary or definitive proxy or information statement required to be filed by the Company with the Commission in order to comply with the Exchange Act for so long as a prospectus is required by the Act to be delivered (whether physically, deemed to be delivered pursuant to Rule 153 or through compliance with Rule 172 under the Act or any similar rule) in connection with any sale of Shares; and to provide the Sales Agent, for its review and comment, with a copy of such reports and statements and other documents to be filed by the Company pursuant to Section 13, 14 or 15(d) of the Exchange Act during such period a reasonable amount of time prior to any proposed filing, and to file no such report, statement or document to which the Sales Agent shall have objected in writing; and to promptly notify the Sales Agent of such filing.

(e) To pay the fees applicable to the Registration Statement in connection with the offering of the Shares within the time required by Rule 456(b)(1) (i) under the Act (without reliance on the proviso to Rule 456(b)(1)(i) under the Act) and in compliance with Rule 456(b) and Rule 457(r) under the Act.

(f) If at any time when Shares remain unsold by the Sales Agent the Company receives from the Commission a notice pursuant to Rule 401(g)(2) under the Act or otherwise ceases to be eligible to use the automatic shelf registration statement form, the Company will (a) promptly notify the Sales Agent, (b) promptly file a new registration statement or post-effective amendment on the proper form relating to the Shares, in a form satisfactory to the Sales Agent, (c) use its best efforts to cause such registration statement or post-effective amendment to be declared effective as soon as practicable (if such filing is not otherwise effective immediately pursuant to Rule 462 under the Act) and (d) promptly notify the Sales Agent of such effectiveness. The Company will take all other action necessary or appropriate to permit the public offering and sale of the Shares to continue as contemplated in the Registration Statement that was the subject of the notice under Rule 401(g)(2) under the Act or for which the Company has otherwise become ineligible. References herein to the Registration Statement relating to the Shares shall include such new registration statement or post-effective amendment, as the case may be.

(g) If immediately prior to the third anniversary (the "Renewal Deadline") of the initial effective date of the Registration Statement, any of the Shares remain unsold by the Sales Agent, the Company will, prior to the Renewal Deadline file, if it has not already done so and is eligible to do so, a new automatic shelf registration statement relating to the Shares, in a form satisfactory to the Sales Agent. If the Company is not eligible to file an automatic shelf registration statement, the Company will, prior to the Renewal Deadline, if it has not already done so, file a new shelf registration statement relating to the Shares, in a form satisfactory to the

Sales Agent, and will use its best efforts to cause such registration statement to be declared effective within 180 days after the Renewal Deadline. The Company will take all other action necessary or appropriate to permit the public offering and sale of the Shares to continue as contemplated in the expired registration statement. References herein to the Registration Statement shall include such new automatic shelf registration statement or such new shelf registration statement, as the case may be.

(h) To promptly notify the Sales Agent of the happening of any event that could require the making of any change in the Prospectus then being used so that the Prospectus would not include an untrue statement of material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they are made, not misleading, and, during any period during which a prospectus is required to be delivered (whether physically, deemed to be delivered pursuant to Rule 153 or through compliance with Rule 172 under the Act or any similar rule) in connection with any sale of Shares, subject to Section 5(b), to prepare and furnish, at the Company's expense, to the Sales Agent promptly such amendments or supplements to such Prospectus as may be necessary to reflect any such change.

(i) To furnish such information as may be required and otherwise to cooperate in qualifying the Shares for offering and sale under the securities or blue sky laws of such states or other jurisdictions as the Sales Agent may designate and to maintain such qualifications in effect so long as required for the distribution of the Shares; provided, however, that the Company shall not be required to qualify as a foreign corporation or to consent to the service of process under the laws of any such jurisdiction (except service of process with respect to the offering and sale of the Shares); and to promptly advise the Sales Agent of the receipt by the Company of any notification with respect to the suspension of the qualification of the Shares for offer or sale in any jurisdiction or the initiation or threatening of any proceeding for such purpose.

(j) To make generally available to its security holders, and to deliver to the Sales Agent, an earnings statement of the Company (which will satisfy the provisions of Section 11(a) of the Act) covering a period of twelve months beginning after the effective date of the Registration Statement (as defined in Rule 158(c) of the Act) as soon as is reasonably practicable after the termination of such twelve-month period but not later than eighteen months after the effective date of the Registration Statement (as such date is defined in Rule 158(c) under the Act).

(k) To apply the net proceeds from the sale of the Shares in the manner set forth under the caption "Use of Proceeds" in the Prospectus Supplement or, if not so specified, in the Prospectus, and if not so specified, in the Basic Prospectus.

(l) Until the settlement of sale of all Common Stock being offered pursuant to this Agreement, at any time that sales of the Common Stock have been made but not settled or at any time the Company has outstanding with the Sales Agent any instructions to sell the Common Stock but such instructions have not been fulfilled or cancelled, the Company will not sell, offer to sell, contract or agree to sell, hypothecate, pledge, grant any option to sell or otherwise dispose of or agree to dispose of, directly or indirectly, any shares of the Common Stock or securities convertible into or exchangeable or exercisable for the Common Stock or warrants or other rights to purchase the Common Stock or any other securities of the Company that are substantially similar to the Common Stock or permit the registration under the Act of any shares of the Common Stock, including pursuant to another Distribution Agreement, in each case without giving the Sales Agent at least three business days' prior written notice specifying the nature of the proposed sale and the date of such proposed sale. Notwithstanding the foregoing, the Company may (i) register the offer and sale of the Shares through the Sales Agent pursuant to

this Agreement; (ii) issue Common Stock, restricted stock, options or other units or awards pursuant to the Company's long term stock incentive plans as currently in effect (or file a Form S-8 related to such plans) or pursuant to the exercise of employee stock options or other awards; (iii) issue Common Stock pursuant to the DRSPP or any successor dividend reinvestment or share purchase plan (or the filing of a Form S-3 related to such a plan) and (iv) offer or issue any series of preferred stock that is not convertible into shares of Common Stock other than in connection with a "change of control." For the avoidance of doubt, the Company will not be prohibited from issuing Common Stock upon the election by a holder of Preferred Stock to convert Preferred Stock into Common Stock. In the event that notice of a proposed sale is provided by the Company pursuant to this Section 5(l), the Sales Agent may suspend activity under this program for such period of time as may be requested by the Company or as may be deemed appropriate by the Sales Agent.

(m) Not, at any time at or after the execution of this Agreement, to offer or sell any Shares by means of any "prospectus" (within the meaning of the Act), or use any "prospectus" (within the meaning of the Act) in connection with the offer or sale of the Shares, in each case other than the Prospectus.

(n) The Company will not, and will cause its subsidiaries not to, take, directly or indirectly, any action designed, or which will constitute, or has constituted, or might reasonably be expected to cause or result in the stabilization or manipulation of the price of any security of the Company to facilitate the sale or resale of the Shares.

(o) To use its best efforts to cause the Common Stock to be listed on the NYSE and to maintain such listing.

(p) To advise the Sales Agent immediately after it shall have received notice or obtain knowledge thereof, of any information or fact that would alter or affect any opinion, certificate, letter and other document provided to the Sales Agent pursuant to Section 8 herein.

(q) Upon commencement of the offering of the Shares under this Agreement, and within four trading days of each time that (i) the Registration Statement or the Prospectus shall be amended or supplemented (other than pursuant to subclause (ii) below and other than a prospectus supplement filed pursuant to Rule 424(b) under the Act relating solely to the offering of securities other than the Shares), (ii) there is filed with the Commission any document incorporated by reference into the Prospectus (other than a Current Report on Form 8-K, unless the Sales Agent shall otherwise reasonably request), or (iii) otherwise as the Sales Agent may reasonably request (the date of commencement of the offering of the Shares under this Agreement and each date referred to in subclauses (i), (ii) and (iii) above, each a "Representation Date"), the Company shall furnish or cause to be furnished to the Sales Agent forthwith a certificate dated as of such delivery date, in form satisfactory to the Sales Agent to the effect that the statements contained in the certificate referred to in Section 8(e)(i) of this Agreement which were last furnished to the Sales Agent are true and correct as of such delivery date, as though made at and as of such date (except that such statements shall be deemed to relate to the Registration Statement and the Prospectus as amended and supplemented to such date) or, in lieu of such certificate, a certificate of the same tenor as the certificate referred to in said Section 8(e)(i), modified as necessary to relate to the Registration Statement and the Prospectus as amended and supplemented to the time of delivery of such certificate. The requirement to provide a certificate under this Section 5(q) shall be waived for any Representation Date occurring at a time at which no Placement Notice is pending, which waiver shall continue until the earlier to occur of the date the Company delivers a Placement Notice hereunder or under any Alternative Agreement (which for such calendar quarter shall be considered a Representation Date) and the next occurring Representation Date. Notwithstanding the foregoing, if the

Company subsequently decides to sell Shares through the Sales Agent or any Alternative Agent following a Representation Date when the Company relied on such waiver and did not provide the Agents with a certificate under this Section 5(q), then before the Company delivers the Placement Notice or the Sales Agent or any Alternative Agent sells any Shares, the Company shall provide the Sales Agent with such certificate, dated the date of the Placement Notice.

(r) On or prior to four trading days after each Representation Date with respect to which the Company is obligated to deliver a certificate under Section 8(e) for which no waiver is applicable, the Company shall furnish or cause to be furnished forthwith to the Sales Agent written opinions of (i) Davis Polk & Wardwell LLP, special counsel for the Company (including negative assurance), (ii) Hunton Andrews Kurth LLP, tax counsel for the Company, (iii) Venable LLP, Maryland counsel for the Company and (iv) Anthony C. Green, Chief Corporate Officer, Chief Legal Officer and Secretary for the Company or other counsels satisfactory to the Sales Agent, dated and delivered as of such delivery date, in form and substance satisfactory to the Sales Agent, of the same tenor as the opinions referred to in Section 8(c) of this Agreement, but modified as necessary to relate to the Registration Statement and the Prospectus as amended and supplemented to the time of delivery of such opinions.

(s) On or prior to four trading days after each Representation Date with respect to which the Company is obligated to deliver a certificate under Section 8(e) for which no waiver is applicable, the Company shall furnish or cause to be furnished to the Sales Agent forthwith a certificate of the Secretary of the Company, dated and delivered as of such delivery date, in form and substance satisfactory to the Sales Agent.

(t) On or prior to four trading days after each Representation Date with respect to which the Company is obligated to deliver a certificate under Section 8(e) for which no waiver is applicable, Cravath, Swaine & Moore LLP, counsel to the Sales Agent, shall deliver a written opinion, dated and delivered as of such delivery date, in form and substance satisfactory to the Sales Agent.

(u) On or prior to four trading days after each Representation Date with respect to which the Company is obligated to deliver a certificate under Section 8(e) for which no waiver is applicable, the Company shall cause the Accountants or other independent accountants satisfactory to the Sales Agent, forthwith to furnish to the Sales Agent a letter, dated as of such delivery date, in form and substance satisfactory to the Sales Agent, of the same tenor as the letter referred to in Section 8(d) of this Agreement but modified to relate to the Registration Statement and the Prospectus, as amended and supplemented to the date of such letter. Notwithstanding anything else contained herein to the contrary, other than as set forth in this Section 5(u) and Section 8(d) of this Agreement the Company shall be under no additional obligations to cause the Accountants to provide a letter to the Sales Agent, provided however, so long as this Agreement remains in effect, to the extent the Sales Agent reasonably believes it needs such a letter at some time other than as required under this Section 5(u) and Section 8(d), the Sales Agent may suspend the offering of the Shares in accordance with Section 4(a)(ii) of this Agreement, if such letter is not delivered.

(v) At each Representation Date with respect to which the Company is obligated to deliver a certificate under Section 8(e) for which no waiver is applicable, to conduct a due diligence session, in form and substance, satisfactory to the Sales Agent, which shall include representatives of the management and the accountants of the Company.

(w) That the Company consents to the Sales Agent trading in the Common Stock for the Sales Agent's own account and for the account of its clients at the same time as sales of the Shares occur pursuant to this Agreement.

(x) If to the knowledge of the Company, any condition set forth in Section 8(a) or Section 8(h) of this Agreement shall not have been satisfied on the applicable Settlement Date, to offer to any person who has agreed to purchase the Shares from the Company as the result of an offer to purchase solicited by the Sales Agent the right to refuse to purchase and pay for such Shares.

(y) To disclose in its quarterly reports on Form 10-Q and in its annual report on Form 10-K the number of the Shares sold through or to the Sales Agent under this Agreement, the Net Proceeds to the Company and the compensation paid by the Company with respect to sales of the Shares pursuant to this Agreement during the relevant quarter.

(z) To ensure that prior to instructing the Sales Agent to sell Shares the Company shall have obtained all necessary corporate authority for the offer and sale of such Shares.

(aa) That each acceptance by the Company of an offer to purchase the Shares hereunder shall be deemed to be an affirmation to the Sales Agent that the representations and warranties of the Company contained in or made pursuant to this Agreement are true and correct as of the date of such acceptance as though made at and as of such date, and an undertaking that such representations and warranties will be true and correct as of the Settlement Date for the Shares relating to such acceptance, as though made at and as of such date (except that such representations and warranties shall be deemed to relate to the Registration Statement and the Prospectus as amended and supplemented relating to such Shares).

(ab) The Company has been organized and operated in conformity with the requirements for qualification and taxation of the Company as a REIT under the Code, and the Company's proposed methods of operation will enable the Company to continue to meet the requirements for qualification and taxation as a REIT under the Code.

(ac) The Company has retained the Accountants as its qualified accountants and qualified tax experts (i) to test procedures and conduct annual compliance reviews designed to determine compliance with the REIT provisions of the Code and the Company's exempt status under the Investment Company Act and (ii) to otherwise assist the Company in monitoring appropriate accounting systems and procedures designed to determine compliance with the REIT provisions of the Code and the Company's exempt status under the Investment Company Act.

SECTION 6. Reserved.

SECTION 7. Payment of Expenses. The Company agrees with the Sales Agent that whether or not the transactions contemplated hereunder are consummated or this Agreement is terminated, to pay all of its expenses incident to the performance of its obligations hereunder, including, but not limited to, such costs, expenses, fees and taxes in connection with (i) the preparation and filing of the Registration Statement, the Basic Prospectus, the Prospectus Supplement, the Prospectus, each Permitted Free Writing Prospectus and any amendments or supplements thereto, and the printing and furnishing of copies of each thereof to the Sales Agent (including costs of mailing and shipment), (ii) the registration, issue, sale and delivery of the Shares including any stock or transfer taxes and stamp or similar duties payable upon the sale, issuance or delivery of the Shares, (iii) the producing, word processing and/or printing of this Agreement, any Powers of Attorney and any closing documents (including compilations thereof) and the reproduction and/or printing and furnishing of copies of each thereof to the Sales Agent (including costs of mailing and shipment), (iv) the qualification of the Shares for offering and sale under state laws and the determination of their eligibility for investment under state law as aforesaid (including the reasonable legal fees and filing fees and other disbursements of counsel for the Sales Agent) and the printing and furnishing of copies of any blue sky surveys to the

Sales Agent, (v) the listing of the Shares on any securities exchange or qualification of the Shares for quotation on the NYSE and any registration thereof under the Exchange Act and (vi) any filing for review of the public offering of the Shares by FINRA, including the reasonable legal fees and disbursements of counsel for the Sales Agent relating to FINRA matters. The Sales Agent will pay all of its other out-of-pocket costs and expenses incurred in connection with entering into this Agreement and the transactions contemplated by this Agreement, including, without limitation, travel, reproduction, printing and similar expenses.

SECTION 8. Conditions of Sales Agent's Obligations. The obligations of the Sales Agent hereunder are subject to (i) the accuracy of the representations and warranties on the part of the Company on the date hereof, any applicable date referred to in Section 5(q) of this Agreement and as of each Settlement Date, (ii) the performance by the Company of its obligations hereunder and (iii) to the following additional conditions precedent.

(a) (i) No stop order with respect to the effectiveness of the Registration Statement shall have been issued under the Act or proceedings initiated under Section 8(d) or 8(e) of the Act, and no order directed at or in relation to any document incorporated by reference therein and no order preventing or suspending the use of the Prospectus has been issued by the Commission, the Commission shall not have notified the Company of any objection to the use of the form of the Registration Statement or any post-effective amendment thereto, and no suspension of the qualification of the Shares for offering or sale in any jurisdiction, or to the knowledge of the Company or the Sales Agent of the initiation or threatening of any proceedings for any of such purposes, has occurred; (ii) the Registration Statement and all amendments thereto, or modifications thereof, if any, shall not contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading; (iii) none of the Basic Prospectus or the Prospectus, and no amendment or supplement thereto, or modification thereof, if any, shall include an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary in order to make the statements therein, in the light of the circumstances under which they are made, not misleading; (iv) no Prospectus, together with any combination of one or more of the Permitted Free Writing Prospectuses, if any, and no amendment or supplement thereto, shall include an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they are made, not misleading; and (v) none of the Permitted Free Writing Prospectuses, if any, shall include an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they are made, not misleading.

(b) Subsequent to the respective dates as of which information is given in the Registration Statement, the Basic Prospectus, the Prospectus and the Permitted Free Writing Prospectuses, if any, (i) no material and unfavorable change, financial or otherwise (other than as referred to in the Registration Statement and the Prospectus), in the business, condition, net worth or prospects of the Company and its subsidiaries, taken as a whole, in the judgment of the Sales Agent, shall occur or become known and (ii) no transaction which is material and unfavorable to the Company or any of its subsidiaries, taken as a whole (other than as referred to in the Registration Statement and Prospectus), in the judgment of the Sales Agent, shall have been entered into by the Company or any of its subsidiaries.

(c) The Company shall furnish to the Sales Agent, at every date specified in Section 5(r) of this Agreement for which no waiver is applicable, the opinions of Davis Polk & Wardwell LLP, Hunton Andrew Kurth LLP, Venable LLP and the Chief Legal Officer of the Company addressed to the Sales Agent, and dated as of such date, and in form satisfactory to the Sales Agent, in the form set forth in Exhibits A-1, A-2, A-3 and A-4 hereto.

(d) At the dates specified in Section 5(u) of this Agreement, the Sales Agent shall have received from the Accountants letters dated the date of delivery thereof and addressed to the Sales Agent in form and substance satisfactory to the Sales Agent.

