CARDTRONICS INC
Form 424B3
June 17, 2015
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Filed Pursuant to Rule 424(b)(3)
Registration No. 333-204778

PROSPECTUS

Cardtronics, Inc.

Offer to Exchange

Up To $250,000,000 of

5.125% Senior Notes due 2022

That Have Been Registered Under

The Securities Act of 1933

For

Up To $250,000,000 of

5.125% Senior Notes due 2022

That Have Not Been Registered Under

The Securities Act of 1933

Terms of the New 5.125% Senior Notes due 2022 Offered in the Exchange Offer:

The terms of the new notes are identical to the terms of the old notes that were issued on July 28, 2014, except that the new notes will be registered under the Securities Act of 1933, as amended (the Securities Act) and will not contain restrictions on transfer, registration rights or provisions for additional interest.

Terms of the Exchange Offer:

We are offering to exchange up to $250,000,000 of our new notes that have been registered under the Securities Act and are freely tradable for up to $250,000,000 of our old notes.

We will exchange an equal principal amount of new notes for all old notes that you validly tender and do not validly withdraw before the exchange offer expires.

The exchange offer expires at 5:00 p.m., New York City time, on July 16, 2015, unless extended.

Tenders of old notes may be withdrawn at any time prior to the expiration of the exchange offer.

The exchange of new notes for old notes will not be a taxable event for U.S. federal income tax purposes.

You should carefully consider the risk factors set forth under Risk Factors beginning on page 8 of this prospectus before participating in the exchange offer.

Each broker-dealer that receives new notes for its own account pursuant to the exchange offer must acknowledge that it will deliver a prospectus in connection with any resale of such new notes. This prospectus, as it may be amended or supplemented from time to time, may be used by a broker-dealer in connection with resales of new notes received in exchange for old notes where such old notes were acquired by such broker-dealer as a result of market-making activities or other trading activities. Please read Plan of Distribution.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

The date of this prospectus is June 17, 2015

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This prospectus is part of a registration statement we filed with the Securities and Exchange Commission. In making your investment decision, you should rely only on the information contained in this prospectus and in the accompanying letter of transmittal. We have not authorized anyone to provide you with any other information. We are not making an offer to sell these securities or soliciting an offer to buy these securities in any jurisdiction where an offer or solicitation is not authorized or in which the person making that offer or solicitation is not qualified to do so or to anyone whom it is unlawful to make an offer or solicitation. You should not assume that the information contained in this prospectus is accurate as of any date other than its respective date.

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Unless the context requires otherwise or unless otherwise noted, all references in this prospectus to Cardtronics, we, us and our refer to Cardtronics, Inc. and its subsidiaries.

This prospectus incorporates important business and financial information about us that is not included or delivered with this prospectus. Such information is available without charge to holders of old notes upon written or oral request made to Cardtronics, Inc., 3250 Briarpark Drive, Suite 400, Houston, Texas 77042, Attention: Michael E. Keller, Telephone: (832) 308-4000. **To obtain timely delivery, you must request the information no later than July 8, 2015**.

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CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

The information in this prospectus and in the documents incorporated by reference include forward-looking statements within the meaning of Section 27A of the Securities Act and Section 21E of the Securities Exchange Act of 1934, as amended (the Exchange Act). The words believe, expect, anticipate, plan, intend, foresee, shoul could or other similar expressions are intended to identify forward-looking statements, which are generally not historical in nature. These forward-looking statements are based on our current expectations, beliefs, assumptions, or forecasts concerning future developments and their potential effect on us. While management believes that these forward-looking statements are reasonable as and when made, there can be no assurance that future developments affecting us will be those that we currently anticipate. All comments concerning our expectations for future revenues and operating results are based on our forecasts for our existing operations and do not include the potential impact of any future acquisitions. Our forward-looking statements involve significant risks and uncertainties (some of which are beyond our control) and assumptions that could cause actual results to differ materially from our historical experience and our present expectations or projections. Important factors that could cause actual results to differ materially from those in the forward-looking statements include, but are not limited to, those summarized below:

- our financial outlook and the financial outlook of the automated teller machines (ATM) industry and the continued usage of cash by consumers at rates near historical patterns;
- our ability to respond to recent and future network and regulatory changes, including forthcoming requirements surrounding Europay, MasterCard and Visa security standards;
- our ability to renew existing customer relationships on comparable economic terms and add new customers;
- our ability to pursue and successfully integrate acquisitions;
- our ability to respond to potential reductions in the amount of net interchange fees that we receive from global and regional debit networks for transactions conducted on our ATMs due to pricing changes implemented by those networks as well as changes in how issuers route their ATM transactions over those networks;
- our ability to provide new ATM solutions to retailers and financial institutions including placing additional banks brands on ATMs currently deployed;
- our ATM vault cash rental needs, including potential liquidity issues with our vault cash providers and our ability to continue to secure vault cash rental agreements in the future;
- our ability to successfully manage our existing international operations and to continue to expand internationally;

our ability to prevent thefts of cash and data security breaches;

our ability to manage the risks associated with our third-party service providers failing to perform their contractual obligations;

our ability to manage concentration risks with key customers, vendors and service providers;

changes in interest rates and foreign currency rates;

our ability to successfully implement our corporate strategy;

our ability to compete successfully with new and existing competitors;

our ability to meet the service levels required by our service level agreements with our customers;

the additional risks we are exposed to with our U.K. armored transport business; and

our ability to retain key employees and maintain good relations with employees.

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These factors do not necessarily include all of the important factors that could cause actual results to differ materially from those expressed in any of our forward-looking statements. Other factors could also have material adverse effects on future results. Consequently, all of the forward-looking statements made in this document are qualified by these cautionary statements, and we cannot assure you that actual results or developments that we anticipate will be realized or, even if substantially realized, will have the expected consequences to, or effect on, us or our business or operations. Also note that we provided additional cautionary discussion of risks and uncertainties under Risk Factors in this prospectus and in our Annual Report on Form 10-K for the year ended December 31, 2014, which is incorporated herein by reference and, to the extent applicable, any subsequently filed reports.

Although the expectations in the forward-looking statements are based on our current beliefs and expectations, caution should be taken not to place undue reliance on any such forward-looking statements because such statements speak only as of the date hereof. Except as required by federal and state securities laws, we undertake no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. All forward-looking statements attributable to us or any person acting on our behalf are expressly qualified in their entirety by the cautionary statements contained, incorporated by reference or referred to in this prospectus. In light of these risks, uncertainties and assumptions, the forward-looking events discussed in this prospectus may not occur.