(e) (i) The Company shall deliver to the Sales Agent, on or prior to four trading days after each Representation Date specified in Section 5(q) of this Agreement, a certificate of two of its executive officers to the effect that (i) the representations and warranties of the Company as set forth in this Agreement are true and correct as of such delivery date, (ii) the Company has performed such of its obligations under this Agreement as are to be performed at or before each such delivery date and (iii) the conditions set forth in paragraphs (a) and (b) of this Section 8 have been met. The certificate shall also state that the Shares have been duly and validly authorized by the Company, that all corporate action required to be taken for the issuance and sale of the Shares has been validly and sufficiently taken, and that the Company's Board of Directors or any other body with authority has not revoked, rescinded or otherwise modified or withdrawn such authorization or corporate action.

(f) The Sales Agent shall have received, at every date specified in Section 5(t) of this Agreement, the favorable opinion of Cravath, Swaine & Moore LLP, counsel to the Sales Agent, dated as of such date, and in form and substance satisfactory to the Sales Agent.

(g) The Sales Agent shall have received, at every date specified in Section 5(s) of this Agreement, a certificate of the Secretary of the Company, dated as of such date, and in form and substance satisfactory to the Sales Agent.

(h) All filings with the Commission required by Rule 424 under the Act to have been filed by the Settlement Date shall have been made within the applicable time period prescribed for such filing by Rule 424.

(i) The Shares shall have been approved for listing on the NYSE, subject only to notice of issuance at or prior to the Settlement Date.

For purposes of clarity and without limitation to any other provision of this Section 8 or elsewhere in this Agreement, the Company and the Sales Agent agree that the Sales Agent's obligations, if any, to solicit purchases of Shares on an agency basis or otherwise take any action pursuant to a Placement Notice shall, unless otherwise agreed in writing by the Sales Agent, be suspended during the period from and including a Representation Date for which certificates are required to be delivered pursuant to Section 5(q) through and including the time the Sales Agent shall have received the documents described in Sections 8(c) through 8(g), inclusive.

SECTION 9. Indemnification and Contribution.

(a) The Company agrees to indemnify, defend and hold harmless the Sales Agent and its affiliates, its and their directors, officers, employees and agents and any person who controls the Sales Agent within the meaning of Section 15 of the Act or Section 20 of the Exchange Act, and the successors and assigns of all of the foregoing persons, from and against any loss, damage, expense, liability or claim (including the reasonable cost of investigation) which the Sales Agent or any such person may incur under the Act, the Exchange Act, the common law or otherwise, insofar as such loss, damage, expense, liability or claim arises out of or is based upon (i) any untrue statement or alleged untrue statement of a material fact contained in the Registration Statement (or in the Registration Statement as amended by any post-effective amendment thereof by the Company) or arises out of or is based upon any omission or alleged omission to state a material fact required to be stated therein or necessary to make the statements

therein not misleading, except insofar as any such loss, damage, expense, liability or claim arises out of or is based upon any untrue statement or alleged untrue statement of a material fact contained in, and in conformity with information furnished in writing by or on behalf of the Sales Agent to the Company expressly for use in, the Registration Statement or arises out of or is based upon any omission or alleged omission to state a material fact in the Registration Statement in connection with such information, which material fact was not contained in such information and which material fact was required to be stated in such Registration Statement or was necessary to make such information not misleading or (ii) any untrue statement or alleged untrue statement of a material fact included in any Prospectus (the term Prospectus for the purpose of this Section 9 being deemed to include the Basic Prospectus, the Prospectus Supplement, the Prospectus and any amendments or supplements to the foregoing), in any Permitted Free Writing Prospectus, in any "issuer information" (as defined in Rule 433 under the Act) of the Company or in any Prospectus together with any combination of one or more of the Permitted Free Writing Prospectuses, if any, or arises out of or is based upon any omission or alleged omission to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading, except, with respect to such Prospectus or Permitted Free Writing Prospectus, insofar as any such loss, damage, expense, liability or claim arises out of or is based upon any untrue statement or alleged untrue statement of a material fact contained in, and in conformity with information furnished in writing by or on behalf of the Sales Agent to the Company expressly for use in, such Prospectus or Permitted Free Writing Prospectus or arises out of or is based upon any omission or alleged omission to state a material fact in such Prospectus or Permitted Free Writing Prospectus in connection with such information, which material fact was not contained in such information and which material fact was necessary in order to make the statements in such information, in the light of the circumstances under which they were made, not misleading.

If any action, suit or proceeding (together, a "Proceeding") is brought against the Sales Agent or any such person in respect of which indemnity may be sought against the Company pursuant to the foregoing paragraph, the Sales Agent or such person shall promptly notify the indemnifying party in writing of the institution of such Proceeding and the Company shall assume the defense of such Proceeding, including the employment of counsel reasonably satisfactory to such indemnified party and payment of all fees and expenses; provided, however, that the omission to so notify the Company shall not relieve the Company from any liability which the Company may have to the Sales Agent or any such person or otherwise except to the extent the Company was materially prejudiced by such omission. The Sales Agent or such person shall have the right to employ its or their own counsel in any such case, but the fees and expenses of such counsel shall be at the expense of the Sales Agent or of such person unless the employment of such counsel shall have been authorized in writing by the Company in connection with the defense of such Proceeding or the Company shall not have, within a reasonable period of time in light of the circumstances, employed counsel to have charge of the defense of such Proceeding or such indemnified party or parties shall have reasonably concluded that there may be defenses available to it or them which are different from, additional to or in conflict with those available to the Company (in which case the Company shall not have the right to direct the defense of such Proceeding on behalf of the indemnified party or parties), in any of which events such fees and expenses shall be borne by the Company, and paid as incurred (it being understood, however, that the Company shall not be liable for the expenses of more than one separate counsel (in addition to any local counsel) in any one Proceeding or series of related Proceedings in the same jurisdiction representing the indemnified parties who are parties to such Proceeding). The Company shall not be liable for any settlement of any Proceeding effected

without its written consent but if settled with the written consent of the Company, the Company agrees to indemnify and hold harmless the Sales Agent and any such person from and against any loss or liability by reason of such settlement. Notwithstanding the foregoing sentence, if at any time an indemnified party shall have requested the Company to reimburse the indemnified party for fees and expenses of counsel as contemplated by the second sentence of this paragraph, then the Company agrees that it shall be liable for any settlement of any Proceeding effected without its written consent if (i) such settlement is entered into more than 60 business days after receipt by the Company of the aforesaid request, (ii) the Company shall not have reimbursed the indemnified party in accordance with such request prior to the date of such settlement and (iii) such indemnified party shall have given the indemnifying party at least 30 days' prior notice of its intention to settle. The Company shall not, without the prior written consent of the indemnified party, effect any settlement of any pending or threatened Proceeding in respect of which any indemnified party is or may be a party and indemnity could have been sought hereunder by such indemnified party, unless such settlement includes an unconditional release of such indemnified party from all liability on claims that are the subject matter of such Proceeding and does not include an admission of fault or culpability or a failure to act, by or on behalf of such indemnified party.

(b) The Sales Agent agrees to indemnify, defend and hold harmless the Company, and each of its directors and each of the Company's officers, who signed the Registration Statement, and each person, if any, who controls the Company within the meaning of Section 15 of the Act or Section 20 of the Exchange Act, and the successors and assigns of all of the foregoing persons, from and against any loss, damage, expense, liability or claim (including the reasonable cost of investigation) which, jointly or severally, the Company or any such person may incur under the Act, the Exchange Act, the common law or otherwise, insofar as such loss, damage, expense, liability or claim arises out of or is based upon (i) any untrue statement or alleged untrue statement of a material fact contained in and, in conformity with information furnished in writing by or on behalf of the Sales Agent to the Company expressly for use with reference to the Sales Agent in the Registration Statement (or in the Registration Statement as amended by any post-effective amendment thereof by the Company), or arises out of or is based upon any omission or alleged omission to state a material fact in such Registration Statement in connection with such information, which material fact was not contained in such information and which material fact was required to be stated in such Registration Statement or was necessary to make such information not misleading or (ii) any untrue statement or alleged untrue statement of a material fact contained in, and in conformity with information furnished in writing by or on behalf of the Sales Agent to the Company expressly for use in, the Prospectus Supplement or a Permitted Free Writing Prospectus, or arises out of or is based upon any omission or alleged omission to state a material fact in the Prospectus Supplement or a Permitted Free Writing Prospectus in connection with such information, which material fact was not contained in such information and which material fact was necessary in order to make the statements in such information, in the light of the circumstances under which they were made, not misleading.

If any Proceeding is brought against the Company or any such person in respect of which indemnity may be sought against the Sales Agent pursuant to the foregoing paragraph, the Company or such person shall promptly notify the Sales Agent in writing of the institution of such Proceeding and the Sales Agent shall assume the defense of such Proceeding, including the employment of counsel reasonably satisfactory to such indemnified party and payment of all fees and expenses; *provided*, *however*, that the omission to so notify the Sales Agent shall not relieve the Sales Agent from any liability which the Sales Agent may have to the Company or

any such person or otherwise. The Company or such person shall have the right to employ its own counsel in any such case, but the fees and expenses of such counsel shall be at the expense of the Company such person unless the employment of such counsel shall have been authorized in writing by the Sales Agent in connection with the defense of such Proceeding or the Sales Agent shall not have, within a reasonable period of time in light of the circumstances, employed counsel to have charge of the defense of such Proceeding or such indemnified party or parties shall have reasonably concluded that there may be defenses available to it or them which are different from or additional to or in conflict with those available to the Sales Agent (in which case the Sales Agent shall not have the right to direct the defense of such Proceeding on behalf of the indemnified party or parties, but the Sales Agent may employ counsel and participate in the defense thereof but the fees and expenses of such counsel shall be at the expense of the Sales Agent), in any of which events such fees and expenses shall be borne by the Sales Agent and paid as incurred (it being understood, however, that the Sales Agent shall not be liable for the expenses of more than one separate counsel (in addition to any local counsel) in any one Proceeding or series of related Proceedings in the same jurisdiction representing the indemnified parties who are parties to such Proceeding). The Sales Agent shall not be liable for any settlement of any such Proceeding effected without the written consent of the Sales Agent but if settled with the written consent of the Sales Agent, the Sales Agent agrees to indemnify and hold harmless the Company and any such person from and against any loss or liability by reason of such settlement. Notwithstanding the foregoing sentence, if at any time an indemnified party shall have requested the Sales Agent to reimburse the indemnified party for fees and expenses of counsel as contemplated by the second sentence of this paragraph, then the Sales Agent agrees that it shall be liable for any settlement of any Proceeding effected without its written consent if (i) such settlement is entered into more than 60 business days after receipt by the Sales Agent of the aforesaid request, (ii) the Sales Agent shall not have reimbursed the indemnified party in accordance with such request prior to the date of such settlement and (iii) such indemnified party shall have given the Sales Agent at least 30 days' prior notice of its intention to settle. The Sales Agent shall not, without the prior written consent of the indemnified party, effect any settlement of any pending or threatened Proceeding in respect of which any indemnified party is a party and indemnity could have been sought hereunder by such indemnified party, unless such settlement includes an unconditional release of such indemnified party from all liability on claims that are the subject matter of such Proceeding.

(c) If the indemnification provided for in this Section 9 is unavailable to an indemnified party under subsections (a) and (b) of this Section 9 or insufficient to hold an indemnified party harmless in respect of any losses, damages, expenses, liabilities or claims referred to therein, then each applicable indemnifying party shall contribute to the amount paid or payable by such indemnified party as a result of such losses, damages, expenses, liabilities or claims (i) in such proportion as is appropriate to reflect the relative benefits received by the Company, on the one hand, and the Sales Agent, on the other hand, from the offering of the Shares or (ii) if the allocation provided by clause (i) above is not permitted by applicable law, in such proportion as is appropriate to reflect not only the relative benefits referred to in clause (i) above but also the relative fault of the Company, on the one hand, and of the Sales Agent, on the other, in connection with the statements or omissions which resulted in such losses, damages, expenses, liabilities or claims, as well as any other relevant equitable considerations. The relative benefits received by the Company, on the one hand, and the Sales Agent, on the other, shall be deemed to be in the same respective proportions as the total proceeds from the offering

(net of underwriting discounts and commissions but before deducting expenses) received by the Company, and the total underwriting discounts and commissions received by the Sales Agent, bear to the aggregate public offering price of the Shares. The relative fault of the Company, on the one hand, and of the Sales Agent, on the other, shall be determined by reference to, among other things, whether the untrue statement or alleged untrue statement of a material fact or omission or alleged omission relates to information supplied by the Company or by the Sales Agent and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission. The amount paid or payable by a party as a result of the losses, damages, expenses, liabilities and claims referred to in this subsection shall be deemed to include any legal or other fees or expenses reasonably incurred by such party in connection with investigating, preparing to defend or defending any Proceeding.

(d) The Company and the Sales Agent agree that it would not be just and equitable if contributions pursuant to this Section 9 were determined by pro rata allocation or by any other method of allocation which does not take account of the equitable considerations referred to in subsection (c) above. Notwithstanding the provisions of this Section 9, the Sales Agent shall not be required to contribute any amount in excess of commissions received by it under this Agreement. No person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation.

(e) The Company and the Sales Agent agree promptly to notify each other of the commencement of any Proceeding against it and, in the case of the Company, against any of the Company's officers or directors in connection with the issuance and sale of the Shares, or in connection with the Registration Statement, the Basic Prospectus, the Prospectus or any Permitted Free Writing Prospectus.

SECTION 10. Representations and Agreements to Survive Delivery. The indemnity and contribution agreements contained in Section 9 and the covenants, warranties and representations of the Company contained in this Agreement or in certificates delivered pursuant hereto shall remain in full force and effect regardless of any investigation made by or on behalf of the Sales Agent, its partners, directors or officers or any person (including each partner, officer or director of such person) who controls the Sales Agent within the meaning of Section 15 of the Act or Section 20 of the Exchange Act, or by or on behalf of the Company, its directors or officers or any person who controls the Company within the meaning of Section 15 of the Act or Section 20 of the Exchange Act, and shall survive any termination of this Agreement or the issuance and delivery of the Shares.

SECTION 11. Termination.

(a) The Company shall have the right, by giving written notice as hereinafter specified, to terminate the provisions of this Agreement relating to the solicitation of offers to purchase the Shares in its sole discretion at any time. Any such termination shall be without liability of any party to any other party except that (i) if any of the Shares have been sold through the Sales Agent for the Company, then Section 5(j) and Section 5(w) shall remain in full force and effect, (ii) with respect to any pending sale, through the Sales Agent for the Company, the obligations of the Company, including in respect of compensation of the Sales Agent, shall remain in full force and effect notwithstanding the termination and (iii) the provisions of Sections 7, 9, 10, 12, 13, 14, 18 and 20 of this Agreement shall remain in full force and effect notwithstanding such termination.

(b) The Sales Agent shall have the right, by giving written notice as hereinafter specified, to terminate the provisions of this Agreement relating to the solicitation of offers to

purchase the Shares in its sole discretion at any time. Any such termination shall be without liability of any party to any other party except that (i) if any of the Shares have been sold through the Sales Agent for the Company, then Section 5(j) and Section 5(w) shall remain in full force and effect and (ii) the provisions of Sections 7, 9, 10, 12, 13, 14, 18 and 20 of this Agreement shall remain in full force and effect notwithstanding such termination.

(c) This Agreement shall remain in full force and effect unless terminated pursuant to Sections 11(a) or 11(b) above or otherwise by mutual agreement of the parties; and shall automatically terminate on May 8, 2030; *provided* that any such termination by mutual agreement shall in all cases be deemed to provide that Sections 7, 9 and 10 shall remain in full force and effect.

(d) Any termination of this Agreement shall be effective on the date specified in such notice of termination; *provided* that such termination shall not be effective until the close of business on the date of receipt of such notice by the Sales Agent or the Company, as the case may be. If such termination shall occur prior to the Settlement Date for any sale of the Shares, such sale shall settle in accordance with the provisions of Section 4(a)(vi) of this Agreement.

SECTION 12. Notices. Except as otherwise herein provided, all statements, requests, notices and agreements under this Agreement shall be in writing and delivered by hand, overnight courier, mail or facsimile and, if to the Sales Agent, shall be sufficient in all respects if delivered or sent to UBS Securities LLC, 11 Madison Avenue, New York, New York 10010, Attention: Syndicate (Jesse O'Neill, Email: jesse.o-neill@ubs.com; Charles Heaney, Email: charles.heaney@ubs.com), and a copy for information purposes to Andrew J. Pitts, Esq. and Ryan J. Patrone, Esq. at Cravath, Swaine & Moore LLP, Two Manhattan West, 375 Ninth Avenue, New York, New York 10001 and, if to the Company, it shall be sufficient in all respects if delivered or sent to the Company at the offices of the Company at 1211 Avenue of the Americas, New York, New York 10036, Attention: David L. Finkelstein with a copy for information purposes to Davis Polk & Wardwell LLP at 450 Lexington Avenue New York, New York 10017, Attention: Shane Tintle, facsimile number: (212) 450-4000, Email: shane.tintle@davispolk.com. Each party to this Agreement may change such address for notices by sending to the parties to this Agreement written notice of a new address for such purpose.

SECTION 13. Parties at Interest. The Agreement herein set forth has been and is made solely for the benefit of the Sales Agent, the Company and, to the extent provided in Section 9 of this Agreement, the controlling persons, directors and officers referred to in such section, and their respective successors, assigns, heirs, personal representatives and executors and administrators. No other person, partnership, association or corporation (including a purchaser, as such purchaser, from the Sales Agent) shall acquire or have any right under or by virtue of this Agreement.

SECTION 14. No Fiduciary Relationship. The Company hereby acknowledges that the Sales Agent is acting solely as sales agent and/or principal in connection with the purchase and sale of the Company's securities. The Company further acknowledges that the Sales Agent is acting pursuant to a contractual relationship created solely by this Agreement entered into on an arm's length basis, and in no event do the parties intend that the Sales Agent act or be responsible as a fiduciary to the Company or its management, stockholders or creditors or any other person in connection with any activity that the Sales Agent may undertake or have undertaken in furtherance of the purchase and sale of the Company's securities, either before or after the date hereof. The Sales Agent hereby expressly disclaims any fiduciary or similar obligations to the Company, either in connection with the transactions contemplated by this Agreement or any matters leading up to such transactions, and the Company hereby confirms its understanding and agreement to that effect. The Company and the Sales Agent agree that they

are each responsible for making their own independent judgments with respect to any such transactions and that any opinions or views expressed by the Sales Agent to the Company regarding such transactions, including, but not limited to, any opinions or views with respect to the price or market for the Company's securities, do not constitute advice or recommendations to the Company, nor shall the expression of such opinions or views constitute any solicitation of any action by the Sales Agent. The Company hereby (a) waives and releases, to the fullest extent permitted by law, any claims that the Company may have against the Sales Agent with respect to any breach or alleged breach of any fiduciary or similar duty to the Company in connection with the transactions contemplated by this Agreement or any matters leading up to such transactions and (b) agrees that none of the activities of the Sales Agent in connection with the transactions contemplated herein constitutes a recommendation, investment advice or solicitation of any action by the Sales Agent with respect to any entity or natural person. The Company has consulted its own legal, accounting, financial, regulatory and tax advisors to the extent deemed appropriate.

SECTION 15. Press Releases and Disclosure. The Company may issue a press release in compliance with Rule 134 under the Act describing the material terms of the transactions contemplated hereby as soon as practicable following the date hereof, and may file with the Commission a Current Report on Form 8-K describing the material terms of the transaction contemplated hereby, and the Company shall consult with the Sales Agent prior to making such disclosures, and the parties shall use all reasonable efforts, acting in good faith, to agree upon a text for such disclosures that is reasonably satisfactory to all parties. No party hereto shall issue thereafter any press release or like public statement (including, without limitation, any disclosure required in reports filed with the Commission pursuant to the Exchange Act) related to this Agreement or any of the transactions contemplated hereby without the prior written approval of the other parties hereto, except as may be necessary or appropriate in the opinion of the party seeking to make disclosure to comply with the requirements of applicable law or stock exchange rules. If any such press release or like public statement is so required, the party making such disclosure shall consult with the other party prior to making such disclosure, and the parties shall use all reasonable efforts, acting in good faith, to agree upon a text for such disclosure that is reasonably satisfactory to all parties.

SECTION 16. Adjustments for Stock Splits. The parties acknowledge and agree that all share related numbers contained in this Agreement shall be adjusted to take into account any stock split effected with respect to the Shares.

SECTION 17. Entire Agreement. This Agreement constitutes the entire agreement and supersedes all other prior and contemporaneous agreements and undertakings, both written and oral, among the parties hereto with regard to the subject matter hereof. The Company and the Sales Agent hereby confirm and agree that the Distribution Agency Agreement, dated September 20, 2024 (as amended, supplemented or otherwise modified from time to time, the "Prior Sales Agreement"), between the Company and the Sales Agent is hereby deemed to be terminated, effective as of May 8, 2025, pursuant to Section 11(a) thereof and, except as provided in Section 11 thereof, is of no further force and effect.

SECTION 18. Counterparts; Electronic Signatures. This Agreement may be signed by the parties in one or more counterparts which together shall constitute one and the same agreement among the parties. Delivery of this Agreement by one party to the other may be made by facsimile, electronic mail (including any electronic signature complying with the New York Electronic Signatures and Records Act (N.Y. State Tech. §§ 301-309), as amended from time to time, or other applicable law) or other transmission method, and the parties hereto agree that any counterpart so delivered shall be deemed to have been duly and validly delivered and be valid and effective for all purposes.

SECTION 19. Law; Construction. This Agreement and any claim, counterclaim or dispute of any kind or nature whatsoever arising out of or in any way relating to this Agreement ("Claim"), directly or indirectly, shall be governed by, and construed in accordance with, the internal laws of the State of New York.

SECTION 20. Headings. The Section headings in this Agreement have been inserted as a matter of convenience of reference and are not a part of this Agreement.

SECTION 21. Submission to Jurisdiction. Except as set forth below, no Claim may be commenced, prosecuted or continued in any court other than the courts of the State of New York located in the City and County of New York or in the United States District Court for the Southern District of New York, which courts shall have jurisdiction over the adjudication of such matters, and the Company consents to the non-exclusive jurisdiction of such courts and personal service with respect thereto. The Company hereby consents to personal jurisdiction, service and venue in any court in which any Claim arising out of or in any way relating to this Agreement is brought by any third party against the Sales Agent or any indemnified party. Each of the Sales Agent and the Company (on its behalf and, to the extent permitted by applicable law, on behalf of its stockholders and affiliates) waives all right to trial by jury in any action, proceeding or counterclaim (whether based upon contract, tort or otherwise) in any way arising out of or relating to this Agreement. The Company agrees that a final judgment in any such action, proceeding or counterclaim brought in any such court shall be conclusive and binding upon the Company and may be enforced in any other courts in the jurisdiction of which the Company is or may be subject, by suit upon such judgment.

SECTION 22. Successors and Assigns. This Agreement shall be binding upon the Sales Agent, the Company and their successors and assigns and any successor or assign of any substantial portion of the Company's and the Sales Agent's respective businesses and/or assets.

SECTION 23. Recognition of the U.S. Special Resolution Regimes. In the event that the Sales Agent that is a Covered Entity becomes subject to a proceeding under a U.S. Special Resolution Regime, the transfer from the Sales Agent of this Agreement, and any interest and obligation in or under this Agreement, will be effective to the same extent as the transfer would be effective under the U.S. Special Resolution Regime if this Agreement, and any such interest and obligation, were governed by the laws of the United States or a state of the United States.

In the event that the Sales Agent that is a Covered Entity or a BHC Act Affiliate of such Sales Agent becomes subject to a proceeding under a U.S. Special Resolution Regime, Default Rights under this Agreement that may be exercised against such Sales Agent are permitted to be exercised to no greater extent than such Default Rights could be exercised under the U.S. Special Resolution Regime if this Agreement were governed by the laws of the United States or a state of the United States.

For purposes of this Section 23, a "BHC Act Affiliate" has the meaning assigned to the term "affiliate" in, and shall be interpreted in accordance with, 12 U.S.C. § 1841(k). "Covered Entity" means any of the following: (i) a "covered entity" as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 252.82(b); (ii) a "covered bank" as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 47.3(b); or (iii) a "covered FSI" as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 382.2(b). "Default Right" has the meaning assigned to that term in, and shall be interpreted in accordance with, 12 C.F.R. §§ 252.81, 47.2 or 382.1, as applicable. "U.S. Special Resolution Regime" means each of (i) the

Federal Deposit Insurance Act and the regulations promulgated thereunder and (ii) Title II of the Dodd-Frank Wall Street Reform and Consumer Protection Act and the regulations promulgated thereunder.

If the foregoing correctly sets forth the understanding among the Company and the Sales Agent, please so indicate in the space provided below for that purpose, whereupon this Agreement and your acceptance shall constitute a binding agreement among the Company and the Sales Agent. Alternatively, the execution of this Agreement by the Company and its acceptance by or on behalf of the Sales Agent may be evidenced by an exchange of telegraphic or other written communications.

Very truly yours,

ANNALY CAPITAL MANAGEMENT, INC.

By: /s/ David L. Finkelstein
Name: David L. Finkelstein
Title: Chief Executive Officer and
Co-Chief Investment Officer

[***Signature Page to Distribution Agency Agreement***]

ACCEPTED as of the date
first above written

UBS SECURITIES LLC

By: /s/ Jesse O'Neill
Name: Jesse O'Neill
Title: Executive Director

By: /s/ Charles Heaney
Name: Charles Heaney
Title: Director

Schedule A
Permitted Free Writing Prospectuses

None.

Schedule B

Authorized Company Representatives

David Finkelstein, Chief Executive Officer and Co-Chief Investment Officer
Telephone: (212) 205-7256
Fax: (212) 696-0100
Email: dfinkelstein@annaly.com

Steve Campbell, President and Chief Operating Officer
Telephone: (212) 413-1885
Fax: (212) 696-0100
Email: scampbell@annaly.com

Serena Wolfe, Chief Financial Officer
Telephone: (212) 626-2308
Fax: (212) 696-0100
Email: swolfe@annaly.com

Anthony Green, Chief Corporate Officer, Chief Legal Officer and Secretary
Telephone: (646) 728-7668
Fax: (212) 696-0100
Email: agreen@annaly.com

Exhibit A-1

Opinion of Davis Polk & Wardwell LLP

See attached.

Exhibit A-2

Opinion of Hunton Andrew Kurth LLP

See attached.

Exhibit A-3

Opinion of Venable LLP

See attached.

Exhibit A-4

Opinion of the Company's Chief Legal Officer

See attached.

ANNALY CAPITAL MANAGEMENT, INC.

Shares of Common Stock
(par value $0.01 per share)

DISTRIBUTION AGENCY AGREEMENT

May 8, 2025

Wells Fargo Securities, LLC
500 West 33rd Street
New York, New York 10001

Ladies and Gentlemen:

Annaly Capital Management, Inc., a Maryland corporation (the "Company"), agrees with Wells Fargo Securities, LLC (the "Sales Agent"), to issue and sell from time to time through the Sales Agent, as sales agent and/or principal, shares of its common stock, par value $0.01 per share (the "Common Stock"), on the terms set forth in this agreement (this "Agreement").

The Company is concurrently entering into separate distribution agency agreements (the "Alternative Agreements"), each dated of even date herewith, with Barclays Capital Inc., BNP Paribas Securities Corp., BofA Securities, Inc., BTIG, LLC, Citizens JMP Securities, LLC, Goldman Sachs & Co. LLC, J.P. Morgan Securities LLC, Keefe, Bruyette & Woods, Inc., Morgan Stanley & Co, LLC, Piper Sandler & Co., RBC Capital Markets, LLC and UBS Securities LLC (each, an "Alternative Agent," and together with the Sales Agent, the "Agents"), to issue and sell from time to time through each Alternative Agent, as sales agent and/or principal, shares of the Company's Common Stock (the "Shares") on the terms set forth in the Alternative Agreements. This Agreement and the Alternative Agreements are collectively referred to herein as the "Distribution Agreements."

SECTION 1. Description of Securities. The Company proposes to issue and sell through or to the Sales Agent, as sales agent and/or principal, the Shares on the terms set forth in Section 4 of this Agreement. The Company agrees that whenever it determines to sell the Shares directly to the Sales Agent as principal, it will enter into a separate agreement (each, a "Terms Agreement"), in form and substance satisfactory to the Sales Agent, relating to such sale in accordance with Section 4 of this Agreement.

SECTION 2. Representations and Warranties of the Company. The Company represents and warrants to and agrees with the Sales Agent that:

(a) An "automatic shelf registration statement" (the "registration statement") as defined in Rule 405 under the Securities Act of 1933, as amended, and the rules and regulations thereunder (collectively called the "Act"), on Form S-3 (File No. 333-282261) in respect of the Shares, including a form of prospectus, has been prepared and filed by the Company not earlier than three years prior to the date hereof, in conformity with the requirements of the Act, and the

rules and regulations of the Securities and Exchange Commission (the "Commission") thereunder (the "Rules and Regulations"). The registration statement contains certain information concerning the offering and sale of the Common Stock, including the Shares, and contains additional information concerning the Company and its business; the Commission has not issued an order preventing or suspending the use of the Basic Prospectus (as defined below), the Prospectus Supplement (as defined below), the Prospectus (as defined below) or any Permitted Free Writing Prospectus (as defined below), or the effectiveness of the Registration Statement (as defined below), and no proceeding for that purpose or pursuant to Section 8A of the Act has been instituted or, to the Company's knowledge, threatened by the Commission. Except where the context otherwise requires, "Registration Statement," as used herein, means the registration statement, as amended at the time of such registration statement's effectiveness for purposes of Section 11 of the Act, as such section applies to the Sales Agent, as well as any new registration statement, post-effective amendment or new automatic shelf registration statement as may have been filed pursuant to Section 5(f) or (g) of this Agreement, including (1) all documents filed as a part thereof or incorporated or deemed to be incorporated by reference therein, (2) any information contained or incorporated by reference in a prospectus filed with the Commission pursuant to Rule 424(b) under the Act, to the extent such information is deemed, pursuant to Rule 430B or Rule 430C under the Act, to be part of the registration statement at the time of such registration statement's effectiveness for purposes of Section 11 of the Act, as such section applies to the Sales Agent, and (3) any registration statement filed to register the offer and sale of Shares pursuant to Rule 462(b) under the Act. Except where the context otherwise requires, "Basic Prospectus," as used herein, means the prospectus filed as part of each Registration Statement, together with any amendments or supplements thereto as of the date of this Agreement. Except where the context otherwise requires, "Prospectus Supplement," as used herein, means the final prospectus supplement, relating to the Shares, filed by the Company with the Commission pursuant to Rule 424(b) under the Act on or before the second business day after the date hereof (or such earlier time as may be required under the Act), or if after such date, the most recently filed final prospectus supplement relating to the Shares, in the form furnished by the Company to the Sales Agent in connection with the offering of the Shares. Except where the context otherwise requires, "Prospectus," as used herein, means the Prospectus Supplement together with the Basic Prospectus attached to or used with the Prospectus Supplement. "Permitted Free Writing Prospectuses," as used herein, means the documents listed on Schedule A attached hereto. Any reference herein to the registration statement, the Registration Statement, the Basic Prospectus, the Prospectus Supplement, the Prospectus or any Permitted Free Writing Prospectus shall be deemed to refer to and include the documents, if any, incorporated by reference, or deemed to be incorporated by reference, therein (the "Incorporated Documents"), including, unless the context otherwise requires, the documents, if any, filed as exhibits to such Incorporated Documents. Any reference herein to the terms "amend," "amendment" or "supplement" with respect to the Registration Statement, the Basic Prospectus, the Prospectus Supplement, the Prospectus or any Permitted Free Writing Prospectus shall be deemed to refer to and include the filing of any document under the Securities Exchange Act of 1934, as amended, and the rules and regulations thereunder (collectively, the "Exchange Act") on or after the initial effective date of the Registration Statement, or the date of the Basic Prospectus, the Prospectus Supplement, the Prospectus or such Permitted Free Writing Prospectus, as the case may be, and deemed to be incorporated therein by reference.

(b) The Registration Statement complied when it became effective, complies as of the date hereof and, as amended or supplemented, at each deemed effective date with respect to the Sales Agent pursuant to Rule 430(B)(f)(2) of the Act, at each Settlement Date (as defined in Section 4(a)(vi) hereof), and at all times during which a prospectus is required by the Act to be delivered (whether physically, deemed to be delivered pursuant to Rule 153 or through compliance with Rule 172 under the Act or any similar rule) in connection with any sale of Shares, will comply, in all material respects, with the requirements of the Act, and the

Registration Statement did not and will not, at or during such times, contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading; the conditions to the use of Form S-3 in connection with the offering and sale of the Shares as contemplated hereby have been satisfied; the Registration Statement meets, and the offering and sale of the Shares as contemplated hereby complies with, the requirements of Rule 415 under the Act (including, without limitation, Rule 415(a)(5)); the Basic Prospectus complied or will comply, at the time it was or will be filed with the Commission, complies as of the date hereof (if filed with the Commission on or prior to the date hereof) and, as of the time of each sale of Shares pursuant to this Agreement (each, a "Time of Sale"), at each Settlement Date and at all times during which a prospectus is required by the Act to be delivered (whether physically, deemed to be delivered pursuant to Rule 153 or through compliance with Rule 172 under the Act or any similar rule) in connection with any sale of Shares, will comply, in all material respects, with the requirements of the Act; at no time during the period that begins on the earlier of the date of the Basic Prospectus and the date the Basic Prospectus was filed with the Commission and ends on each Settlement Date did or will the Basic Prospectus, as then amended or supplemented, include an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; the Prospectus will comply, as of the date that it is filed with the Commission, the date of the Prospectus Supplement, each Time of Sale, each Settlement Date, and at all times during which a prospectus is required by the Act to be delivered (whether physically, deemed to be delivered pursuant to Rule 153 or through compliance with Rule 172 under the Act or any similar rule) in connection with any sale of Shares, in all material respects, with the requirements of the Act (including, without limitation, Section 10(a) of the Act); at no time during the period that begins on the date of the Prospectus Supplement and ends at the later of each Settlement Date and the end of the period during which a prospectus is required by the Act to be delivered (whether physically, deemed to be delivered pursuant to Rule 153 or through compliance with Rule 172 under the Act or any similar rule) in connection with any sale of Shares did or will the Prospectus, as then amended or supplemented, either alone or together with any combination of one or more of the then issued Permitted Free Writing Prospectuses, if any, include an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; at no time during the period that begins on the date of such Permitted Free Writing Prospectus and ends at each Settlement Date did or will any Permitted Free Writing Prospectus include an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided, however, that the Company makes no representation or warranty with respect to any statement contained in the Registration Statement, the Basic Prospectus, the Prospectus or any Permitted Free Writing Prospectus in reliance upon and in conformity with information concerning the Sales Agent and furnished in writing by or on behalf of the Sales Agent expressly for use in the Registration Statement, the Basic Prospectus, the Prospectus or such Permitted Free Writing Prospectus; each Incorporated Document, at the time such document was filed with the Commission or at the time such document became effective, as applicable, complied, in all material respects, with the requirements of the Exchange Act and did not include an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(c) (i) At the time of filing of the Registration Statement, (ii) at the time of the most recent amendment thereto for the purposes of complying with Section 10(a)(3) of the Act or otherwise (whether such amendment was by post-effective amendment, incorporated report filed pursuant to Section 13 or 15(d) of the Exchange Act or form of prospectus), (iii) at the time the Company or any person acting on its behalf (within the meaning, for this clause only, of Rule 163(c) of the Act) made any offer relating to the Shares in reliance on the exemption of

Rule 163 of the Act and (iv) at the date hereof, the Company is a "well-known seasoned issuer" as defined in Rule 405 of the Act ("Rule 405"), including not having been and not being an "ineligible issuer" as defined by Rule 405. The Registration Statement is an "automatic shelf registration statement," as defined in Rule 405, and the Shares, since their registration on the Registration Statement, have been and remain eligible for registration by the Company on a Rule 405 "automatic shelf registration statement." The Company has not received from the Commission any notice pursuant to Rule 401(g)(2) of the Act objecting to the use of the automatic shelf registration statement form.