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PROSPECTUS SUMMARY

This summary highlights some of the information contained in this prospectus and does not contain all of the information that may be important to you. This summary is not complete and does not contain all of the information that you should consider before deciding whether to exchange your old notes. For a more complete understanding of Cardtronics and this exchange offer, we encourage you to read this entire document, including Risk Factors and the financial and other information included or incorporated by reference in this prospectus, Risk Factors in our Annual Report on Form 10-K for the year ended December 31, 2014, and the other documents to which we have referred.

In this prospectus we refer to the notes to be issued in the exchange offer as the new notes and the notes issued on July 28, 2014 as the old notes. We refer to the new notes and the old notes collectively as the notes.

Cardtronics, Inc.

Cardtronics, Inc. provides convenient automated consumer financial services through its network of ATMs and multi-function financial services kiosks. As of March 31, 2015, we were the world s largest retail ATM owner, providing services to approximately 111,500 devices throughout the United States (U.S.) (including the U.S. territory of Puerto Rico), the United Kingdom (U.K.), Germany, Poland, Canada, and Mexico. As of March 31, 2015, 70% of our total revenues were derived from our operations in North America, and 30% from our operations in Europe. In the U.S., certain of our devices are multi-function financial services kiosks that, in addition to traditional ATM functions such as cash dispensing and bank account balance inquiries, perform other consumer financial services, including bill payments, check cashing, remote deposit capture (which is deposit taking at ATMs using electronic imaging), and money transfers. Also included in the number of devices in our network as of March 31, 2015 were approximately 34,300 ATMs to which we provided various forms of managed services. Under a managed services arrangement, retailers, financial institutions, and ATM distributors rely on us to handle some or all of the operational aspects associated with operating and maintaining ATMs, typically in exchange for a monthly service fee or fee per service provided.

We often partner with large, nationally and regionally known retail merchants under multi-year contracts to place our ATMs and kiosks within their store locations. In doing so, we provide our retail partners with a compelling automated financial services solution that helps attract and retain customers, and in turn increases the likelihood that our devices will be utilized. We also own and operate an electronic funds transfer (EFT) transaction processing platform that provides transaction processing services to our network of ATMs and financial services kiosks, as well as to ATMs owned and operated by third-parties.

We generally deploy and operate devices under three distinct arrangements with our retail partners: Company-owned ATM placements, merchant-owned ATM placements, and managed services. Under Company-owned arrangements, we provide the physical device (ATM) and are typically responsible for all aspects of its operations, including transaction processing, managing cash and cash delivery, supplies, and telecommunications, as well as routine and technical maintenance. Under merchant-owned arrangements, the retail merchant or an independent distributor owns the device and is usually responsible for providing cash and performing simple maintenance tasks, while we provide more complex maintenance services, transaction processing, and connection to the EFT networks. We also offer various forms of managed services, depending on the needs of our customers. Each managed services arrangement is a customized ATM management solution that can include any combination of the following services: monitoring, maintenance, cash management, cash delivery, customer service, transaction processing, and other services. As of March 31, 2015, 51% of our

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devices operated were Company-owned, 20% were merchant-owned and 29% of our devices were operated under a managed services solution. Each of the arrangement types described above are attractive to us, and we plan to continue growing our revenues under each arrangement type.

In addition to its retail merchant relationships, the Company also partners with leading national financial institutions to brand selected ATMs and financial services kiosks within its network, including BBVA Compass Bancshares, Inc., Citibank, N.A., Citizens Financial Group, Inc., Cullen/Frost Bankers, Inc., Santander Bank, N.A., and PNC Bank, N.A. in the U.S. and The Bank of Nova Scotia (Scotiabank) in Canada and Puerto Rico. In Mexico, the Company partners with BansÍ, S.A. Institución de Banca Multiple, a regional bank in Mexico and a noncontrolling interest owner in Cardtronics Mexico, S.A. de C.V., as well as with Grupo Financiero Banorte, S.A. de C.V. and Scotiabank to place their brands on the Company s ATMs in exchange for certain services provided by them. As of March 31, 2015, approximately 22,000 of our ATMs were under contract with 425 financial institutions to place their logos on our ATMs and to provide convenient surcharge-free access for their banking customers.

We also own and operate the Allpoint network (Allpoint), the largest surcharge-free ATM network within the U.S. (based on the number of participating ATMs). Allpoint, which has approximately 55,000 participating ATMs globally, provides surcharge-free ATM access to customers of participating financial institutions that lack a significant ATM network in exchange for either a fixed monthly fee per cardholder or a set fee per transaction that is paid by the financial institutions who are members of the network. Allpoint includes a majority of our ATMs in the U.S., and a number of locations in the U.K., Canada, and Mexico. Allpoint also works with financial institutions that manage stored-value debit card programs on behalf of corporate entities and governmental agencies, including general purpose, payroll and electronic benefits transfer cards. Under these programs, the issuing financial institutions pay Allpoint a fee per issued stored-value card or per transaction in return for allowing the users of those cards surcharge-free access to Allpoint s participating ATM network.

Our revenues are recurring in nature, and historically have been derived primarily from convenience transaction fees, which are paid by cardholders, and transaction fees, including interchange fees, which are paid by the cardholder s financial institution for the use of the devices serving their customers and the connectivity to the applicable EFT network that transmits data between the device and the cardholder s financial institution. Other revenue sources include: (1) branding our devices with the logos of leading national and regional banks and other financial institutions, (2) providing managed services solutions to retailers and financial institutions, (3) collecting fees from financial institutions that participate in our Allpoint surcharge-free network, and (4) selling ATM-related equipment and other ancillary services. For additional discussion of our business, please read the documents listed under Where You Can Find More Information.

Our Principal Executive Offices

Our executive offices are located at 3250 Briarpark Drive, Suite 400, Houston, Texas 77042. Our telephone number is (832) 308-4000. We maintain a website at *http:// www.cardtronics.com* that provides information about our business and operations. Information contained on or available through our website is not incorporated herein by reference.

Risk Factors

Investing in the notes involves substantial risks. You should carefully consider all the information contained in this prospectus prior to participating in the exchange offer. In particular, we urge you to consider carefully the factors set forth under Risk Factors beginning on page 8 of this prospectus and Risk Factors in our Annual Report on Form 10-K for the year ended December 31, 2014, together with all of the other information included or incorporated by reference in this prospectus.

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Exchange Offer

On July 28, 2014, we completed a private offering of the old notes. We entered into a registration rights agreement with the initial purchasers in the private offering in which we agreed to deliver to you this prospectus and to use our reasonable best efforts to complete the exchange offer within 365 days after the date we issued the old notes.