(d) Prior to the execution of this Agreement, the Company has not, directly or indirectly, offered or sold any Shares by means of any "prospectus" (within the meaning of the Act) or used any "prospectus" (within the meaning of the Act) in connection with the offer or sale of the Shares; the Company has not, directly or indirectly, prepared, used or referred to any Permitted Free Writing Prospectus except in compliance with Rule 163 or with Rules 164 and 433 under the Act; assuming that any such Permitted Free Writing Prospectus is so sent or given after the Registration Statement was filed with the Commission (and after such Permitted Free Writing Prospectus was, if required pursuant to Rule 433(d) under the Act, filed with the Commission), the sending or giving, by the Sales Agent, of any Permitted Free Writing Prospectus will satisfy the provisions of Rule 164 or Rule 433 (without reliance on subsections (b), (c) and (d) of Rule 164); the conditions set forth in one or more of subclauses (i) through (iv), inclusive, of Rule 433(b)(1) under the Act are satisfied, and the registration statement relating to the offering of the Shares contemplated hereby, as initially filed with the Commission, includes a prospectus that, other than by reason of Rule 433 or Rule 431 under the Act, satisfies the requirements of Section 10 of the Act; neither the Company nor the Sales Agent is disqualified, by reason of subsection (f) or (g) of Rule 164 under the Act, from using, in connection with the offer and sale of the Shares, "free writing prospectuses" (as defined in Rule 405 under the Act) pursuant to Rules 164 and 433 under the Act; the Company is not an "ineligible issuer" (as defined in Rule 405 under the Act) as of the eligibility determination date for purposes of Rules 164 and 433 under the Act with respect to the offering of the Shares contemplated by the Registration Statement; the parties hereto agree and understand that the content of any and all "road shows" (as defined in Rule 433 under the Act) related to the offering of the Shares contemplated hereby is solely the property of the Company.

(e) The Company has an authorized and outstanding capitalization as set forth in the consolidated balance sheet included or incorporated by reference in the Registration Statement, the Prospectus or any Permitted Free Writing Prospectus or as of the Company's then most recently completed quarter or fiscal year, contained in the Company's quarterly report on Form 10-Q or the Company's annual report on Form 10-K, as applicable, at the indicated date, and there has been no material change in such information since the Company's then most recently completed quarter or fiscal year (subject to the issuance of shares of Common Stock upon exercise of stock options and warrants disclosed as outstanding in the Registration Statement (excluding the exhibits thereto) and the Prospectus and the grant of options under existing stock option plans described in the Registration Statement (excluding the exhibits thereto), the Basic Prospectus and the Prospectus).

(f) The consolidated financial statements of the Company, together with the related schedules and notes thereto, set forth or included or incorporated by reference in the Registration Statement, the Prospectus or any Permitted Free Writing Prospectus are accurate in all material respects and fairly present the financial condition of the Company on a consolidated basis as of the dates indicated and the results of operations, changes in financial position, stockholders' equity and cash flows for the periods therein specified are in conformity with generally accepted accounting principles consistently applied throughout the periods involved (except as otherwise stated therein). The selected financial and statistical data included or incorporated by reference

in the Registration Statement and the Prospectus present fairly the information shown therein and, to the extent based upon or derived from the financial statements, have been compiled on a basis consistent with the financial statements presented therein. No other financial statements are required to be set forth or to be incorporated by reference in the Registration Statement or the Prospectus under the Act. The interactive data in eXtensible Business Reporting Language included or incorporated by reference in the Registration Statement, the Prospectus or any Permitted Free Writing Prospectus fairly present the information called for in all material respects and have been prepared in accordance with the Commission's rules and guidelines applicable thereto.

(g) The Prospectus and any Permitted Free Writing Prospectus delivered to the Sales Agent for use in connection with this offering will be, identical to the versions of the Prospectus and any Permitted Free Writing Prospectus, respectively, created to be transmitted to the Commission for filing via EDGAR, except to the extent permitted by Regulation S-T.

(h) The Company and each of its subsidiaries has been duly formed or, if a corporation, incorporated and is validly existing as a limited liability company, limited partnership or corporation in good standing under the laws of the state of its formation or incorporation, as applicable, is duly qualified to do business and is in good standing as a foreign limited liability company, limited partnership or corporation, as applicable, in each jurisdiction in which its ownership or lease of property or assets or the conduct of its business requires such qualification, except where the failure to so qualify would not have a material adverse effect on the business, assets, properties, prospects, financial condition or results of operation of the Company and its subsidiaries taken as a whole (a "Company Material Adverse Effect"), and has full limited liability company, limited partnership or corporate, as applicable, power and authority necessary to own, hold, lease and/or operate its assets and properties, to conduct the business in which it is engaged and as described in the Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any, and to enter into and perform its obligations under this Agreement and to consummate the transactions contemplated hereby, and the Company and its subsidiary Arcola Securities, Inc. ("Arcola") are each in compliance in all material respects with the laws, orders, rules, regulations and directives issued or administered by such jurisdictions.

(i) The Company has no "significant subsidiaries" (as such term is defined in Rule 1-02 of Regulation S-X promulgated under the Securities Act), and has no other subsidiaries except as (i) set forth in Exhibit 21.1 to the Company's most recently filed annual report on Form 10-K, (ii) otherwise disclosed by the Company in the Registration Statement, the Prospectus or the Permitted Free Writing Prospectus, if any, or (iii) would not, individually or in the aggregate, be material to the Company. Complete and correct copies of the charter and of the bylaws of the Company and all amendments thereto have been delivered to the Sales Agent (or otherwise made available on EDGAR) and, except as set forth in the exhibits to, or incorporated by reference into, the Registration Statement, no changes therein will be made subsequent to the date hereof and prior to each Time of Sale and each Settlement Date.

(j) The Company is not in breach of, or in default under (nor has any event occurred which with notice, lapse of time or both would result in any breach of or constitute a default under), (i) its charter or bylaws or (ii) any obligation, agreement, covenant or condition contained in any contract, license, repurchase agreement, indenture, mortgage, deed of trust, bank loan or credit agreement, note, lease or other evidence of indebtedness, or any lease, contract or other agreement or instrument to which the Company is a party or by which it or any of its assets or properties may be bound or affected, the effect of which breach or default under this clause (ii) could have a Company Material Adverse Effect. The execution, delivery and performance of this Agreement, the issuance and sale of the Shares and the consummation of the transactions

contemplated hereby will not conflict with, or result in any breach of, constitute a default under or a Repayment Event (as defined below) under (nor constitute any event which with notice, lapse of time or both would result in any breach of, constitute a default under or a Repayment Event under), (i) any provision of the charter or bylaws of the Company, (ii) any provision of any contract, license, repurchase agreement, indenture, mortgage, deed of trust, bank loan or credit agreement, note, lease or other evidence of indebtedness, or any lease, contract or other agreement or instrument to which the Company is a party or by which the Company or any of its assets or properties may be bound or affected, the effect of which could have a Company Material Adverse Effect or (iii) under any federal, state, local or foreign law, regulation or rule or any decree, judgment or order applicable to the Company. As used herein, a "Repayment Event" means any event or condition which gives the holder of any note, debenture or other evidence of indebtedness (or any person acting on such holder's behalf) the right to require the repurchase, redemption or repayment of all or a portion of such indebtedness by the Company or any subsidiary.

(k) All of the issued and outstanding shares of capital stock, including the Common Stock, of the Company have been duly and validly authorized and issued and are fully paid and non-assessable, have been issued in compliance with all federal and state securities laws and were not issued in violation of any preemptive right, resale right, right of first refusal or similar right.

(l) This Agreement has been duly authorized, executed and delivered by the Company.

(m) Reserved.

(n) The capital stock of the Company, including the Shares, conforms and will conform in all material respects to the description thereof contained in the Registration Statement, the Prospectus or any Permitted Free Writing Prospectus and such description conforms to the rights set forth in the instruments defining the same. If certificated, the global certificates representing the Shares are in due and proper form and the holders of the Shares will not be subject to personal liability by reason of being such holders.

(o) The Shares have been duly and validly authorized by the Company for issuance and sale pursuant to this Agreement and, when issued and delivered against payment therefor as provided herein, will be duly and validly issued and fully paid and non-assessable, free and clear of any pledge, lien, encumbrance, security interest or other claim, and will be registered pursuant to Section 12 of the Exchange Act.

(p) No approval, authorization, consent or order of or filing with any national, state or local governmental or regulatory commission, board, body, authority or agency is required in connection with the issuance and sale of the Shares or the consummation by the Company of the transaction contemplated hereby other than (i) registration of the Shares under the Act, (ii) any necessary qualification under the securities or blue sky laws of the various jurisdictions in which the Shares are being offered by the Sales Agent and (iii) such approvals in connection with the approval of the listing of the Shares on the New York Stock Exchange LLC (the "NYSE").

(q) No person, as such term is defined in Rule 1-02 of Regulation S-X promulgated under the Act (each, a "Person"), has the right, contractual or otherwise, to cause the Company to issue to it any shares of capital stock or other securities of the Company upon the issue and sale of the Shares to the Sales Agent hereunder, nor does any Person have preemptive rights, co-sale rights, rights of first refusal or other rights to purchase or subscribe for any of the Shares or any securities or obligations convertible into or exchangeable for, or any contracts or commitments to

issue or sell any of, the Shares or any options, rights or convertible securities or obligations, other than those that have been expressly waived prior to the date hereof.

(r) Ernst & Young LLP (the "Accountants"), whose report on the consolidated financial statements of the Company is filed with the Commission as part of the Registration Statement and the Prospectus, are and, during the periods covered by their reports, were independent public accountants as required by the Act.

(s) Each of the Company and its subsidiaries has all necessary licenses, authorizations, consents and approvals and has made all necessary filings required under any federal, state, local or foreign law, regulation or rule, and has obtained all necessary permits, authorizations, consents and approvals from other Persons, in order to conduct its business as described in the Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any, except as such as could not have a Company Material Adverse Effect. Neither the Company nor any of its subsidiaries is required by any applicable law to obtain accreditation or certification from any governmental agency or authority in order to provide the products and services which it currently provides or which it proposes to provide as set forth in the Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any, except as such could not have a Company Material Adverse Effect. Neither the Company nor any of its subsidiaries is in violation of, or in default under, any such license, permit, authorization, consent or approval or any federal, state, local or foreign law, regulation or rule or any decree, order or judgment applicable to the Company or any of its subsidiaries, the effect of which could have a Company Material Adverse Effect.

(t) The descriptions in the Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any, of the legal or governmental proceedings, contracts, leases and other legal documents therein described present fairly in all material respects the information required to be shown, and there are no legal or governmental proceedings, contracts, leases or other documents of a character required to be described in the Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any, or to be filed as exhibits to the Registration Statement which are not described or filed as required. All agreements between the Company and third parties expressly referenced in the Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any, are legal, valid and binding obligations of the Company, enforceable in accordance with their respective terms, except to the extent enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws affecting creditors' rights generally and by general equitable principles and except to the extent that any indemnification provision thereof may be limited by public policy considerations in respect thereof.

(u) Except as set forth in the Registration Statement, the Prospectus or a Permitted Free Writing Prospectus, there are no actions, suits, claims, investigations, inquiries or proceedings pending or, to the best of the Company's knowledge, threatened to which the Company or any of the subsidiaries or any of their respective officers or directors is a party or of which any of its properties or other assets is subject at law or in equity, or before or by any federal, state, local or foreign governmental or regulatory commission, board, body, authority or agency which could result in a judgment, decree or order having a Company Material Adverse Effect.

(v) Except as otherwise may be disclosed therein, subsequent to the respective dates as of which information is given in the Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any, there has not been (i) any Company Material Adverse Effect, or any development which would reasonably be expected to cause a Company Material Adverse Effect, in the business, properties or assets described or referred to in the Registration Statement,

the Prospectus and the Permitted Free Writing Prospectuses, if any, or the results of operations, condition (financial or otherwise), net worth, business, prospects or operations of the Company and its subsidiaries, taken as a whole, (ii) any transaction which is material to the Company and its subsidiaries, taken as a whole, except transactions in the ordinary course of business, (iii) any obligation, direct or contingent, which is material to the Company and its subsidiaries, taken as a whole, incurred by the Company or any subsidiary, except obligations incurred in the ordinary course of business, (iv) any change in the capital stock or, except in the ordinary course of business, outstanding indebtedness of the Company or any subsidiary or (v) except for regular quarterly dividends on the outstanding shares of preferred stock (collectively, the "Preferred Stock") and the Common Stock, in amounts per share that are consistent with past practice and the descriptions thereof in the Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any, any dividend or distribution of any kind declared, paid or made by the Company on any class of its capital stock. There are no contingent obligations that are material to the Company and its subsidiaries, taken as a whole, which are not disclosed in the Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any.

(w) Except as set forth in the Registration Statement, the Prospectus or a Permitted Free Writing Prospectus, there are no Persons with registration or other similar rights to have any equity or debt securities, including securities which are convertible into or exchangeable for equity securities, registered pursuant to the Registration Statement or otherwise registered by the Company under the Act.

(x) The Company (i) does not have any issued and outstanding preferred stock, other than the shares of Preferred Stock, in such number and series, as are described in the Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any, (ii) has not failed to pay any dividend or sinking fund installment on preferred stock and (iii) has not defaulted on any installment on indebtedness for borrowed money or on any rental on one or more long term leases, which defaults would have a Company Material Adverse Effect on the financial position of the Company and its subsidiaries, taken as a whole. The Company has not filed a report pursuant to Section 13(a) or 15(d) of the Exchange Act since the filing of its last annual report on Form 10-K, indicating that it (i) has failed to pay any dividend or sinking fund installment on the Preferred Stock or (ii) has defaulted on any installment on indebtedness for borrowed money or on any rental on one or more long term leases, which defaults would have a Company Material Adverse Effect.

(y) Neither the Company nor any of its officers, directors and controlling Persons have, directly or indirectly, (i) taken any action designed to cause or to result in, or that has constituted or which might reasonably be expected to constitute, the stabilization or manipulation of the price of the Common Stock to facilitate the sale of the Shares, or (ii) (except pursuant to this Agreement, shares of the Company's Common Stock issued pursuant to the Company's dividend reinvestment and share purchase plan (the "DRSPP"), as may have been incurred in connection with the Company's publicly disclosed repurchase of Common Stock and the retirement of the Company's long-term indebtedness) (A) sold, bid for, purchased, or paid anyone any compensation for soliciting purchases of, the Shares or, (B) other than as disclosed in the Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any, during the one hundred eighty (180) day period preceding the date of this Agreement, paid or agreed to pay to any Person any compensation for soliciting another to purchase any other securities of the Company.

(z) The Company has applied to have the Shares listed on the NYSE, and the Shares will have been approved for listing on the NYSE as of the time of purchase, subject only to official notice of issuance.

(aa) Neither the Company nor any of its affiliates, except for Arcola, (i) is required to register as a "broker" or "dealer" in accordance with the provisions of the Exchange Act or (ii) directly or indirectly through one or more intermediaries, controls or has any other association with (within the meaning of Article I of the Bylaws of the Financial Industry Regulatory Authority, Inc. ("FINRA")) any member firm of FINRA.

(ab) Any certificate signed by any officer of the Company delivered to the Sales Agent or to counsel for the Sales Agent pursuant to or in connection with this Agreement shall be deemed a representation and warranty by the Company to the Sales Agent as to the matters covered thereby.

(ac) As of the date of this Agreement, the Company has no plan or intention to materially alter its capital investment policy or investment allocation strategy, both as described in the Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any, and is in compliance with its stated capital investment policy and investment allocation strategy. Each of the Company and its subsidiaries has good and marketable title to all of the properties and assets owned by them, in each case free and clear of any security interests, liens, encumbrances, equities, claims and other defects (except for any security interest, lien, encumbrance or claim that may otherwise exist under any applicable repurchase agreement or loan agreement), except such as do not have a Company Material Adverse Effect and do not interfere with the use made or proposed to be made of such property or asset by the Company or any subsidiary, and except as described in or contemplated by the Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any. The Company owns no real property that is material, on an individual basis, to the Company. Any real property and buildings held under lease by the Company or any subsidiary are held under valid, existing and enforceable leases, with such exceptions as are disclosed in the Prospectus or are not material and do not interfere with the use made or proposed to be made of such property and buildings by the Company.

(ad) The Company has filed all federal and material state and foreign income and franchise tax returns required to be filed on or prior to the date hereof and has paid taxes shown as due thereon (or that are otherwise due and payable), other than taxes which are being contested in good faith and for which adequate reserves have been established in accordance with generally accepted accounting principles. The Company has no knowledge, after due inquiry, of any tax deficiency which has been asserted or threatened against the Company. To the knowledge of the Company, there are no tax returns of the Company that are currently being audited by federal, state or local taxing authorities or agencies which would have a Company Material Adverse Effect.

(ae) The Company owns or possesses adequate license or other rights to use all patents, trademarks, service marks, trade names, copyrights, software and design licenses, trade secrets, manufacturing processes, other intangible property rights and know-how (collectively, "Intangibles") necessary to entitle the Company to conduct its business as described in the Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any, and the Company has not received notice of infringement of or conflict with (and the Company knows of no such infringement of or conflict with) asserted rights of others with respect to any Intangibles which could have a Company Material Adverse Effect.

(af) The Company maintains a system of internal accounting controls sufficient to provide reasonable assurance that (i) transactions are executed in accordance with management's general or specific authorizations, (ii) transactions are recorded as necessary to permit preparation of financial statements in conformity with generally accepted accounting principles as applied in the United States and to maintain asset accountability, (iii) access to assets is

permitted only in accordance with management's general or specific authorization, (iv) the recorded accountability for assets is compared with the existing assets at reasonable intervals and appropriate action is taken with respect to any differences and (v) the interactive data in eXtensible Business Reporting Language incorporated by reference in the Registration Statement, the Prospectus and any Permitted Free Writing Prospectus fairly present the information called for in all material respects and is prepared in accordance with the Commission's rules and guidelines applicable thereto.

(ag) The Company has established and maintains disclosure controls and procedures (as such term is defined in Rule 13a-14 and 15d-14 under the Exchange Act); such disclosure controls and procedures are designed to ensure that material information relating to the Company is made known to the Company's Chief Executive Officer and its Chief Financial Officer, and such disclosure controls and procedures are effective to perform the functions for which they were established; any significant material weaknesses in internal controls have been identified for the Company's Chief Executive Officer and its Chief Financial Officer; and since the date of the most recent evaluation of such disclosure controls and procedures, there have been no significant changes in internal controls or in other factors that could significantly affect internal controls.

(ah) The Company is insured by insurers of recognized financial responsibility against such losses and risks and in such amounts as are prudent and customary in the business in which it is engaged. The Company has no reason to believe that it will not be able to renew its existing insurance coverage as and when such coverage expires or to obtain similar coverage from similar insurers as may be necessary to continue its business at a cost that would not have a Company Material Adverse Effect.

(ai) Except as set forth in the Registration Statement, the Prospectus or a Permitted Free Writing Prospectus, the Company is not in violation, and has not received notice of any violation with respect to, any applicable environmental, safety or similar law applicable to the business of the Company. The Company has received all permits, licenses or other approvals required of them under applicable federal and state occupational safety and health and environmental laws and regulations to conduct its business, and the Company is in compliance with all terms and conditions of any such permit, license or approval, except any such violation of law or regulation, failure to receive required permits, licenses or other approvals or failure to comply with the terms and conditions of such permits, licenses or approvals which could not, singly or in the aggregate, have a Company Material Adverse Effect.

(aj) Neither the Company nor any of its subsidiaries has incurred any liability for any finder's fees or similar payments in connection with the transactions herein contemplated, except as may otherwise exist with respect to the Sales Agent pursuant to this Agreement.

(ak) Except as set forth in the Registration Statement, the Prospectus or a Permitted Free Writing Prospectus, there are no existing or threatened labor disputes with the employees of the Company which are likely to have individually or in the aggregate a Company Material Adverse Effect.

(al) No relationship, direct or indirect, exists between or among the Company or any of its subsidiaries, on the one hand, and the directors, officers and stockholders of the Company, on the other hand, which is required by the Act to be described in the Registration Statement and the Prospectus that is not so described.

(am) The Company, since its date of inception, has been, and upon the sale of the Shares will continue to be, organized and operated in conformity with the requirements for

qualification and taxation as a "real estate investment trust" (a "REIT") under Sections 856 through 860 of the Internal Revenue Code of 1986, as amended and the regulations and published interpretations thereunder (collectively, the "Code"), for all taxable years commencing with its taxable year ended December 31, 1997. The proposed method of operation of the Company as described in Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any, will enable the Company to continue to meet the requirements for qualification and taxation as a REIT under the Code, and no actions have been taken (or not taken which are required to be taken) which would cause such qualification to be lost. The Company intends to continue to operate in a manner which would permit it to qualify as a REIT under the Code. The Company has no intention of changing its operations or engaging in activities which would cause it to fail to qualify, or make economically undesirable its continued qualification, as a REIT.

(an) Neither the Company nor any subsidiary is and, after giving effect to the offering and sale of the Shares, will be required to register as an "investment company" or an entity "controlled" by an "investment company," as such terms are defined in the Investment Company Act of 1940, as amended (the "Investment Company Act").

(ao) To the Company's knowledge, no relationship, direct or indirect, exists between or among the Company or any subsidiary, on the one hand, and the officers, 10% stockholders or directors of the Company or any subsidiary, on the other hand, which is required by the rules of FINRA to be described in the Registration Statement and the Prospectus which is not so described.

(ap) The Company has not, directly or indirectly, including through any subsidiary, extended credit, arranged to extend credit, or renewed any extension of credit, in the form of a personal loan, to or for any director or executive officer of the Company, or to or for any family member or affiliate of any director or executive officer of the Company.

(aq) Neither the Company nor any of the subsidiaries nor, to the Company's knowledge, any employee or agent of the Company or the subsidiaries has made any payment of funds of the Company or the subsidiaries or received or retained any funds in violation of any law, rule or regulation, which payment, receipt or retention of funds is of a character required to be disclosed in the Registration Statement or the Prospectus.

(ar) The Company is in compliance with all applicable provisions of the Sarbanes-Oxley Act of 2002 and the rules and regulations promulgated thereunder.

(as) The Common Stock is an "actively traded security" excepted from the requirements of Rule 101 of Regulation M under the Exchange Act by subsection (c)(1) of such rule.

(at) Other than any Terms Agreement or the Alternative Agreements, the Company has not entered into any other sales agency or distribution agreements or similar arrangements with any agent or other representative in respect of the Shares and the equity shelf program established by the Distribution Agreements, the terms of which have not been properly and duly waived.

(au) The operations of the Company and its subsidiaries are and have been conducted at all times in material compliance with all applicable financial recordkeeping and reporting requirements, including those of the Bank Secrecy Act, as amended by Title III of the Uniting and Strengthening America by Providing Appropriate Tools Required to intercept and Obstruct Terrorism Act of 2001 (USA PATRIOT Act), as amended, and the applicable anti-money

laundering statutes of jurisdictions where the Company and its subsidiaries conduct business, the rules and regulations thereunder and any related or similar rules, regulations or guidelines, issued, administered or enforced by any governmental agency (collectively, the "Anti-Money Laundering Laws"), and no action, suit or proceeding by or before any court or governmental agency, authority or body or any arbitrator involving the Company or any of its subsidiaries with respect to Anti-Money Laundering Laws is pending or, to the best knowledge of the Company, threatened.

(av) (A) Neither the Company nor any of its subsidiaries, nor any director, officer or employee thereof, nor, to the Company's knowledge, any agent, affiliate or representative of the Company or any of them, is an individual or entity ("Covered Person") that is, or is owned or controlled by a Covered Person that is:

(i) the subject of any sanctions administered or enforced by the U.S. Department of Treasury's Office of Foreign Assets Control ("OFAC"), the United Nations Security Council, the European Union, His Majesty's Treasury or other relevant sanctions authority (collectively, "Sanctions"); nor

(ii) located, organized or resident in a country or territory that is the subject of Sanctions (including, without limitation, the so-called Donetsk People's Republic, the so-called Luhansk People's Republic, the Kherson, the non-government controlled areas of the Kherson and Zaporizhzhia regions of Ukraine, and any other Covered Region of Ukraine identified pursuant to Executive Order 14065, the Crimea region of Ukraine, Cuba, Iran, North Korea, Syria and Venezuelan State-owned entities).

(A) The Company will not use the proceeds of the offering, or lend, contribute or otherwise make available such proceeds to any subsidiary, joint venture partner or other Covered Person:

(i) to fund or facilitate any activities or business of or with any Covered Person or in any country or territory that, at the time of such funding or facilitation, is the subject of Sanctions; or

(ii) in any other manner that will result in a violation of Sanctions by any Covered Person (including any Covered Person participating in the offering, whether as underwriter, advisor, investor or otherwise).

(B) The Company and its subsidiaries have not knowingly engaged in, are not now knowingly engaged in, and will not engage in, any dealings or transactions with any Covered Person, or in any country or territory, that at the time of the dealing or transaction is or was the subject of Sanctions.

(C) Neither the Company nor any of its subsidiaries, nor any director, officer or, to the Company's knowledge, employee thereof, nor, to the Company's knowledge, any agent, affiliate or representative of the Company or any of them: (i) has used any corporate funds for any unlawful contribution, gift, entertainment or other unlawful expense relating to political activity; (ii) has made any direct or indirect unlawful contribution or payment to any official of, or candidate for, or any employee of, any federal, state or foreign office from corporate funds; (iii) has made any bribe, unlawful rebate, payoff, influence payment, kickback or other unlawful payment; or (iv) is aware of or has taken any action, directly or indirectly, that would result in a violation by such persons of the OECD Convention on Bribery of Foreign Public Officials in International

Business Transactions, the Foreign Corrupt Practices Act of 1977, as amended, and the rules and regulations thereunder (collectively, the "FCPA") or any similar law or regulation to which the Company, any of its subsidiaries, any director, officer, agent, employee, affiliate or other person associated with or acting on behalf of the Company or any of its subsidiaries is subject. The Company, its subsidiaries and their affiliates have each conducted its businesses in compliance with the FCPA and any applicable similar law or regulation and have instituted and maintain policies and procedures designed to ensure, and which are reasonably expected to continue to ensure, continued compliance therewith.

SECTION 3. Reserved.

SECTION 4. Sale and Delivery of Securities. (a) On the basis of the representations, warranties and agreements herein contained, but subject to the terms and conditions herein set forth, the Company agrees to issue and sell through the Sales Agent, as sales agent, and the Sales Agent agrees to use its commercially reasonable efforts to sell, as sales agent for the Company, the Shares on the following terms.

(i) The Shares are to be sold on a daily basis or otherwise as shall be agreed to by the Company and the Sales Agent on any day that (A) is a trading day for the NYSE (other than a day on which the NYSE is scheduled to close prior to its regular weekday closing time), (B) the Company has instructed the Sales Agent by telephone (confirmed promptly by electronic mail) (or as otherwise agreed to by the Company and the Sales Agent) from any of the individuals listed as authorized representatives of the Company on Schedule B hereto (the "Authorized Company Representatives") to make such sales and (C) the Company has satisfied its obligations under Section 8 of this Agreement. The Company will designate the maximum amount of the Shares to be sold by the Sales Agent daily as agreed to by the Sales Agent and in any event not in excess of the amount available for issuance under the currently effective Registration Statement relating to the sale of up to $2,000,000,000 of Shares as described in the prospectus supplement dated May 8, 2025, or any Registration Statement filed pursuant to Section 5(g), or in a number in excess of the number of Shares authorized from time to time to be issued and sold under this Agreement by the Company's board of directors, or a duly authorized committee thereof, and notified to the Sales Agent in writing (a "Placement Notice").

Subject to the terms and conditions hereof, the Sales Agent shall use its commercially reasonable efforts to offer and sell all of the Shares designated; provided, however, that the Sales Agent shall have no obligation to offer or sell any Shares, and the Company acknowledges and agrees that the Sales Agent shall have no such obligation, in the event an offer or sale of the Shares on behalf of the Company may in the judgment of the Sales Agent constitute the sale of a "block" under Rule 10b-18(a)(5) under the Exchange Act or a "distribution" within the meaning of Rule 100 of Regulation M under the Exchange Act or the Sales Agent reasonably believes it may be deemed an "underwriter" under the Act in a transaction that is other than by means of ordinary brokers' transactions between members of the NYSE that qualify for delivery of a Prospectus to the NYSE in accordance with Rule 153 under the Act (such transactions are hereinafter referred to as "At-the-Market Offerings").

(ii) Notwithstanding the foregoing, the Company, through any of the Authorized Company Representatives, may instruct the Sales Agent by telephone

(confirmed promptly by electronic mail) (or as otherwise agreed to by the Company and the Sales Agent) not to sell the Shares if such sales cannot be effected at or above the price designated by the Company in any such instruction. In addition, the Company or the Sales Agent may, upon notice to the other party hereto by telephone (confirmed promptly by electronic mail) (or as otherwise agreed to by the Company and the Sales Agent), suspend the offering of the Shares; provided, however, that such suspension shall not affect or impair the parties' respective obligations with respect to the Shares sold hereunder prior to the giving of such notice.

(iii) The Sales Agent hereby covenants and agrees not to make any sales of the Shares on behalf of the Company, pursuant to this Section 4(a), other than (A) by means of At-the-Market Offerings and (B) such other sales of the Shares on behalf of the Company in its capacity as agent of the Company as shall be agreed by the Company and the Sales Agent.

(iv) The compensation to the Sales Agent, as an agent of the Company, for sales of the Shares shall be up to 1.25% of the gross sales price of the Shares sold pursuant to this Section 4(a) or such lower amount as otherwise mutually agreed upon by the Company and the Sales Agent from time to time. The remaining proceeds, after further deduction for any transaction fees imposed by any governmental or self-regulatory organization in respect of such sales, shall constitute the net proceeds to the Company for such Shares (the "Net Proceeds").

(v) The Sales Agent shall provide written confirmation to the Company following the close of trading on the NYSE each day in which the Shares are sold under this Section 4(a) setting forth the amount of the Shares sold on such day, the Net Proceeds to the Company and the compensation payable by the Company to the Sales Agent with respect to such sales.

(vi) Settlement for sales of the Shares pursuant to this Section 4(a) will occur on the first business day following the date on which such sales are made or such other date as may be agreed by the Company and the Sales Agent (each such date, a "Settlement Date"). On each Settlement Date, the Shares sold through the Sales Agent for settlement on such date shall be issued and delivered by the Company to the Sales Agent against payment of the Net Proceeds for the sale of such Shares. Settlement for all such Shares shall be effected by free delivery of the Shares by the Company or its transfer agent to the Sales Agent's account, or to the account of the Sales Agent's designee, at The Depository Trust Company through its Deposit and Withdrawal at Custodian System ("DWAC") or by such other means of delivery as may be mutually agreed upon by the parties hereto, which in all cases shall be freely tradable, transferable, registered shares in good deliverable form, in return for payments in same day funds delivered to the account designated by the Company. If the Company, or its transfer agent (if applicable), shall default on its obligation to deliver the Shares on any Settlement Date, the Company shall (A) indemnify and hold the Sales Agent harmless against any loss, claim or damage arising from or as a result of such default by the Company and (B) pay the Sales Agent any commission to which it would otherwise be entitled absent such default. The Authorized Company Representatives shall be the contact persons for the Company for all matters related to the settlement of the transfer of the Shares through DWAC for purposes of this Section 4(a)(vi).

(vii) At each Time of Sale, Settlement Date and Representation Date (as defined in Section 5(q)), the Company shall be deemed to have affirmed each of their respective representations and warranties contained in this Agreement. Any obligation of

the Sales Agent to use its commercially reasonable efforts to sell the Shares on behalf of the Company shall be subject to the continuing accuracy of the representations and warranties of the Company herein, to the performance by the Company of its obligations hereunder and to the continuing satisfaction of the additional conditions specified in Section 8 of this Agreement.

(a) (i) If the Company wishes to issue and sell the Shares other than as set forth in Section 4(a) of this Agreement (each, a "Placement"), it will notify the Sales Agent of the proposed terms of such Placement. If the Sales Agent, acting as principal, wishes to accept such proposed terms (which it may decline to do for any reason in its sole discretion) or, following discussions with the Company, wishes to accept amended terms, the Sales Agent and the Company will enter into a Terms Agreement setting forth the terms of such Placement. In the event of a conflict between the terms of this Agreement and the terms of any Terms Agreement, the terms of such Terms Agreement will control.

(b) (i) Under no circumstances shall the aggregate number of Shares sold pursuant to this Agreement exceed the number of Shares authorized from time to time to be issued and sold under this Agreement by the Company's board of directors, or a duly authorized committee thereof, and notified to the Sales Agent in writing.

(i) If either party has reason to believe that the exemptive provisions set forth in Rule 101(c)(1) of Regulation M under the Exchange Act are not satisfied with respect to the Shares, it shall promptly notify the other party and sales of the Shares under this Agreement shall be suspended until that or other exemptive provisions have been satisfied in the judgment of each party.

(c) Each sale of the Shares to or through the Sales Agent shall be made in accordance with the terms of this Agreement or, if applicable, a Terms Agreement.

(d) Any offer, solicitation or sale of the Shares shall be effected by or through only one of the Agents on any single trading day.

(e) Subject to the limitations set forth herein and as may be mutually agreed upon by the Company and the Sales Agent, sales pursuant to this Agreement may not be requested by the Company and need not be made by the Sales Agent during any period in which the Company is or could be deemed to be, in possession of material non-public information.

(f) Notwithstanding any other provision of this Agreement, the Company shall not offer, sell or deliver, or request the offer or sale, of any Shares pursuant to this Agreement at any time during the period from and including the time the Company issues a press release containing, or shall otherwise publicly announce, its earnings, revenues or other operating results for a fiscal period or periods (each, an "Earnings Announcement") through and including the Representation Date that occurs in connection with the Company filing a Quarterly Report on Form 10-Q or an Annual Report on Form 10-K (a "Filing Time") that includes consolidated financial statements as of and for the same fiscal period or periods, as the case may be, covered by such Earnings Announcement, unless the Company shall first (i) prepare and deliver to the Sales Agent (with a copy to counsel for the Sales Agent) a Current Report on Form 8-K that includes substantially the same financial and related information that was included in such Earnings Announcement (other than any earnings projections and similar forward-looking data and officers' quotations) (each, an "Earnings 8-K"), in form and substance reasonably satisfactory to the Sales Agent, and, prior to its filing, obtain the written consent of the Sales Agent to such filing (which consent shall not be unreasonably withheld), (ii) provide the Sales Agent with the officers' certificates, opinions and letters of counsels and accountants' letter

specified in Sections 5(q) through 5(u), inclusive, hereof, (iii) afford the Sales Agent the opportunity to conduct a due diligence review in accordance with Section 5(v) hereof prior to filing such Earnings 8-K and (iv) file (rather than furnish) such Earnings 8-K with the Commission. For purposes of clarity, the parties hereto agree that (A) the delivery of any officers' certificates, opinions or letters of counsel or accountants' letter pursuant to this Section 4(g) shall not relieve the Company from any of its obligations under this Agreement with respect to any Quarterly Report on Form 10-Q or Annual Report on Form 10-K, as the case may be, including, without limitation, the obligation to deliver officers' certificates, opinions and letters of counsel and accountants' letters as provided in Sections 5(q) through 5(u), inclusive, hereof, and (B) this Section 4(g) shall in no way affect or limit the operation of Section 4(d) hereof, which shall have independent application.

(g) The Company acknowledges and agrees that (A) there can be no assurance that the Sales Agent will be successful in selling the Shares, (B) the Sales Agent will incur no liability or obligation to the Company or any other person or entity if it does not sell Shares for any reason other than a failure by the Sales Agent to use its commercially reasonable efforts consistent with its normal trading and sales practices and applicable law and regulations to sell such Shares in accordance with the terms of this Agreement, and (C) the Sales Agent shall be under no obligation to purchase Shares on a principal basis pursuant to this Agreement, except as otherwise specifically agreed by the Sales Agent and the Company.