Exchange Offer	We are offering to exchange new notes for old notes.
Expiration Date	The exchange offer will expire at 5:00 p.m., New York City time, on July 16, 2015, unless we decide to extend it. We currently do not intend to extend the expiration date.
Condition to the Exchange Offer	The registration rights agreement does not require us to accept old notes for exchange if the exchange offer, or the making of any exchange by a holder of the old notes, would violate any applicable law or interpretation of the staff of the Securities and Exchange Commission. The exchange offer is not conditioned on a minimum aggregate principal amount of old notes being tendered.
Procedures for Tendering Old Notes	To participate in the exchange offer, you must follow the procedures established by The Depository Trust Company, which we call DTC, for tendering notes held in book-entry form. These procedures, which we call ATOP, require that (i) the exchange agent receive, prior to the expiration date of the exchange offer, a computer generated message known as an agent s message that is transmitted through DTC s automated tender offer program, and (ii) DTC confirm that: DTC has received your instructions to exchange your notes, and you agree to be bound by the terms of the letter of transmittal. For more information on tendering your old notes, please refer to the section in this prospectus entitled Exchange Offer Terms of the Exchange Offer and Procedures for Tendering.
Guaranteed Delivery Procedures	None.
Withdrawal of Tenders	You may withdraw your tender of old notes at any time prior to the expiration date. For a withdrawal to be effective, you must comply with the appropriate procedures of DTC s ATOP system before 5:00 p.m.,

	New York City time, on the expiration date of the exchange offer. Please refer to the section in this prospectus entitled Exchange Offer Withdrawal of Tenders.
Acceptance of Old Notes and Delivery of New Notes	If you fulfill all conditions required for proper acceptance of old notes, we will accept any and all old notes that you properly tender in the exchange offer on or before 5:00 p.m., New York City time, on the expiration date. We will return any old note that we do not accept for exchange to you without expense promptly after the

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	expiration date. We will deliver the new notes promptly after the expiration date of the exchange offer. Please refer to the section in this prospectus entitled Exchange Offer Terms of the Exchange Offer.
Fees and Expenses	We will bear expenses related to the exchange offer. Please refer to the section in this prospectus entitled Exchange Offer Fees and Expenses.
Use of Proceeds	The issuance of the new notes will not provide us with any new proceeds. We are making this exchange offer solely to satisfy our obligations under our registration rights agreement.
Consequences of Failure to Exchange Old Notes	If you do not exchange your old notes in this exchange offer, you will no longer be able to require us to register the old notes under the Securities Act, except in limited circumstances provided under the registration rights agreement. In addition, you will not be able to resell, offer to resell or otherwise transfer the old notes unless we have registered the old notes under the Securities Act, or unless you resell, offer to resell or otherwise transfer them under an exemption from the registration requirements of, or in a transaction not subject to, the Securities Act.
U.S. Federal Income Tax Consequences	The exchange of new notes for old notes in the exchange offer will not be a taxable event for U.S. federal income tax purposes. Please read Certain U.S. Federal Income Tax Consequences.
Exchange Agent	We have appointed Wells Fargo Bank, National Association, as Exchange Agent for the Exchange Offer (the Exchange Agent). You should direct questions and requests for assistance and requests for additional copies of this prospectus or the letter of transmittal to the Exchange Agent addressed as follows: *By Registered & Certified Mail*: Wells Fargo Bank, N.A. Corporate Trust Operations MAC N9303-121 PO Box 1517 Minneapolis, Minnesota 55480

By regular mail or overnight courier:

Wells Fargo Bank, N.A.

Corporate Trust Operations

MAC N9303-121

Sixth & Marquette Avenue

Minneapolis, Minnesota 55479

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In person by hand only:

Wells Fargo Bank, N.A.

12th Floor Northstar East Building

Corporate Trust Operations

608 Second Avenue South

Minneapolis, Minnesota 55402

Eligible institutions may make requests by facsimile at (612) 667-6282 and may confirm facsimile delivery by calling (800) 344-5128.

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Terms of the New Notes

The new notes will be identical to the old notes except that the new notes are registered under the Securities Act and will not have restrictions on transfer, registration rights or provisions for additional interest. The new notes will evidence the same debt as the old notes, and the same indenture will govern the new notes and the old notes.

The following summary contains basic information about the new notes and is not intended to be complete. It does not contain all information that may be important to you. For a more complete understanding of the new notes, please refer to the section entitled Description of New Notes in this prospectus.

Issuer	Cardtronics, Inc.
Notes Offered	$250,000,000 aggregate principal amount of 5.125% senior notes due 2022.
Maturity	August 1, 2022.
Interest Rate	Interest on the new notes will accrue at a rate of 5.125% per annum.
Interest Payment Dates	Interest on the new notes will be payable semiannually, in cash, in arrears on February 1 and August 1 of each year, commencing on August 1, 2015. Interest on the old notes began to accrue from July 28, 2014, and interest on the new notes will accrue from the same date.
Guarantees	All payments on the new notes, including principal and interest, will be fully and unconditionally guaranteed on a joint and several and senior unsecured basis by all of our existing domestic subsidiaries and certain of our future subsidiaries. See Description of New Notes Note Guarantees.
Ranking	The new notes and guarantees will be unsecured senior obligations and will rank: (i) equally in right of payment with all our and our subsidiary guarantors existing and future senior indebtedness, including borrowings under our revolving credit facility and guarantees of those borrowings, (ii) effectively junior to secured debt to the extent of the value of the collateral securing such debt, including debt under our revolving credit facility, and (iii) structurally junior to existing and future indebtedness of our non-guarantor subsidiaries; and

	senior in right of payment of any of our and our subsidiary guarantors existing and future subordinated indebtedness.
Optional Redemption	We may redeem some or all of the new notes on or after August 1, 2017 at the redemption prices set forth under the heading Description of New Notes Optional Redemption. At any time prior to August 1, 2017, we may redeem the new notes, in whole or in

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	part, at a price equal to 100% of their outstanding principal amount plus the make-whole premium described under the heading Description of New Notes Optional Redemption, together with any accrued and unpaid interest to the date of redemption. In addition, at any time prior to August 1, 2017, we may redeem up to 35% of the aggregate principal amount of the new notes issued under the indenture (including any additional notes) at a redemption price of 105.125%, together with any accrued and unpaid interest to the date of redemption, using the proceeds of certain equity offerings completed within the preceding 180 days. We may make this redemption only if, after the redemption, at least 65% of the aggregate principal amount of the new notes originally issued under the indenture (including any additional notes) remains outstanding.
Change of Control	If we experience specific kinds of changes of control, we must offer to repurchase the new notes at a price in cash equal to not less than 101% of their principal amount, plus accrued and unpaid interest, if any, to the date of purchase.
Certain Covenants	The covenants contained in the indenture will, among other things, limit our ability and the ability of our restricted subsidiaries to: incur or guarantee additional indebtedness; make certain investments or pay dividends or distributions on our capital stock or repurchase capital stock or make certain other restricted payments; consolidate or merge with or into other companies; restrict dividends or other payments by restricted subsidiaries; engage in transactions with affiliates or related persons; and create liens. These covenants are subject to important exceptions and qualifications. At any time that the new notes are rated investment grade, certain covenants will be suspended. For more details, see Description of New Notes Certain Covenants.