SECTION 5. Covenants of the Company. The Company agrees with the Sales Agent:

(a) During the period in which a prospectus relating to the Shares is required to be delivered under the Act (whether physically, deemed to be delivered pursuant to Rule 153 or through compliance with Rule 172 under the Act or any similar rule), to notify the Sales Agent promptly of the time when any subsequent amendment to the Registration Statement has become effective or any subsequent supplement to the Basic Prospectus, the Prospectus or any Permitted Free Writing Prospectus has been filed; to prepare and file with the Commission, promptly upon the Sales Agent's request, any amendments or supplements to the Registration Statement, the Basic Prospectus, the Prospectus or any Permitted Free Writing Prospectus that, in the Sales Agent's reasonable opinion, may be necessary or advisable in connection with the offering of the Shares by the Sales Agent; and to cause each amendment or supplement to the Basic Prospectus or the Prospectus to be filed with the Commission as required pursuant to the applicable paragraph of Rule 424(b) of the Act or, in the case of any Incorporated Document, to be filed with the Commission as required pursuant to the Exchange Act, within the time period prescribed.

(b) To promptly advise the Sales Agent, confirming such advice in writing, of any suspension of the Sales Agent's obligations under Rule 15c2-8 under the Exchange Act or any request by the Commission for amendments or supplements to the Registration Statement, the Basic Prospectus, the Prospectus or any Permitted Free Writing Prospectus or for additional information with respect thereto, or of notice of examination, institution of proceedings for, or the entry of a stop order suspending the effectiveness of the Registration Statement and, if the Commission should enter a stop order suspending the effectiveness of the Registration Statement, to use its best efforts to obtain the lifting or removal of such order as soon as possible; to promptly advise the Sales Agent of any proposal to amend or supplement the Registration Statement, the Basic Prospectus or the Prospectus, and to provide the Sales Agent and its counsel copies of any such documents for review and comment a reasonable amount of time prior to any proposed filing and to file no such amendment or supplement (other than any prospectus supplement relating to the offering of other securities (including, without limitation, the Common Stock)) to which the Sales Agent shall have objected in writing.

(c) To make available to the Sales Agent, as soon as practicable after this Agreement becomes effective, and thereafter from time to time to furnish to the Sales Agent, as many copies of the Prospectus (or of the Prospectus as amended or supplemented if the Company shall have made any amendments or supplements thereto after the effective date of the Registration Statement) as the Sales Agent may request for the purposes contemplated by the Act; in case the Sales Agent is required to deliver (whether physically, deemed to be delivered pursuant to Rule 153 or through compliance with Rule 172 under the Act or any similar rule), in connection with the sale of the Shares, a prospectus after the nine-month period referred to in Section 10(a)(3) of the Act, or after the time a post-effective amendment to the Registration Statement is required pursuant to Item 512(a) of Regulation S-K under the Act, the Company will prepare, at its expense, promptly upon request such amendment or amendments to the Registration Statement and the Prospectus as may be necessary to permit compliance with the requirements of Section 10(a)(3) of the Act or Item 512(a) of Regulation S-K under the Act, as the case may be.

(d) Subject to Section 5(b) hereof, to file promptly all reports and documents and any preliminary or definitive proxy or information statement required to be filed by the Company with the Commission in order to comply with the Exchange Act for so long as a prospectus is required by the Act to be delivered (whether physically, deemed to be delivered pursuant to Rule 153 or through compliance with Rule 172 under the Act or any similar rule) in connection with any sale of Shares; and to provide the Sales Agent, for its review and comment, with a copy of such reports and statements and other documents to be filed by the Company pursuant to Section 13, 14 or 15(d) of the Exchange Act during such period a reasonable amount of time prior to any proposed filing, and to file no such report, statement or document to which the Sales Agent shall have objected in writing; and to promptly notify the Sales Agent of such filing.

(e) To pay the fees applicable to the Registration Statement in connection with the offering of the Shares within the time required by Rule 456(b)(1) (i) under the Act (without reliance on the proviso to Rule 456(b)(1)(i) under the Act) and in compliance with Rule 456(b) and Rule 457(r) under the Act.

(f) If at any time when Shares remain unsold by the Sales Agent the Company receives from the Commission a notice pursuant to Rule 401(g)(2) under the Act or otherwise ceases to be eligible to use the automatic shelf registration statement form, the Company will (a) promptly notify the Sales Agent, (b) promptly file a new registration statement or post-effective amendment on the proper form relating to the Shares, in a form satisfactory to the Sales Agent, (c) use its best efforts to cause such registration statement or post-effective amendment to be declared effective as soon as practicable (if such filing is not otherwise effective immediately pursuant to Rule 462 under the Act) and (d) promptly notify the Sales Agent of such effectiveness. The Company will take all other action necessary or appropriate to permit the public offering and sale of the Shares to continue as contemplated in the Registration Statement that was the subject of the notice under Rule 401(g)(2) under the Act or for which the Company has otherwise become ineligible. References herein to the Registration Statement relating to the Shares shall include such new registration statement or post-effective amendment, as the case may be.

(g) If immediately prior to the third anniversary (the "Renewal Deadline") of the initial effective date of the Registration Statement, any of the Shares remain unsold by the Sales Agent, the Company will, prior to the Renewal Deadline file, if it has not already done so and is eligible to do so, a new automatic shelf registration statement relating to the Shares, in a form satisfactory to the Sales Agent. If the Company is not eligible to file an automatic shelf registration statement, the Company will, prior to the Renewal Deadline, if it has not already done so, file a new shelf registration statement relating to the Shares, in a form satisfactory to the

Sales Agent, and will use its best efforts to cause such registration statement to be declared effective within 180 days after the Renewal Deadline. The Company will take all other action necessary or appropriate to permit the public offering and sale of the Shares to continue as contemplated in the expired registration statement. References herein to the Registration Statement shall include such new automatic shelf registration statement or such new shelf registration statement, as the case may be.

(h) To promptly notify the Sales Agent of the happening of any event that could require the making of any change in the Prospectus then being used so that the Prospectus would not include an untrue statement of material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they are made, not misleading, and, during any period during which a prospectus is required to be delivered (whether physically, deemed to be delivered pursuant to Rule 153 or through compliance with Rule 172 under the Act or any similar rule) in connection with any sale of Shares, subject to Section 5(b), to prepare and furnish, at the Company's expense, to the Sales Agent promptly such amendments or supplements to such Prospectus as may be necessary to reflect any such change.

(i) To furnish such information as may be required and otherwise to cooperate in qualifying the Shares for offering and sale under the securities or blue sky laws of such states or other jurisdictions as the Sales Agent may designate and to maintain such qualifications in effect so long as required for the distribution of the Shares; provided, however, that the Company shall not be required to qualify as a foreign corporation or to consent to the service of process under the laws of any such jurisdiction (except service of process with respect to the offering and sale of the Shares); and to promptly advise the Sales Agent of the receipt by the Company of any notification with respect to the suspension of the qualification of the Shares for offer or sale in any jurisdiction or the initiation or threatening of any proceeding for such purpose.

(j) To make generally available to its security holders, and to deliver to the Sales Agent, an earnings statement of the Company (which will satisfy the provisions of Section 11(a) of the Act) covering a period of twelve months beginning after the effective date of the Registration Statement (as defined in Rule 158(c) of the Act) as soon as is reasonably practicable after the termination of such twelve-month period but not later than eighteen months after the effective date of the Registration Statement (as such date is defined in Rule 158(c) under the Act).

(k) To apply the net proceeds from the sale of the Shares in the manner set forth under the caption "Use of Proceeds" in the Prospectus Supplement or, if not so specified, in the Prospectus, and if not so specified, in the Basic Prospectus.

(l) Until the settlement of sale of all Common Stock being offered pursuant to this Agreement, at any time that sales of the Common Stock have been made but not settled or at any time the Company has outstanding with the Sales Agent any instructions to sell the Common Stock but such instructions have not been fulfilled or cancelled, the Company will not sell, offer to sell, contract or agree to sell, hypothecate, pledge, grant any option to sell or otherwise dispose of or agree to dispose of, directly or indirectly, any shares of the Common Stock or securities convertible into or exchangeable or exercisable for the Common Stock or warrants or other rights to purchase the Common Stock or any other securities of the Company that are substantially similar to the Common Stock or permit the registration under the Act of any shares of the Common Stock, including pursuant to another Distribution Agreement, in each case without giving the Sales Agent at least three business days' prior written notice specifying the nature of the proposed sale and the date of such proposed sale. Notwithstanding the foregoing, the Company may (i) register the offer and sale of the Shares through the Sales Agent pursuant to

this Agreement; (ii) issue Common Stock, restricted stock, options or other units or awards pursuant to the Company's long term stock incentive plans as currently in effect (or file a Form S-8 related to such plans) or pursuant to the exercise of employee stock options or other awards; (iii) issue Common Stock pursuant to the DRSPP or any successor dividend reinvestment or share purchase plan (or the filing of a Form S-3 related to such a plan) and (iv) offer or issue any series of preferred stock that is not convertible into shares of Common Stock other than in connection with a "change of control." For the avoidance of doubt, the Company will not be prohibited from issuing Common Stock upon the election by a holder of Preferred Stock to convert Preferred Stock into Common Stock. In the event that notice of a proposed sale is provided by the Company pursuant to this Section 5(l), the Sales Agent may suspend activity under this program for such period of time as may be requested by the Company or as may be deemed appropriate by the Sales Agent.

(m) Not, at any time at or after the execution of this Agreement, to offer or sell any Shares by means of any "prospectus" (within the meaning of the Act), or use any "prospectus" (within the meaning of the Act) in connection with the offer or sale of the Shares, in each case other than the Prospectus.

(n) The Company will not, and will cause its subsidiaries not to, take, directly or indirectly, any action designed, or which will constitute, or has constituted, or might reasonably be expected to cause or result in the stabilization or manipulation of the price of any security of the Company to facilitate the sale or resale of the Shares.

(o) To use its best efforts to cause the Common Stock to be listed on the NYSE and to maintain such listing.

(p) To advise the Sales Agent immediately after it shall have received notice or obtain knowledge thereof, of any information or fact that would alter or affect any opinion, certificate, letter and other document provided to the Sales Agent pursuant to Section 8 herein.

(q) Upon commencement of the offering of the Shares under this Agreement, and within four trading days of each time that (i) the Registration Statement or the Prospectus shall be amended or supplemented (other than pursuant to subclause (ii) below and other than a prospectus supplement filed pursuant to Rule 424(b) under the Act relating solely to the offering of securities other than the Shares), (ii) there is filed with the Commission any document incorporated by reference into the Prospectus (other than a Current Report on Form 8-K, unless the Sales Agent shall otherwise reasonably request), or (iii) otherwise as the Sales Agent may reasonably request (the date of commencement of the offering of the Shares under this Agreement and each date referred to in subclauses (i), (ii) and (iii) above, each a "Representation Date"), the Company shall furnish or cause to be furnished to the Sales Agent forthwith a certificate dated as of such delivery date, in form satisfactory to the Sales Agent to the effect that the statements contained in the certificate referred to in Section 8(e)(i) of this Agreement which were last furnished to the Sales Agent are true and correct as of such delivery date, as though made at and as of such date (except that such statements shall be deemed to relate to the Registration Statement and the Prospectus as amended and supplemented to such date) or, in lieu of such certificate, a certificate of the same tenor as the certificate referred to in said Section 8(e)(i), modified as necessary to relate to the Registration Statement and the Prospectus as amended and supplemented to the time of delivery of such certificate. The requirement to provide a certificate under this Section 5(q) shall be waived for any Representation Date occurring at a time at which no Placement Notice is pending, which waiver shall continue until the earlier to occur of the date the Company delivers a Placement Notice hereunder or under any Alternative Agreement (which for such calendar quarter shall be considered a Representation Date) and the next occurring Representation Date. Notwithstanding the foregoing, if the

Company subsequently decides to sell Shares through the Sales Agent or any Alternative Agent following a Representation Date when the Company relied on such waiver and did not provide the Agents with a certificate under this Section 5(q), then before the Company delivers the Placement Notice or the Sales Agent or any Alternative Agent sells any Shares, the Company shall provide the Sales Agent with such certificate, dated the date of the Placement Notice.

(r) On or prior to four trading days after each Representation Date with respect to which the Company is obligated to deliver a certificate under Section 8(e) for which no waiver is applicable, the Company shall furnish or cause to be furnished forthwith to the Sales Agent written opinions of (i) Davis Polk & Wardwell LLP, special counsel for the Company (including negative assurance), (ii) Hunton Andrews Kurth LLP, tax counsel for the Company, (iii) Venable LLP, Maryland counsel for the Company and (iv) Anthony C. Green, Chief Corporate Officer, Chief Legal Officer and Secretary for the Company or other counsels satisfactory to the Sales Agent, dated and delivered as of such delivery date, in form and substance satisfactory to the Sales Agent, of the same tenor as the opinions referred to in Section 8(c) of this Agreement, but modified as necessary to relate to the Registration Statement and the Prospectus as amended and supplemented to the time of delivery of such opinions.

(s) On or prior to four trading days after each Representation Date with respect to which the Company is obligated to deliver a certificate under Section 8(e) for which no waiver is applicable, the Company shall furnish or cause to be furnished to the Sales Agent forthwith a certificate of the Secretary of the Company, dated and delivered as of such delivery date, in form and substance satisfactory to the Sales Agent.

(t) On or prior to four trading days after each Representation Date with respect to which the Company is obligated to deliver a certificate under Section 8(e) for which no waiver is applicable, Cravath, Swaine & Moore LLP, counsel to the Sales Agent, shall deliver a written opinion, dated and delivered as of such delivery date, in form and substance satisfactory to the Sales Agent.

(u) On or prior to four trading days after each Representation Date with respect to which the Company is obligated to deliver a certificate under Section 8(e) for which no waiver is applicable, the Company shall cause the Accountants or other independent accountants satisfactory to the Sales Agent, forthwith to furnish to the Sales Agent a letter, dated as of such delivery date, in form and substance satisfactory to the Sales Agent, of the same tenor as the letter referred to in Section 8(d) of this Agreement but modified to relate to the Registration Statement and the Prospectus, as amended and supplemented to the date of such letter. Notwithstanding anything else contained herein to the contrary, other than as set forth in this Section 5(u) and Section 8(d) of this Agreement the Company shall be under no additional obligations to cause the Accountants to provide a letter to the Sales Agent, provided however, so long as this Agreement remains in effect, to the extent the Sales Agent reasonably believes it needs such a letter at some time other than as required under this Section 5(u) and Section 8(d), the Sales Agent may suspend the offering of the Shares in accordance with Section 4(a)(ii) of this Agreement, if such letter is not delivered.

(v) At each Representation Date with respect to which the Company is obligated to deliver a certificate under Section 8(e) for which no waiver is applicable, to conduct a due diligence session, in form and substance, satisfactory to the Sales Agent, which shall include representatives of the management and the accountants of the Company.

(w) That the Company consents to the Sales Agent trading in the Common Stock for the Sales Agent's own account and for the account of its clients at the same time as sales of the Shares occur pursuant to this Agreement.

(x) If to the knowledge of the Company, any condition set forth in Section 8(a) or Section 8(h) of this Agreement shall not have been satisfied on the applicable Settlement Date, to offer to any person who has agreed to purchase the Shares from the Company as the result of an offer to purchase solicited by the Sales Agent the right to refuse to purchase and pay for such Shares.

(y) To disclose in its quarterly reports on Form 10-Q and in its annual report on Form 10-K the number of the Shares sold through or to the Sales Agent under this Agreement, the Net Proceeds to the Company and the compensation paid by the Company with respect to sales of the Shares pursuant to this Agreement during the relevant quarter.

(z) To ensure that prior to instructing the Sales Agent to sell Shares the Company shall have obtained all necessary corporate authority for the offer and sale of such Shares.

(aa) That each acceptance by the Company of an offer to purchase the Shares hereunder shall be deemed to be an affirmation to the Sales Agent that the representations and warranties of the Company contained in or made pursuant to this Agreement are true and correct as of the date of such acceptance as though made at and as of such date, and an undertaking that such representations and warranties will be true and correct as of the Settlement Date for the Shares relating to such acceptance, as though made at and as of such date (except that such representations and warranties shall be deemed to relate to the Registration Statement and the Prospectus as amended and supplemented relating to such Shares).

(ab) The Company has been organized and operated in conformity with the requirements for qualification and taxation of the Company as a REIT under the Code, and the Company's proposed methods of operation will enable the Company to continue to meet the requirements for qualification and taxation as a REIT under the Code.

(ac) The Company has retained the Accountants as its qualified accountants and qualified tax experts (i) to test procedures and conduct annual compliance reviews designed to determine compliance with the REIT provisions of the Code and the Company's exempt status under the Investment Company Act and (ii) to otherwise assist the Company in monitoring appropriate accounting systems and procedures designed to determine compliance with the REIT provisions of the Code and the Company's exempt status under the Investment Company Act.

SECTION 6. Reserved.

SECTION 7. Payment of Expenses. The Company agrees with the Sales Agent that whether or not the transactions contemplated hereunder are consummated or this Agreement is terminated, to pay all of its expenses incident to the performance of its obligations hereunder, including, but not limited to, such costs, expenses, fees and taxes in connection with (i) the preparation and filing of the Registration Statement, the Basic Prospectus, the Prospectus Supplement, the Prospectus, each Permitted Free Writing Prospectus and any amendments or supplements thereto, and the printing and furnishing of copies of each thereof to the Sales Agent (including costs of mailing and shipment), (ii) the registration, issue, sale and delivery of the Shares including any stock or transfer taxes and stamp or similar duties payable upon the sale, issuance or delivery of the Shares, (iii) the producing, word processing and/or printing of this Agreement, any Powers of Attorney and any closing documents (including compilations thereof) and the reproduction and/or printing and furnishing of copies of each thereof to the Sales Agent (including costs of mailing and shipment), (iv) the qualification of the Shares for offering and sale under state laws and the determination of their eligibility for investment under state law as aforesaid (including the reasonable legal fees and filing fees and other disbursements of counsel for the Sales Agent) and the printing and furnishing of copies of any blue sky surveys to the

Sales Agent, (v) the listing of the Shares on any securities exchange or qualification of the Shares for quotation on the NYSE and any registration thereof under the Exchange Act and (vi) any filing for review of the public offering of the Shares by FINRA, including the reasonable legal fees and disbursements of counsel for the Sales Agent relating to FINRA matters. The Sales Agent will pay all of its other out-of-pocket costs and expenses incurred in connection with entering into this Agreement and the transactions contemplated by this Agreement, including, without limitation, travel, reproduction, printing and similar expenses.

SECTION 8. Conditions of Sales Agent's Obligations. The obligations of the Sales Agent hereunder are subject to (i) the accuracy of the representations and warranties on the part of the Company on the date hereof, any applicable date referred to in Section 5(q) of this Agreement and as of each Settlement Date, (ii) the performance by the Company of its obligations hereunder and (iii) to the following additional conditions precedent.