Transfer Restrictions; Absence of a Public Market for the Notes	The new notes generally will be freely transferable, but will also be new securities for which there will not initially be a market. There can be no assurance as to the development or liquidity of any market for the new notes. We do not intend to apply for a listing of the notes on any securities exchange or any automated dealer quotation system.
Trustee	Wells Fargo Bank, National Association.
Risk Factors	Investing in the new notes involves risks. See Risk Factors beginning on page 8 of this prospectus for a discussion of certain factors you should consider in evaluating an investment in the new notes.

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RISK FACTORS

You should carefully consider the information included or incorporated by reference in this prospectus, including the matters addressed under Cautionary Statement Regarding Forward-Looking Statements, and the following risks before investing in the new notes. In addition, you should read the risk factors in our Annual Report on Form 10-K for the year ended December 31, 2014, which is incorporated by reference in this prospectus.

We are subject to certain risks and hazards due to the nature of the business activities we conduct. The risks discussed below, any of which could materially and adversely affect our business, financial condition, cash flows, and results of operations, are not the only risks we face. We may experience additional risks and uncertainties not currently known to us, or, as a result of developments occurring in the future, conditions that we currently deem to be immaterial may also materially and adversely affect our business, financial condition, cash flows, and results of operations.

Risks Relating to the Exchange Offer

Your ability to transfer the new notes may be limited by the absence of an active trading market, and no active trading market may develop for the new notes.

We do not intend to apply for a listing of the notes on a securities exchange or on any automated dealer quotation system. There is currently no established market for the new notes, and we cannot assure you as to the liquidity of markets that may develop for the new notes, your ability to sell the new notes or the price at which you would be able to sell the new notes. If such markets were to exist, the new notes could trade at prices that may be lower than their principal amount or lower than the purchase price of the old notes depending on many factors, including prevailing interest rates, the market for similar notes, our financial and operating performance and other factors. An active market for the new notes may not develop or, if developed, may not continue. Historically, the market for non-investment grade debt has been subject to disruptions that have caused substantial volatility in the prices of securities similar to the new notes. The market, if any, for the new notes may experience similar disruptions and any such disruptions may adversely affect the prices at which you may sell your new notes.

Certain persons who participate in the exchange offer must deliver a prospectus in connection with resales of the new notes.

Based on interpretations of the staff of the SEC contained in the *Exxon Capital Holdings Corporation* no action letter (available May 13, 1988), as interpreted in the *Shearman & Sterling* no action letter (available July 2, 1993) and the *Morgan Stanley & Co. Incorporated* no action letter (available June 5, 1991), we believe that you may offer for resale, resell or otherwise transfer the new notes without compliance with the registration and prospectus delivery requirements of the Securities Act. However, in some instances described in this prospectus under Plan of Distribution, certain holders of new notes will remain obligated to comply with the registration and prospectus delivery requirements of the Securities Act to transfer the new notes. If such a holder transfers any new notes without delivering a prospectus meeting the requirements of the Securities Act or without an applicable exemption from registration under the Securities Act, such a holder may incur liability under the Securities Act. We do not and will not assume or indemnify such a holder against this liability.

Risks Relating to the Notes

We may not be able to generate sufficient cash to service all of our indebtedness, including the notes, and may be forced to take other actions to satisfy our obligations under our indebtedness, which may not be successful.

Our ability to make scheduled payments on or to refinance our debt obligations depends on our financial condition and operating performance, which is subject to prevailing economic and competitive conditions and to certain financial, business and other factors beyond our control. We may not be able to maintain a level of cash flows from operating activities sufficient to permit us to pay the principal, premium (if any), and interest on our indebtedness, including the notes.

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If our cash flows and capital resources are insufficient to fund our debt service obligations, we may be forced to reduce or delay investments and capital expenditures, or to sell assets, seek additional capital or restructure or refinance our indebtedness, including the notes. Our ability to restructure or refinance our debt will depend on the condition of the capital markets and our financial condition at such time. Any refinancing of our debt could be at higher interest rates and may require us to comply with more onerous covenants, which could further restrict our business operations. The terms of existing or future debt instruments and the indenture governing the notes may restrict us from adopting some of these alternatives. In addition, any failure to make payments of interest and principal on our outstanding indebtedness on a timely basis would likely result in a reduction of our credit rating, which could harm our ability to incur additional indebtedness. In the absence of such operating results and resources, we could face substantial liquidity problems and might be required to dispose of material assets or operations to meet our debt service and other obligations. The indenture governing the notes and our revolving credit facility restrict our ability to dispose of assets and use the proceeds from the disposition. We may not be able to consummate those dispositions or to obtain the proceeds that we could realize from them and these proceeds may not be adequate to meet any debt service obligations then due. These alternative measures may not be successful and may not permit us to meet our scheduled debt service obligations.

If we are unable to comply with the restrictions and covenants in the agreements governing our notes and other debt, there could be a default under the terms of these agreements, which could result in an acceleration of payment of funds that we have borrowed and would impact our ability to make principal and interest payments on the notes.

If we are unable to comply with the restrictions and covenants in the agreements governing our notes or in current or future debt financing agreements, there could be a default under the terms of these agreements. Our ability to comply with these restrictions and covenants, including meeting financial ratios and tests, may be affected by events beyond our control. As a result, we cannot assure you that we will be able to comply with these restrictions and covenants or meet these tests. Any default under the agreements governing our indebtedness, including a default under our revolving credit facility, that is not waived by the required lenders, and the remedies sought by the holders of such indebtedness, could prevent us from paying principal, premium, if any, and interest on the notes and substantially decrease the market value of the notes. If we are unable to generate sufficient cash flow and are otherwise unable to obtain funds necessary to meet required payments of principal, premium, if any, and interest on our indebtedness, or if we otherwise fail to comply with the various covenants, including financial and operating covenants in the instruments governing our indebtedness (including covenants in our revolving credit facility and the indenture governing the notes), we could be in default under the terms of the agreements governing such indebtedness, including our revolving credit facility and the indenture governing the notes. In the event of such default:

- the holders of such indebtedness could elect to declare all the funds borrowed thereunder to be due and payable, together with accrued and unpaid interest;
- the lenders under our revolving credit facility could elect to terminate their commitments thereunder, cease making further loans and institute foreclosure proceedings against our assets; and
- we could be forced into bankruptcy or liquidation.

If our operating performance declines, we may in the future need to obtain waivers from the required lenders under our revolving credit facility to avoid being in default. If we breach our covenants under our revolving credit facility

and seek a waiver, we may not be able to obtain a waiver from the required lenders. If this occurs, we would be in default under our revolving credit facility, the lenders could exercise their rights, as described above, and we could be forced into bankruptcy or liquidation.

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The notes and the guarantees are unsecured obligations and are effectively subordinated to all of our existing and future secured indebtedness and structurally subordinated to liabilities of any non-guarantor subsidiaries.

The notes and the guarantees are general unsecured senior obligations ranking effectively junior to all of our existing and future secured indebtedness (including all borrowings under our revolving credit facility) to the extent of the value of the collateral securing such indebtedness. If we or a guarantor is declared bankrupt, becomes insolvent or is liquidated or reorganized, the holders of our secured indebtedness or the secured indebtedness of such guarantor will be entitled to be paid in full from the proceeds of the assets, if any, securing such indebtedness before any payment may be made with respect to the notes or the affected guarantees. Holders of the notes will participate ratably in any remaining proceeds with all holders of our unsecured indebtedness, including unsecured indebtedness incurred after the notes are issued that does not rank junior to the notes, including trade payables and all of our other general indebtedness, based on the respective amounts owed to each holder or creditor. In any of the foregoing events, there may not be sufficient funds to pay amounts due on the notes. As a result, holders of the notes would likely receive less, ratably, than holders of secured indebtedness.

While certain of our subsidiaries have guaranteed the notes, other subsidiaries have not guaranteed the notes. You will not have any claim as a creditor against our other subsidiaries that are not guarantors of the notes. Accordingly, all obligations of our non-guarantor subsidiaries will have to be satisfied before any of the assets of such subsidiaries would be available for distribution, upon a liquidation or otherwise, to us or a guarantor of the notes.

We may not be able to repurchase the notes in certain circumstances.

Under the terms of the indenture, we may be required to repurchase all or a portion of the notes if we sell certain assets or in the event of a change of control, and we may not have enough funds to pay the repurchase price on the repurchase date. Our existing and any future credit agreements or other debt agreements to which we become a party may provide that our obligation to purchase or redeem the notes would be an event of default under such agreement. As a result, we may be restricted or prohibited from repurchasing or redeeming the notes. If we are prohibited from repurchasing or redeeming the notes, we could seek the consent of our then-existing lenders to repurchase or redeem the notes or we could attempt to refinance the borrowings that contain such prohibition. If we are unable to obtain a consent or refinance the debt, we could not repurchase or redeem the notes. Our failure to redeem tendered notes would constitute a default under the indenture and might constitute a default under the terms of other indebtedness that we incur.

Courts in Delaware have raised the possibility in published decisions that a change of control put right occurring as a result of a failure to have continuing directors comprising a majority of a board of directors may be unenforceable on public policy grounds. Therefore, you may not be entitled to receive this protection under the indenture.

The term change of control is limited to certain specified transactions and may not include other events that might adversely affect our financial condition. Our obligation to repurchase the notes upon a change of control would not necessarily afford holders of notes protection in the event of a highly leveraged transaction, reorganization, merger or similar transaction involving us.

We and the guarantors may incur substantial additional indebtedness. This could increase the risks associated with the notes.

Subject to the restrictions in the indenture governing the notes and in other instruments governing our other outstanding indebtedness (including our revolving credit facility), we and our subsidiaries may incur substantial additional indebtedness (including secured indebtedness) in the future. Although the indenture governing the notes

will contain, and our revolving credit facility contains, restrictions on the incurrence of additional indebtedness, these restrictions are subject to waiver and a number of significant qualifications and exceptions, and indebtedness incurred in compliance with these restrictions could be substantial.

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If we or a guarantor incurs any additional indebtedness that ranks equally with the notes (or with the guarantees thereof), including additional unsecured indebtedness or trade payables, the holders of that indebtedness will be entitled to share ratably with holders of the notes in any proceeds distributed in connection with any insolvency, liquidation, reorganization, dissolution or other winding-up of us or a guarantor. This may have the effect of reducing the amount of proceeds paid to holders of the notes in connection with such a distribution.

Any increase in our level of indebtedness will have several important effects on our future operations, including, without limitation, whether:

- we will have additional cash requirements in order to support the payment of interest on our outstanding indebtedness;
- increases in our outstanding indebtedness and leverage will increase our vulnerability to adverse changes in general economic and industry conditions, as well as to competitive pressure; and
- depending on the levels of our outstanding indebtedness, our ability to obtain additional financing for working capital, capital expenditures, general corporate and other purposes may be limited.

Any guarantees of the notes by our subsidiaries could be deemed fraudulent conveyances under certain circumstances, and a court may subordinate or void the subsidiary guarantees.

Our existing material domestic subsidiaries are the initial subsidiary guarantors of the notes. In certain circumstances, any of our future domestic subsidiaries may be required to guarantee the notes. A court could subordinate or void the subsidiary guarantees under various fraudulent conveyance or fraudulent transfer laws. Generally, to the extent that a U.S. court was to find that at the time one of our subsidiaries entered into a subsidiary guarantee and either:

- the subsidiary incurred the guarantee with the intent to hinder, delay, or defraud any present or future creditor, or contemplated insolvency with a design to favor one or more creditors to the exclusion of others; or
- the subsidiary did not receive fair consideration or reasonably equivalent value for issuing the subsidiary guarantee and, at the time it issued the subsidiary guarantee, the subsidiary:
  - was insolvent or became insolvent as a result of issuing the subsidiary guarantee,
  - was engaged or about to engage in a business or transaction for which the remaining assets of the subsidiary constituted unreasonably small capital, or

intended to incur, or believed that it would incur, debts beyond its ability to pay those debts as they matured,

then the court could void or subordinate the subsidiary guarantee in favor of the subsidiary s other obligations.

A legal challenge of a subsidiary guarantee on fraudulent conveyance grounds may focus, among other things, on the benefits, if any, the subsidiary realized as a result of our issuing the notes. To the extent a subsidiary guarantee is voided as a fraudulent conveyance or held unenforceable for any other reason, the holders of the notes would not have any claim against that subsidiary and would be creditors solely of us and any other subsidiary guarantors whose guarantees are not held unenforceable.

A lowering or withdrawal of the ratings assigned to our debt securities by rating agencies may increase our future borrowing costs and reduce our access to capital.