(a) (i) No stop order with respect to the effectiveness of the Registration Statement shall have been issued under the Act or proceedings initiated under Section 8(d) or 8(e) of the Act, and no order directed at or in relation to any document incorporated by reference therein and no order preventing or suspending the use of the Prospectus has been issued by the Commission, the Commission shall not have notified the Company of any objection to the use of the form of the Registration Statement or any post-effective amendment thereto, and no suspension of the qualification of the Shares for offering or sale in any jurisdiction, or to the knowledge of the Company or the Sales Agent of the initiation or threatening of any proceedings for any of such purposes, has occurred; (ii) the Registration Statement and all amendments thereto, or modifications thereof, if any, shall not contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading; (iii) none of the Basic Prospectus or the Prospectus, and no amendment or supplement thereto, or modification thereof, if any, shall include an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary in order to make the statements therein, in the light of the circumstances under which they are made, not misleading; (iv) no Prospectus, together with any combination of one or more of the Permitted Free Writing Prospectuses, if any, and no amendment or supplement thereto, shall include an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they are made, not misleading; and (v) none of the Permitted Free Writing Prospectuses, if any, shall include an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they are made, not misleading.

(b) Subsequent to the respective dates as of which information is given in the Registration Statement, the Basic Prospectus, the Prospectus and the Permitted Free Writing Prospectuses, if any, (i) no material and unfavorable change, financial or otherwise (other than as referred to in the Registration Statement and the Prospectus), in the business, condition, net worth or prospects of the Company and its subsidiaries, taken as a whole, in the judgment of the Sales Agent, shall occur or become known and (ii) no transaction which is material and unfavorable to the Company or any of its subsidiaries, taken as a whole (other than as referred to in the Registration Statement and Prospectus), in the judgment of the Sales Agent, shall have been entered into by the Company or any of its subsidiaries.

(c) The Company shall furnish to the Sales Agent, at every date specified in Section 5(r) of this Agreement for which no waiver is applicable, the opinions of Davis Polk & Wardwell LLP, Hunton Andrew Kurth LLP, Venable LLP and the Chief Legal Officer of the Company addressed to the Sales Agent, and dated as of such date, and in form satisfactory to the Sales Agent, in the form set forth in Exhibits A-1, A-2, A-3 and A-4 hereto.

(d) At the dates specified in Section 5(u) of this Agreement, the Sales Agent shall have received from the Accountants letters dated the date of delivery thereof and addressed to the Sales Agent in form and substance satisfactory to the Sales Agent.

(e) (i) The Company shall deliver to the Sales Agent, on or prior to four trading days after each Representation Date specified in Section 5(q) of this Agreement, a certificate of two of its executive officers to the effect that (i) the representations and warranties of the Company as set forth in this Agreement are true and correct as of such delivery date, (ii) the Company has performed such of its obligations under this Agreement as are to be performed at or before each such delivery date and (iii) the conditions set forth in paragraphs (a) and (b) of this Section 8 have been met. The certificate shall also state that the Shares have been duly and validly authorized by the Company, that all corporate action required to be taken for the issuance and sale of the Shares has been validly and sufficiently taken, and that the Company's Board of Directors or any other body with authority has not revoked, rescinded or otherwise modified or withdrawn such authorization or corporate action.

(f) The Sales Agent shall have received, at every date specified in Section 5(t) of this Agreement, the favorable opinion of Cravath, Swaine & Moore LLP, counsel to the Sales Agent, dated as of such date, and in form and substance satisfactory to the Sales Agent.

(g) The Sales Agent shall have received, at every date specified in Section 5(s) of this Agreement, a certificate of the Secretary of the Company, dated as of such date, and in form and substance satisfactory to the Sales Agent.

(h) All filings with the Commission required by Rule 424 under the Act to have been filed by the Settlement Date shall have been made within the applicable time period prescribed for such filing by Rule 424.

(i) The Shares shall have been approved for listing on the NYSE, subject only to notice of issuance at or prior to the Settlement Date.

For purposes of clarity and without limitation to any other provision of this Section 8 or elsewhere in this Agreement, the Company and the Sales Agent agree that the Sales Agent's obligations, if any, to solicit purchases of Shares on an agency basis or otherwise take any action pursuant to a Placement Notice shall, unless otherwise agreed in writing by the Sales Agent, be suspended during the period from and including a Representation Date for which certificates are required to be delivered pursuant to Section 5(q) through and including the time the Sales Agent shall have received the documents described in Sections 8(c) through 8(g), inclusive.

SECTION 9. Indemnification and Contribution.

(a) The Company agrees to indemnify, defend and hold harmless the Sales Agent and its affiliates, its and their directors, officers, employees and agents and any person who controls the Sales Agent within the meaning of Section 15 of the Act or Section 20 of the Exchange Act, and the successors and assigns of all of the foregoing persons, from and against any loss, damage, expense, liability or claim (including the reasonable cost of investigation) which the Sales Agent or any such person may incur under the Act, the Exchange Act, the common law or otherwise, insofar as such loss, damage, expense, liability or claim arises out of or is based upon (i) any untrue statement or alleged untrue statement of a material fact contained in the Registration Statement (or in the Registration Statement as amended by any post-effective amendment thereof by the Company) or arises out of or is based upon any omission or alleged omission to state a material fact required to be stated therein or necessary to make the statements

therein not misleading, except insofar as any such loss, damage, expense, liability or claim arises out of or is based upon any untrue statement or alleged untrue statement of a material fact contained in, and in conformity with information furnished in writing by or on behalf of the Sales Agent to the Company expressly for use in, the Registration Statement or arises out of or is based upon any omission or alleged omission to state a material fact in the Registration Statement in connection with such information, which material fact was not contained in such information and which material fact was required to be stated in such Registration Statement or was necessary to make such information not misleading or (ii) any untrue statement or alleged untrue statement of a material fact included in any Prospectus (the term Prospectus for the purpose of this Section 9 being deemed to include the Basic Prospectus, the Prospectus Supplement, the Prospectus and any amendments or supplements to the foregoing), in any Permitted Free Writing Prospectus, in any "issuer information" (as defined in Rule 433 under the Act) of the Company or in any Prospectus together with any combination of one or more of the Permitted Free Writing Prospectuses, if any, or arises out of or is based upon any omission or alleged omission to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading, except, with respect to such Prospectus or Permitted Free Writing Prospectus, insofar as any such loss, damage, expense, liability or claim arises out of or is based upon any untrue statement or alleged untrue statement of a material fact contained in, and in conformity with information furnished in writing by or on behalf of the Sales Agent to the Company expressly for use in, such Prospectus or Permitted Free Writing Prospectus or arises out of or is based upon any omission or alleged omission to state a material fact in such Prospectus or Permitted Free Writing Prospectus in connection with such information, which material fact was not contained in such information and which material fact was necessary in order to make the statements in such information, in the light of the circumstances under which they were made, not misleading.

If any action, suit or proceeding (together, a "Proceeding") is brought against the Sales Agent or any such person in respect of which indemnity may be sought against the Company pursuant to the foregoing paragraph, the Sales Agent or such person shall promptly notify the indemnifying party in writing of the institution of such Proceeding and the Company shall assume the defense of such Proceeding, including the employment of counsel reasonably satisfactory to such indemnified party and payment of all fees and expenses; provided, however, that the omission to so notify the Company shall not relieve the Company from any liability which the Company may have to the Sales Agent or any such person or otherwise except to the extent the Company was materially prejudiced by such omission. The Sales Agent or such person shall have the right to employ its or their own counsel in any such case, but the fees and expenses of such counsel shall be at the expense of the Sales Agent or of such person unless the employment of such counsel shall have been authorized in writing by the Company in connection with the defense of such Proceeding or the Company shall not have, within a reasonable period of time in light of the circumstances, employed counsel to have charge of the defense of such Proceeding or such indemnified party or parties shall have reasonably concluded that there may be defenses available to it or them which are different from, additional to or in conflict with those available to the Company (in which case the Company shall not have the right to direct the defense of such Proceeding on behalf of the indemnified party or parties), in any of which events such fees and expenses shall be borne by the Company, and paid as incurred (it being understood, however, that the Company shall not be liable for the expenses of more than one separate counsel (in addition to any local counsel) in any one Proceeding or series of related Proceedings in the same jurisdiction representing the indemnified parties who are parties to such Proceeding). The Company shall not be liable for any settlement of any Proceeding effected

without its written consent but if settled with the written consent of the Company, the Company agrees to indemnify and hold harmless the Sales Agent and any such person from and against any loss or liability by reason of such settlement. Notwithstanding the foregoing sentence, if at any time an indemnified party shall have requested the Company to reimburse the indemnified party for fees and expenses of counsel as contemplated by the second sentence of this paragraph, then the Company agrees that it shall be liable for any settlement of any Proceeding effected without its written consent if (i) such settlement is entered into more than 60 business days after receipt by the Company of the aforesaid request, (ii) the Company shall not have reimbursed the indemnified party in accordance with such request prior to the date of such settlement and (iii) such indemnified party shall have given the indemnifying party at least 30 days' prior notice of its intention to settle. The Company shall not, without the prior written consent of the indemnified party, effect any settlement of any pending or threatened Proceeding in respect of which any indemnified party is or may be a party and indemnity could have been sought hereunder by such indemnified party, unless such settlement includes an unconditional release of such indemnified party from all liability on claims that are the subject matter of such Proceeding and does not include an admission of fault or culpability or a failure to act, by or on behalf of such indemnified party.

(b) The Sales Agent agrees to indemnify, defend and hold harmless the Company, and each of its directors and each of the Company's officers, who signed the Registration Statement, and each person, if any, who controls the Company within the meaning of Section 15 of the Act or Section 20 of the Exchange Act, and the successors and assigns of all of the foregoing persons, from and against any loss, damage, expense, liability or claim (including the reasonable cost of investigation) which, jointly or severally, the Company or any such person may incur under the Act, the Exchange Act, the common law or otherwise, insofar as such loss, damage, expense, liability or claim arises out of or is based upon (i) any untrue statement or alleged untrue statement of a material fact contained in and, in conformity with information furnished in writing by or on behalf of the Sales Agent to the Company expressly for use with reference to the Sales Agent in the Registration Statement (or in the Registration Statement as amended by any post-effective amendment thereof by the Company), or arises out of or is based upon any omission or alleged omission to state a material fact in such Registration Statement in connection with such information, which material fact was not contained in such information and which material fact was required to be stated in such Registration Statement or was necessary to make such information not misleading or (ii) any untrue statement or alleged untrue statement of a material fact contained in, and in conformity with information furnished in writing by or on behalf of the Sales Agent to the Company expressly for use in, the Prospectus Supplement or a Permitted Free Writing Prospectus, or arises out of or is based upon any omission or alleged omission to state a material fact in the Prospectus Supplement or a Permitted Free Writing Prospectus in connection with such information, which material fact was not contained in such information and which material fact was necessary in order to make the statements in such information, in the light of the circumstances under which they were made, not misleading.

If any Proceeding is brought against the Company or any such person in respect of which indemnity may be sought against the Sales Agent pursuant to the foregoing paragraph, the Company or such person shall promptly notify the Sales Agent in writing of the institution of such Proceeding and the Sales Agent shall assume the defense of such Proceeding, including the employment of counsel reasonably satisfactory to such indemnified party and payment of all fees and expenses; *provided*, *however*, that the omission to so notify the Sales Agent shall not relieve the Sales Agent from any liability which the Sales Agent may have to the Company or

any such person or otherwise. The Company or such person shall have the right to employ its own counsel in any such case, but the fees and expenses of such counsel shall be at the expense of the Company such person unless the employment of such counsel shall have been authorized in writing by the Sales Agent in connection with the defense of such Proceeding or the Sales Agent shall not have, within a reasonable period of time in light of the circumstances, employed counsel to have charge of the defense of such Proceeding or such indemnified party or parties shall have reasonably concluded that there may be defenses available to it or them which are different from or additional to or in conflict with those available to the Sales Agent (in which case the Sales Agent shall not have the right to direct the defense of such Proceeding on behalf of the indemnified party or parties, but the Sales Agent may employ counsel and participate in the defense thereof but the fees and expenses of such counsel shall be at the expense of the Sales Agent), in any of which events such fees and expenses shall be borne by the Sales Agent and paid as incurred (it being understood, however, that the Sales Agent shall not be liable for the expenses of more than one separate counsel (in addition to any local counsel) in any one Proceeding or series of related Proceedings in the same jurisdiction representing the indemnified parties who are parties to such Proceeding). The Sales Agent shall not be liable for any settlement of any such Proceeding effected without the written consent of the Sales Agent but if settled with the written consent of the Sales Agent, the Sales Agent agrees to indemnify and hold harmless the Company and any such person from and against any loss or liability by reason of such settlement. Notwithstanding the foregoing sentence, if at any time an indemnified party shall have requested the Sales Agent to reimburse the indemnified party for fees and expenses of counsel as contemplated by the second sentence of this paragraph, then the Sales Agent agrees that it shall be liable for any settlement of any Proceeding effected without its written consent if (i) such settlement is entered into more than 60 business days after receipt by the Sales Agent of the aforesaid request, (ii) the Sales Agent shall not have reimbursed the indemnified party in accordance with such request prior to the date of such settlement and (iii) such indemnified party shall have given the Sales Agent at least 30 days' prior notice of its intention to settle. The Sales Agent shall not, without the prior written consent of the indemnified party, effect any settlement of any pending or threatened Proceeding in respect of which any indemnified party is a party and indemnity could have been sought hereunder by such indemnified party, unless such settlement includes an unconditional release of such indemnified party from all liability on claims that are the subject matter of such Proceeding.

(c) If the indemnification provided for in this Section 9 is unavailable to an indemnified party under subsections (a) and (b) of this Section 9 or insufficient to hold an indemnified party harmless in respect of any losses, damages, expenses, liabilities or claims referred to therein, then each applicable indemnifying party shall contribute to the amount paid or payable by such indemnified party as a result of such losses, damages, expenses, liabilities or claims (i) in such proportion as is appropriate to reflect the relative benefits received by the Company, on the one hand, and the Sales Agent, on the other hand, from the offering of the Shares or (ii) if the allocation provided by clause (i) above is not permitted by applicable law, in such proportion as is appropriate to reflect not only the relative benefits referred to in clause (i) above but also the relative fault of the Company, on the one hand, and of the Sales Agent, on the other, in connection with the statements or omissions which resulted in such losses, damages, expenses, liabilities or claims, as well as any other relevant equitable considerations. The relative benefits received by the Company, on the one hand, and the Sales Agent, on the other, shall be deemed to be in the same respective proportions as the total proceeds from the offering

(net of underwriting discounts and commissions but before deducting expenses) received by the Company, and the total underwriting discounts and commissions received by the Sales Agent, bear to the aggregate public offering price of the Shares. The relative fault of the Company, on the one hand, and of the Sales Agent, on the other, shall be determined by reference to, among other things, whether the untrue statement or alleged untrue statement of a material fact or omission or alleged omission relates to information supplied by the Company or by the Sales Agent and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission. The amount paid or payable by a party as a result of the losses, damages, expenses, liabilities and claims referred to in this subsection shall be deemed to include any legal or other fees or expenses reasonably incurred by such party in connection with investigating, preparing to defend or defending any Proceeding.

(d) The Company and the Sales Agent agree that it would not be just and equitable if contributions pursuant to this Section 9 were determined by pro rata allocation or by any other method of allocation which does not take account of the equitable considerations referred to in subsection (c) above. Notwithstanding the provisions of this Section 9, the Sales Agent shall not be required to contribute any amount in excess of commissions received by it under this Agreement. No person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation.

(e) The Company and the Sales Agent agree promptly to notify each other of the commencement of any Proceeding against it and, in the case of the Company, against any of the Company's officers or directors in connection with the issuance and sale of the Shares, or in connection with the Registration Statement, the Basic Prospectus, the Prospectus or any Permitted Free Writing Prospectus.

SECTION 10. Representations and Agreements to Survive Delivery. The indemnity and contribution agreements contained in Section 9 and the covenants, warranties and representations of the Company contained in this Agreement or in certificates delivered pursuant hereto shall remain in full force and effect regardless of any investigation made by or on behalf of the Sales Agent, its partners, directors or officers or any person (including each partner, officer or director of such person) who controls the Sales Agent within the meaning of Section 15 of the Act or Section 20 of the Exchange Act, or by or on behalf of the Company, its directors or officers or any person who controls the Company within the meaning of Section 15 of the Act or Section 20 of the Exchange Act, and shall survive any termination of this Agreement or the issuance and delivery of the Shares.

SECTION 11. Termination.

(a) The Company shall have the right, by giving written notice as hereinafter specified, to terminate the provisions of this Agreement relating to the solicitation of offers to purchase the Shares in its sole discretion at any time. Any such termination shall be without liability of any party to any other party except that (i) if any of the Shares have been sold through the Sales Agent for the Company, then Section 5(j) and Section 5(w) shall remain in full force and effect, (ii) with respect to any pending sale, through the Sales Agent for the Company, the obligations of the Company, including in respect of compensation of the Sales Agent, shall remain in full force and effect notwithstanding the termination and (iii) the provisions of Sections 7, 9, 10, 12, 13, 14, 18 and 20 of this Agreement shall remain in full force and effect notwithstanding such termination.

(b) The Sales Agent shall have the right, by giving written notice as hereinafter specified, to terminate the provisions of this Agreement relating to the solicitation of offers to

purchase the Shares in its sole discretion at any time. Any such termination shall be without liability of any party to any other party except that (i) if any of the Shares have been sold through the Sales Agent for the Company, then Section 5(j) and Section 5(w) shall remain in full force and effect and (ii) the provisions of Sections 7, 9, 10, 12, 13, 14, 18 and 20 of this Agreement shall remain in full force and effect notwithstanding such termination.

(c) This Agreement shall remain in full force and effect unless terminated pursuant to Sections 11(a) or 11(b) above or otherwise by mutual agreement of the parties; and shall automatically terminate on May 8, 2030; *provided* that any such termination by mutual agreement shall in all cases be deemed to provide that Sections 7, 9 and 10 shall remain in full force and effect.