Our debt currently has a non-investment grade rating, and any rating assigned could be lowered or withdrawn entirely by a rating agency if, in that rating agency s judgment, future circumstances relating to the

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basis of the rating, such as adverse changes, so warrant. Consequently, real or anticipated changes in our credit ratings will generally affect the market value of the notes. Credit ratings are not recommendations to purchase, hold, or sell the notes. Any future lowering of our ratings likely would make it more difficult or more expensive for us to obtain additional debt financing. If any credit rating initially assigned to the notes is subsequently lowered or withdrawn for any reason, you may not be able to resell your notes without a substantial discount.

Many of the covenants in the indenture will be suspended if the notes are rated investment grade by either Standard & Poor s Ratings Services or Moody s Investors Service, Inc.

Many of the covenants in the indenture governing the notes will be suspended if the notes are rated investment grade by either Standard & Poor s Ratings Services or Moody s Investors Service, Inc., provided at such time no default under the indenture has occurred and is continuing. These covenants restrict, among other things, our ability to pay dividends, to incur debt and to enter into certain other transactions. There can be no assurance that the notes will ever be rated investment grade, or that if they are rated investment grade, that the notes will maintain such ratings. However, suspension of these covenants would allow us to engage in certain transactions that would not be permitted while these covenants were in force, and these transactions will not result in an event of default if these covenants cease to be suspended. See Description of New Notes Certain Covenants Covenant Suspension.

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RATIO OF EARNINGS TO FIXED CHARGES

The following table sets forth our ratios of consolidated earnings to fixed charges for the periods presented:

	Three Months Ended March 31,	Year Ended December 31,				
	2015	2014	2013	2012	2011	2010
Ratio of earnings to fixed charges	3.78x	2.77x	3.59x	3.91x	3.46x	1.78x

For purposes of calculating the ratio of consolidated earnings to fixed charges:

earnings is the aggregate of the following items: pre-tax income from continuing operations before adjustment for income or loss from equity investees; plus fixed charges; plus amortization of capitalized interest; plus distributed income of equity investees; plus our share of pre-tax losses of equity investees for which charges arising from guarantees are included in fixed charges; less interest capitalized; less preference security dividend requirements of consolidated subsidiaries; and less the noncontrolling interest in pre-tax income of subsidiaries that have not incurred fixed charges; and

fixed charges means the sum of the following: (1) interest expensed and capitalized, (2) amortized premiums, discounts and capitalized expenses related to indebtedness, (3) an estimate of the interest within rental expense and (4) preference security dividend requirements of consolidated subsidiaries.

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USE OF PROCEEDS

The exchange offer is intended to satisfy our obligations under the registration rights agreement. We will not receive any proceeds from the issuance of the new notes in the exchange offer. In consideration for issuing the new notes as contemplated by this prospectus, we will receive old notes in a like principal amount. The form and terms of the new notes are identical in all respects to the form and terms of the old notes, except the new notes will be registered under the Securities Act and will not contain restrictions on transfer, registration rights or provisions for additional interest. Old notes surrendered in exchange for the new notes will be retired and cancelled and will not be reissued. Accordingly, the issuance of the new notes will not result in any change in outstanding indebtedness.

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EXCHANGE OFFER

Purpose and Effect of the Exchange Offer

We sold the old notes in transactions that were exempt from or not subject to the registration requirements under the Securities Act. Accordingly, the old notes are subject to transfer restrictions. In general, you may not offer or sell the old notes unless either they are registered under the Securities Act or the offer or sale is exempt from, or not subject to, registration under the Securities Act and applicable state securities laws.

In connection with the sale of the old notes, we entered into a registration rights agreement with the initial purchasers of the old notes. In that agreement, we agreed to use our reasonable best efforts to file an exchange offer registration statement after the closing date following the offering of the old notes. Now, to satisfy our obligations under the registration rights agreement, we are offering holders of the old notes who are able to make certain representations described below the opportunity to exchange their old notes for the new notes in the exchange offer. The exchange offer will be open for a period of at least 20 business days. During the exchange offer period, we will exchange the new notes for all old notes properly surrendered and not withdrawn before the expiration date. The new notes will be registered under the Securities Act, and the transfer restrictions, registration rights and provisions for additional interest relating to the old notes will not apply to the new notes.

Resale of New Notes

Based on no-action letters of the staff of the Commission issued to third parties, we believe that new notes may be offered for resale, resold and otherwise transferred by you without further compliance with the registration and prospectus delivery provisions of the Securities Act if:

- you are not an affiliate of us within the meaning of Rule 405 under the Securities Act;
- such new notes are acquired in the ordinary course of your business; and
- you do not intend to participate in a distribution of the new notes.

The staff of the Commission, however, has not considered the exchange offer for the new notes in the context of a no-action letter, and the staff of the Commission may not make a similar determination as in the no-action letters issued to these third parties.

If you tender in the exchange offer with the intention of participating in any manner in a distribution of the new notes, you:

- cannot rely on such interpretations by the staff of the Commission; and
- must comply with the registration and prospectus delivery requirements of the Securities Act in connection with a secondary resale transaction.

Unless an exemption from registration is otherwise available, any securityholder intending to distribute new notes should be covered by an effective registration statement under the Securities Act. The registration statement should contain the selling securityholder s information required by Item 507 of Regulation S-K under the Securities Act.

This prospectus may be used for an offer to resell, resale or other transfer of new notes only as specifically described in this prospectus. If you are a broker-dealer, you may participate in the exchange offer only if you acquired the old notes as a result of market-making activities or other trading activities. Each broker-dealer that receives new notes for its own account in exchange for old notes, where such old notes were acquired by such broker-dealer as a result of market-making activities or other trading activities, must acknowledge by way of the letter of transmittal that it will deliver this prospectus in connection with any resale of the new notes. Please read the section captioned Plan of Distribution for more details regarding the transfer of new notes

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Terms of the Exchange Offer

Subject to the terms and conditions described in this prospectus and in the letter of transmittal, we will accept for exchange any old notes properly tendered and not withdrawn prior to 5:00 p.m., New York City time on the expiration date. We will issue new notes in principal amount equal to the principal amount of old notes surrendered in the exchange offer. Old notes may be tendered only for new notes and only in minimum denominations of $2,000 and integral multiples of $1,000 in excess thereof.

The exchange offer is not conditioned upon any minimum aggregate principal amount of old notes being tendered for exchange.

As of the date of this prospectus, $250,000,000 in aggregate principal amount of the old notes is outstanding. This prospectus and the letter of transmittal are being sent to all registered holders of old notes. There will be no fixed record date for determining registered holders of old notes entitled to participate in the exchange offer.

We intend to conduct the exchange offer in accordance with the provisions of the registration rights agreement, the applicable requirements of the Securities Act and the Exchange Act, and the rules and regulations of the SEC. Old notes that the holders thereof do not tender for exchange in the exchange offer will remain outstanding and continue to accrue interest. These old notes will continue to be entitled to the rights and benefits such holders have under the indenture relating to the notes.

We will be deemed to have accepted for exchange properly tendered old notes when we have given oral (promptly followed in writing) or written notice of the acceptance to the exchange agent and complied with the applicable provisions of the registration rights agreement. The exchange agent will act as agent for the tendering holders for the purposes of receiving the new notes from us.

If you tender old notes in the exchange offer, you will not be required to pay brokerage commissions or fees or, subject to the letter of transmittal, transfer taxes with respect to the exchange of old notes. We will pay all charges and expenses, other than certain applicable taxes described below, in connecting with the exchange offer. It is important that you read the section labeled Fees and Expenses for more details regarding fees and expenses incurred in the exchange offer.

We will return any old notes that we do not accept for exchange for any reason without expense to their tendering holder promptly after the expiration or termination of the exchange offer.

Expiration Date

The exchange offer will expire at 5:00 p.m., New York City time, on July 16, 2015, unless, in our sole discretion, we extend it.

Extensions, Delays in Acceptance, Termination or Amendment

We expressly reserve the right, at any time or various times, to extend the period of time during which the exchange offer is open. We may delay acceptance of any old notes by giving oral (promptly followed in writing) or written notice of such extension to their holders. During any such extensions, all old notes previously tendered will remain subject to the exchange offer, and we may accept them for exchange.

In order to extend the exchange offer, we will notify the exchange agent orally or in writing of any extension. We will notify the registered holders of old notes of the extension no later than 9:00 a.m., New York City time, on the business day after the previously scheduled expiration date.

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If any of the conditions described below under Conditions to the Exchange Offer have not been satisfied, we reserve the right, in our sole discretion:

- to delay accepting for exchange any old notes,
- to extend the exchange offer, or
- to terminate the exchange offer,

by giving oral or written notice of such delay, extension or termination to the exchange agent. Subject to the terms of the registration rights agreement, we also reserve the right to amend the terms of the exchange offer in any manner.

Any such delay in acceptance, extension, termination or amendment will be followed promptly by oral or written notice thereof to the registered holders of old notes. If we amend the exchange offer in a manner that we determine to constitute a material change, we will promptly disclose such amendment by means of a prospectus supplement. The supplement will be distributed to the registered holders of the old notes. Depending upon the significance of the amendment and the manner of disclosure to the registered holders, we may extend the exchange offer. In the event of a material change in the exchange offer, including the waiver by us of a material condition, we will extend the exchange offer period, if necessary, so that at least five business days remain in the exchange offer following notice of the material change.

Conditions to the Exchange Offer

We will not be required to accept for exchange, or exchange any new notes for, any old notes if the exchange offer, or the making of any exchange by a holder of old notes, would violate applicable law or any applicable interpretation of the staff of the SEC. Similarly, we may terminate the exchange offer as provided in this prospectus before expiration of the offer in the event of such a potential violation.

In addition, we will not be obligated to accept for exchange the old notes of any holder that has not made to us the representations described under Purpose and Effect of the Exchange Offer, Procedures for Tendering and Plan of Distribution and such other representations as may be reasonably necessary under applicable SEC rules, regulations or interpretations to allow us to use an appropriate form to register the new notes under the Securities Act.

We expressly reserve the right to amend or terminate the exchange offer, and to reject for exchange any old notes not previously accepted for exchange, upon the occurrence of any of the conditions to the exchange offer specified above. We will give prompt oral or written notice of any extension, amendment, non-acceptance or termination to the holders of the old notes as promptly as practicable.

These conditions are for our sole benefit, and we may assert them or waive them in whole or in part at any time or at various times in our sole discretion. If we fail at any time to exercise any of these rights, this failure will not mean that we have waived our rights. Each such right will be deemed an ongoing right that we may assert at any time or at various times.

In addition, we will not accept for exchange any old notes tendered, and will not issue new notes in exchange for any such old notes, if at such time any stop order has been threatened or is in effect with respect to the registration

statement of which this prospectus constitutes a part or the qualification of the indenture relating to the notes under the Trust Indenture Act of 1939.

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Procedures for Tendering

In order to participate in the exchange offer, you must properly tender your old notes to the exchange agent as described below. It is your responsibility to properly tender your notes. We have the right to waive any defects. However, we are not required to waive defects and are not required to notify you of defects in your tender.

If you have any questions or need help in exchanging your notes, please call the exchange agent, whose address and phone number are set forth in Prospectus Summary Exchange Offer Exchange Agent.

All of the old notes were issued in book-entry form, and all of the old notes are currently represented by global certificates held for the account of DTC. We have confirmed with DTC that the old notes may be tendered using the Automated Tender Offer Program (ATOP) instituted by DTC. The exchange agent will establish an account with DTC for purposes of the exchange offer promptly after the commencement of the exchange offer and DTC participants may electronically transmit their acceptance of the exchange offer by causing DTC to transfer their old notes to the exchange agent using the ATOP procedures. In connection with the transfer, DTC will send an agent s message to the exchange agent. The agent s message will be deemed to state that DTC has received instructions from the participant to tender old notes and that the participant agrees to be bound by the terms of the letter of transmittal.

By using the ATOP procedures to exchange old notes, you will not be required to deliver a letter of transmittal to the exchange agent. However, you will be bound by its terms just as if you had signed it.

There is no procedure for guaranteed late delivery of the notes.

Determinations Under the Exchange Offer

We will determine in our sole discretion all questions as to the validity, form, eligibility, time of receipt, acceptance of tendered old notes and withdrawal of tendered old notes. Our determination will be final and binding. We reserve the absolute right to reject any old notes not properly tendered or any old notes our acceptance of which would, in the opinion of our counsel, be unlawful. We also reserve the right to waive any defect, irregularities or conditions of tender as to particular old notes. Our interpretation of the terms and conditions of the exchange offer, including the instructions in the letter of transmittal, will be final and binding on all parties. Unless waived, all defects or irregularities in connection with tenders of old notes must be cured within such time as we shall determine. Although we intend to notify holders of defects or irregularities with respect to tenders of old notes, neither we, the exchange agent nor any other person will incur any liability for failure to give such notification. Tenders of old notes will not be deemed made until such defects or irregularities have been cured or waived. Any old notes received by the exchange agent that are not properly tendered and as to which the defects or irregularities have not been cured or waived will be returned to the tendering holder, unless otherwise provided in the letter of transmittal, promptly following the expiration date.