(d) Any termination of this Agreement shall be effective on the date specified in such notice of termination; *provided* that such termination shall not be effective until the close of business on the date of receipt of such notice by the Sales Agent or the Company, as the case may be. If such termination shall occur prior to the Settlement Date for any sale of the Shares, such sale shall settle in accordance with the provisions of Section 4(a)(vi) of this Agreement.

SECTION 12. Notices. Except as otherwise herein provided, all statements, requests, notices and agreements under this Agreement shall be in writing and delivered by hand, overnight courier, mail or facsimile and, if to the Sales Agent, shall be sufficient in all respects if delivered or sent to Wells Fargo Securities, LLC, 500 West 33rd Street, New York, New York 10001, Attention: Equity Syndicate Department, facsimile number: (212) 214-5918, and a copy for information purposes to Andrew J. Pitts, Esq. and Ryan J. Patrone, Esq. at Cravath, Swaine & Moore LLP, Two Manhattan West, 375 Ninth Avenue, New York, New York 10001 and, if to the Company, it shall be sufficient in all respects if delivered or sent to the Company at the offices of the Company at 1211 Avenue of the Americas, New York, New York 10036, Attention: David L. Finkelstein with a copy for information purposes to Davis Polk & Wardwell LLP at 450 Lexington Avenue New York, New York 10017, Attention: Shane Tintle, facsimile number: (212) 450-4000, Email: shane.tintle@davispolk.com. Each party to this Agreement may change such address for notices by sending to the parties to this Agreement written notice of a new address for such purpose.

SECTION 13. Parties at Interest. The Agreement herein set forth has been and is made solely for the benefit of the Sales Agent, the Company and, to the extent provided in Section 9 of this Agreement, the controlling persons, directors and officers referred to in such section, and their respective successors, assigns, heirs, personal representatives and executors and administrators. No other person, partnership, association or corporation (including a purchaser, as such purchaser, from the Sales Agent) shall acquire or have any right under or by virtue of this Agreement.

SECTION 14. No Fiduciary Relationship. The Company hereby acknowledges that the Sales Agent is acting solely as sales agent and/or principal in connection with the purchase and sale of the Company's securities. The Company further acknowledges that the Sales Agent is acting pursuant to a contractual relationship created solely by this Agreement entered into on an arm's length basis, and in no event do the parties intend that the Sales Agent act or be responsible as a fiduciary to the Company or its management, stockholders or creditors or any other person in connection with any activity that the Sales Agent may undertake or have undertaken in furtherance of the purchase and sale of the Company's securities, either before or after the date hereof. The Sales Agent hereby expressly disclaims any fiduciary or similar obligations to the Company, either in connection with the transactions contemplated by this Agreement or any matters leading up to such transactions, and the Company hereby confirms its understanding and agreement to that effect. The Company and the Sales Agent agree that they

are each responsible for making their own independent judgments with respect to any such transactions and that any opinions or views expressed by the Sales Agent to the Company regarding such transactions, including, but not limited to, any opinions or views with respect to the price or market for the Company's securities, do not constitute advice or recommendations to the Company, nor shall the expression of such opinions or views constitute any solicitation of any action by the Sales Agent. The Company hereby (a) waives and releases, to the fullest extent permitted by law, any claims that the Company may have against the Sales Agent with respect to any breach or alleged breach of any fiduciary or similar duty to the Company in connection with the transactions contemplated by this Agreement or any matters leading up to such transactions and (b) agrees that none of the activities of the Sales Agent in connection with the transactions contemplated herein constitutes a recommendation, investment advice or solicitation of any action by the Sales Agent with respect to any entity or natural person. The Company has consulted its own legal, accounting, financial, regulatory and tax advisors to the extent deemed appropriate.

SECTION 15. Press Releases and Disclosure. The Company may issue a press release in compliance with Rule 134 under the Act describing the material terms of the transactions contemplated hereby as soon as practicable following the date hereof, and may file with the Commission a Current Report on Form 8-K describing the material terms of the transaction contemplated hereby, and the Company shall consult with the Sales Agent prior to making such disclosures, and the parties shall use all reasonable efforts, acting in good faith, to agree upon a text for such disclosures that is reasonably satisfactory to all parties. No party hereto shall issue thereafter any press release or like public statement (including, without limitation, any disclosure required in reports filed with the Commission pursuant to the Exchange Act) related to this Agreement or any of the transactions contemplated hereby without the prior written approval of the other parties hereto, except as may be necessary or appropriate in the opinion of the party seeking to make disclosure to comply with the requirements of applicable law or stock exchange rules. If any such press release or like public statement is so required, the party making such disclosure shall consult with the other party prior to making such disclosure, and the parties shall use all reasonable efforts, acting in good faith, to agree upon a text for such disclosure that is reasonably satisfactory to all parties.

SECTION 16. Adjustments for Stock Splits. The parties acknowledge and agree that all share related numbers contained in this Agreement shall be adjusted to take into account any stock split effected with respect to the Shares.

SECTION 17. Entire Agreement. This Agreement constitutes the entire agreement and supersedes all other prior and contemporaneous agreements and undertakings, both written and oral, among the parties hereto with regard to the subject matter hereof. The Company and the Sales Agent hereby confirm and agree that the Distribution Agency Agreement, dated September 20, 2024 (as amended, supplemented or otherwise modified from time to time, the "Prior Sales Agreement"), between the Company and the Sales Agent is hereby deemed to be terminated, effective as of May 8, 2025, pursuant to Section 11(a) thereof and, except as provided in Section 11 thereof, is of no further force and effect.

SECTION 18. Counterparts; Electronic Signatures. This Agreement may be signed by the parties in one or more counterparts which together shall constitute one and the same agreement among the parties. Delivery of this Agreement by one party to the other may be made by facsimile, electronic mail (including any electronic signature complying with the New York Electronic Signatures and Records Act (N.Y. State Tech. §§ 301-309), as amended from time to time, or other applicable law) or other transmission method, and the parties hereto agree that any counterpart so delivered shall be deemed to have been duly and validly delivered and be valid and effective for all purposes.

SECTION 19. Law; Construction. This Agreement and any claim, counterclaim or dispute of any kind or nature whatsoever arising out of or in any way relating to this Agreement ("Claim"), directly or indirectly, shall be governed by, and construed in accordance with, the internal laws of the State of New York.

SECTION 20. Headings. The Section headings in this Agreement have been inserted as a matter of convenience of reference and are not a part of this Agreement.

SECTION 21. Submission to Jurisdiction. Except as set forth below, no Claim may be commenced, prosecuted or continued in any court other than the courts of the State of New York located in the City and County of New York or in the United States District Court for the Southern District of New York, which courts shall have jurisdiction over the adjudication of such matters, and the Company consents to the non-exclusive jurisdiction of such courts and personal service with respect thereto. The Company hereby consents to personal jurisdiction, service and venue in any court in which any Claim arising out of or in any way relating to this Agreement is brought by any third party against the Sales Agent or any indemnified party. Each of the Sales Agent and the Company (on its behalf and, to the extent permitted by applicable law, on behalf of its stockholders and affiliates) waives all right to trial by jury in any action, proceeding or counterclaim (whether based upon contract, tort or otherwise) in any way arising out of or relating to this Agreement. The Company agrees that a final judgment in any such action, proceeding or counterclaim brought in any such court shall be conclusive and binding upon the Company and may be enforced in any other courts in the jurisdiction of which the Company is or may be subject, by suit upon such judgment.

SECTION 22. Successors and Assigns. This Agreement shall be binding upon the Sales Agent, the Company and their successors and assigns and any successor or assign of any substantial portion of the Company's and the Sales Agent's respective businesses and/or assets.

SECTION 23. Recognition of the U.S. Special Resolution Regimes. In the event that the Sales Agent that is a Covered Entity becomes subject to a proceeding under a U.S. Special Resolution Regime, the transfer from the Sales Agent of this Agreement, and any interest and obligation in or under this Agreement, will be effective to the same extent as the transfer would be effective under the U.S. Special Resolution Regime if this Agreement, and any such interest and obligation, were governed by the laws of the United States or a state of the United States.

In the event that the Sales Agent that is a Covered Entity or a BHC Act Affiliate of such Sales Agent becomes subject to a proceeding under a U.S. Special Resolution Regime, Default Rights under this Agreement that may be exercised against such Sales Agent are permitted to be exercised to no greater extent than such Default Rights could be exercised under the U.S. Special Resolution Regime if this Agreement were governed by the laws of the United States or a state of the United States.

For purposes of this Section 23, a "BHC Act Affiliate" has the meaning assigned to the term "affiliate" in, and shall be interpreted in accordance with, 12 U.S.C. § 1841(k). "Covered Entity" means any of the following: (i) a "covered entity" as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 252.82(b); (ii) a "covered bank" as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 47.3(b); or (iii) a "covered FSI" as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 382.2(b). "Default Right" has the meaning assigned to that term in, and shall be interpreted in accordance with, 12 C.F.R. §§ 252.81, 47.2 or 382.1, as applicable. "U.S. Special Resolution Regime" means each of (i) the

Federal Deposit Insurance Act and the regulations promulgated thereunder and (ii) Title II of the Dodd-Frank Wall Street Reform and Consumer Protection Act and the regulations promulgated thereunder.

If the foregoing correctly sets forth the understanding among the Company and the Sales Agent, please so indicate in the space provided below for that purpose, whereupon this Agreement and your acceptance shall constitute a binding agreement among the Company and the Sales Agent. Alternatively, the execution of this Agreement by the Company and its acceptance by or on behalf of the Sales Agent may be evidenced by an exchange of telegraphic or other written communications.

Very truly yours,

ANNALY CAPITAL MANAGEMENT, INC.

By: /s/ David L. Finkelstein
Name: David L. Finkelstein
Title: Chief Executive Officer and
Co-Chief Investment Officer

[***Signature Page to Distribution Agency Agreement***]

ACCEPTED as of the date
first above written

WELLS FARGO SECURITIES, LLC

By: /s/ Jaime Cohen
Name: Jaime Cohen
Title: Managing Director

[***Signature Page to Distribution Agency Agreement***]

Schedule A
Permitted Free Writing Prospectuses

None.

Schedule B

Authorized Company Representatives

David Finkelstein, Chief Executive Officer and Co-Chief Investment Officer
Telephone: (212) 205-7256
Fax: (212) 696-0100
Email: dfinkelstein@annaly.com

Steve Campbell, President and Chief Operating Officer
Telephone: (212) 413-1885
Fax: (212) 696-0100
Email: scampbell@annaly.com

Serena Wolfe, Chief Financial Officer
Telephone: (212) 626-2308
Fax: (212) 696-0100
Email: swolfe@annaly.com

Anthony Green, Chief Corporate Officer, Chief Legal Officer and Secretary
Telephone: (646) 728-7668
Fax: (212) 696-0100
Email: agreen@annaly.com

Exhibit A-1

Opinion of Davis Polk & Wardwell LLP

See attached.

Exhibit A-2

Opinion of Hunton Andrew Kurth LLP

See attached.

Exhibit A-3

Opinion of Venable LLP

See attached.

Exhibit A-4

Opinion of the Company's Chief Legal Officer

See attached.

VENABLE LLP 750 E. PRATT STREET SUITE 900 BALTIMORE, MD 21202
T 410.244.7400 F 410.244.7742 www.Venable.com

May 8, 2025

Annaly Capital Management, Inc. 1211 Avenue of the Americas New York, NY 10036

Re: Registration Statement on Form S-3

Ladies and Gentlemen:

We have served as Maryland counsel to Annaly Capital Management, Inc., a Maryland corporation (the "Company"), in connection with certain matters of Maryland law relating to the registration of the offering and sale of up to $2,000,000,000 in shares (the "Shares") of common stock, $0.01 par value per share (the "Common Stock"), of the Company, in an at-the-market offering on the above-referenced Registration Statement on Form S-3, and all amendments thereto (the "Registration Statement"), filed by the Company with the United States Securities and Exchange Commission (the "Commission") under the Securities Act of 1933, as amended (the "Securities Act").

In connection with our representation of the Company, and as a basis for the opinion hereinafter set forth, we have examined originals, or copies certified or otherwise identified to our satisfaction, of the following documents (hereinafter collectively referred to as the "Documents"):

1. The Registration Statement and the related form of prospectus included therein and the supplement thereto relating to the offering and sale of the Shares, each in the form in which it was filed with the Commission under the Securities Act;

2. The charter of the Company (the "Charter"), certified by the State Department of Assessments and Taxation of Maryland (the "SDAT");

3. The Amended and Restated Bylaws of the Company, certified as of the date hereof by an officer of the Company;

4. A certificate of the SDAT as to the good standing of the Company, dated as of a recent date;

5. Resolutions (the "Resolutions") adopted by the Board of Directors of the Company (the "Board"), relating to, among other matters, the sale and issuance of the Shares, certified as of the date hereof by an officer of the Company;

6. A certificate executed by an officer of the Company, dated as of the date hereof; and

7. Such other documents and matters as we have deemed necessary or appropriate to express the opinion set forth below, subject to the assumptions, limitations and qualifications stated herein.

In expressing the opinion set forth below, we have assumed the following:

1. Each individual executing any of the Documents, whether on behalf of such individual or another person, is legally competent to do so.

2. Each individual executing any of the Documents on behalf of a party (other than the Company) is duly authorized to do so.

3. Each of the parties (other than the Company) executing any of the Documents has duly and validly executed and delivered each of the Documents to which such party is a signatory, and such party's obligations set forth therein are legal, valid and binding and are enforceable in accordance with all stated terms.

4. All Documents submitted to us as originals are authentic. The form and content of all Documents submitted to us as unexecuted drafts do not differ in any respect relevant to this opinion from the form and content of such Documents as executed and delivered. All Documents submitted to us as certified or photostatic copies conform to the original documents. All signatures on all Documents are genuine. All public records reviewed or relied upon by us or on our behalf are true and complete. All representations, warranties, statements and information contained in the Documents are true and complete. There has been no oral or written modification of or amendment to any of the Documents, and there has been no waiver of any provision of any of the Documents, by action or omission of the parties or otherwise.

5. The Shares will not be issued or transferred in violation of the restrictions on transfer and ownership contained in Article XI of the Charter.

6. Upon the issuance of any of the Shares, the total number of shares of Common Stock issued and outstanding will not exceed the total number of shares of Common Stock that the Company is then authorized to issue under the Charter.

Based upon the foregoing, and subject to the assumptions, limitations and qualifications stated herein, it is our opinion that:

1. The Company is a corporation duly incorporated and validly existing under and by virtue of the laws of the State of Maryland and is in good standing with the SDAT.

2. The issuance of the Shares has been duly authorized and, when and if delivered against payment therefor in accordance with the Registration Statement and the Resolutions, the Shares will be validly issued, fully paid and nonassessable.

The foregoing opinion is limited to the laws of the State of Maryland and we do not express any opinion herein concerning federal law or the laws of any other jurisdiction. We express no opinion as to the applicability or effect of federal or state securities laws, including the securities laws of the State of Maryland, federal or state laws regarding fraudulent transfers or the laws, codes or regulations of any municipality or other local jurisdiction. To the extent that any matter as to which our opinion is expressed herein would be governed by the laws of any jurisdiction other than the State of Maryland, we do not express any opinion on such matter. The opinion expressed herein is subject to the effect of any judicial decision which may permit the introduction of parol evidence to modify the terms or the interpretation of agreements.

The opinion expressed herein is limited to the matters specifically set forth herein and no other opinion shall be inferred beyond the matters expressly stated. We assume no obligation to supplement this opinion if any applicable law changes after the date hereof or if we become aware of any fact that might change the opinion expressed herein after the date hereof.

This opinion is being furnished to you for submission to the Commission as an exhibit to the Company's Quarterly Report on Form 10-Q (the "Quarterly Report"), which is incorporated by reference in the Registration Statement. We hereby consent to the filing of this opinion as an exhibit to the Quarterly Report and the said incorporation by reference and to the use of the name of our firm therein. In giving this consent, we do not admit that we are within the category of persons whose consent is required by Section 7 of the Securities Act.

Very truly yours,

/s/ Venable LLP

Exhibit 31.1

CERTIFICATIONS

I, David L. Finkelstein, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Annaly Capital Management, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 8, 2025

/s/ David L. Finkelstein

Chief Executive Officer and Co-Chief Investment Officer (Principal Executive Officer)

Exhibit 31.2

CERTIFICATIONS

I, Serena Wolfe, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Annaly Capital Management, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 8, 2025

/s/ Serena Wolfe
Chief Financial Officer (Principal Financial Officer)

Exhibit 32.1

ANNALY CAPITAL MANAGEMENT, INC.
1211 AVENUE OF THE AMERICAS
NEW YORK, NEW YORK 10036

CERTIFICATION
PURSUANT TO SECTION 906 OF THE
SARBANES-OXLEY ACT OF 2002, 18 U.S.C. SECTION 1350

In connection with the quarterly report on Form 10-Q of Annaly Capital Management, Inc. (the "Company") for the quarter ended March 31, 2025 to be filed with the Securities and Exchange Commission on or about the date hereof (the "Report"), I, David L. Finkelstein, Chief Executive Officer and Chief Investment Officer of the Company, certify, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, 18 U.S.C. Section 1350, that:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company at the dates of, and for the periods covered by, the Report.

It is not intended that this statement be deemed to be filed for purposes of the Securities Exchange Act of 1934.

/s/ David L. Finkelstein
David L. Finkelstein
Chief Executive Officer and Co-Chief Investment Officer (Principal Executive Officer)
May 8, 2025

Exhibit 32.2

ANNALY CAPITAL MANAGEMENT, INC.
1211 AVENUE OF THE AMERICAS
NEW YORK, NEW YORK 10036

CERTIFICATION
PURSUANT TO SECTION 906 OF THE
SARBANES-OXLEY ACT OF 2002, 18 U.S.C. SECTION 1350

In connection with the quarterly report on Form 10-Q of Annaly Capital Management, Inc. (the "Company") for the quarter ended March 31, 2025 to be filed with the Securities and Exchange Commission on or about the date hereof (the "Report"), I, Serena Wolfe, Chief Financial Officer of the Company, certify, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, 18 U.S.C. Section 1350, that:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company at the dates of, and for the periods covered by, the Report.

It is not intended that this statement be deemed to be filed for purposes of the Securities Exchange Act of 1934.

/s/ Serena Wolfe
Serena Wolfe
Chief Financial Officer (Principal Financial Officer)
May 8, 2025