When We Will Issue New Notes

In all cases, we will issue new notes for old notes that we have accepted for exchange under the exchange offer only after the exchange agent timely receives:

a book-entry confirmation of such old notes into the exchange agent s account at DTC; and

a properly transmitted agent s message.

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Return of Old Notes Not Accepted or Exchanged

If we do not accept any tendered old notes for exchange or if old notes are submitted for a greater principal amount than the holder desires to exchange, the unaccepted or non-exchanged old notes will be returned without expense to their tendering holder. Such non-exchanged old notes will be credited to an account maintained with DTC. These actions will occur promptly after the expiration or termination of the exchange offer.

Your Representations to Us

By agreeing to be bound by the letter of transmittal, you will represent to us that, among other things:

- any new notes that you receive will be acquired in the ordinary course of your business;
- you have no arrangement or understanding with any person or entity to participate in the distribution of the new notes;
- you are not our affiliate, as defined in Rule 405 of the Securities Act; and
- if you are a broker-dealer that will receive new notes for your own account in exchange for old notes, you acquired those notes as a result of market-making activities or other trading activities and you will deliver a prospectus (or to the extent permitted by law, make available a prospectus) in connection with any resale of such new notes.

Withdrawal of Tenders

Except as otherwise provided in this prospectus, you may withdraw your tender at any time prior to 5:00 p.m., New York City time on the expiration date. For a withdrawal to be effective you must comply with the appropriate procedures of DTC s ATOP system. Any notice of withdrawal must specify the name and number of the account at DTC to be credited with withdrawn old notes and otherwise comply with the procedures of DTC.

We will determine all questions as to the validity, form, eligibility and time of receipt of notice of withdrawal. Our determination shall be final and binding on all parties. We will deem any old notes so withdrawn not to have been validly tendered for exchange for purposes of the exchange offer.

Any old notes that have been tendered for exchange but are not exchanged for any reason will be credited to an account maintained with DTC for the old notes. This crediting will take place as soon as practicable after withdrawal, rejection of tender or termination of the exchange offer. You may retender properly withdrawn old notes by following the procedures described under Procedures for Tendering above at any time prior to 5:00 p.m., New York City time, on the expiration date.

Fees and Expenses

We will bear the expenses of soliciting tenders. The principal solicitation is being made by mail; however, we may make additional solicitation by facsimile, telephone, electronic mail or in person by our officers and regular

employees and those of our affiliates.

We have not retained any dealer-manager in connection with the exchange offer and will not make any payments to broker-dealers or others soliciting acceptances of the exchange offer. We will, however, pay the exchange agent reasonable and customary fees for its services and reimburse it for its related reasonable out-of-pocket expenses.

We will pay the cash expenses to be incurred in connection with the exchange offer. They include:

- all registration and filing fees and expenses;

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all fees and expenses of compliance with U.S. federal securities and state blue sky or securities laws;

accounting fees, legal fees incurred by us, disbursements and printing, messenger and delivery services, and telephone costs; and

related fees and expenses.

Transfer Taxes

We will pay all transfer taxes, if any, applicable to the exchange of old notes under the exchange offer. The tendering holder, however, will be required to pay any transfer taxes, whether imposed on the registered holder or any other person, if a transfer tax is imposed for any reason other than the exchange of old notes under the exchange offer.

Consequences of Failure to Exchange

If you do not exchange new notes for your old notes under the exchange offer, you will remain subject to the existing restrictions on transfer of the old notes. In general, you may not offer or sell the old notes unless the offer or sale is either registered under the Securities Act or exempt from the registration under the Securities Act and applicable state securities laws. Except as required by the registration rights agreement, we do not intend to register resales of the old notes under the Securities Act.

Accounting Treatment

We will record the new notes in our accounting records at the same carrying value as the old notes. This carrying value is the aggregate principal amount of the old notes less any bond discount, as reflected in our accounting records on the date of exchange. Accordingly, we will not recognize any gain or loss for accounting purposes in connection with the exchange offer.

Other

Participation in the exchange offer is voluntary, and you should carefully consider whether to accept. You are urged to consult your financial and tax advisors in making your own decision on what action to take.

We may in the future seek to acquire untendered old notes in open market or privately negotiated transactions, through subsequent exchange offers or otherwise. We have no present plans to acquire any old notes that are not tendered in the exchange offer or to file a registration statement to permit resales of any untendered old notes.

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DESCRIPTION OF NEW NOTES

We are offering to exchange up to $250,000,000 aggregate principal amount of our new 5.125% Senior Notes due 2022, which have been registered under the Securities Act, referred to in this prospectus as the new notes, for any and all of our outstanding unregistered 5.125% Senior Notes due 2022, referred to in this prospectus as the old notes. We issued the old notes on July 28, 2014 in a transaction not requiring registration under the Securities Act. We are offering you new notes in exchange for old notes in order to satisfy our registration obligations from that previous transaction. The new notes will be treated as a single class with any old notes that remain outstanding after the completion of the exchange offer. The old notes and the new notes are collectively referred to in this Description of New Notes as the Notes. The new notes will be issued, and the old notes were issued, under an indenture dated as of July 28, 2014 (the Indenture), among the Company, the Subsidiary Guarantors (as defined therein) and Wells Fargo Bank, National Association, as trustee (the Trustee). In this description, the word Company , we , us or our refers to Cardtronics, Inc. and not to any of its subsidiaries. You can find the definition of various other terms used in this Description of New Notes under Certain Definitions below.

This Description of New Notes is intended to be a useful overview of the material provisions of the Notes, the guarantees and the indenture. Since this Description of New Notes is only a summary, you should refer to the Indenture, which is filed as an exhibit to the registration statement of which this prospectus is a part, for a complete description of our obligations and your rights.

If the exchange offer is consummated, Holders of old notes who do not exchange their old notes for new notes will vote together with the Holders of the new notes for all relevant purposes under the indenture. In that regard, the indenture requires that certain actions by the Holders under the indenture (including acceleration after an Event of Default) must be taken, and certain rights must be exercised, by Holders of specified minimum percentages of the aggregate principal amount of all outstanding notes issued under the indenture. In determining whether Holders of the requisite percentage in aggregate principal amount of Notes have given any notice, consent or waiver or taken any other action permitted under the indenture, any old notes that remain outstanding after the exchange offer will be aggregated with the new notes, and the Holders of these old notes and new notes will vote together as a single series for all such purposes. Accordingly, all references in this Description of New Notes to specified percentages in aggregate principal amount of the outstanding Notes mean, at any time after the exchange offer for the old notes is consummated, such percentage in aggregate principal amount of such old notes and the new notes then outstanding.

Brief Description of the New Notes

The new notes, like the old notes, will:

- be general unsecured obligations of the Company;
- be *pari passu* in right of payment to all existing and future Senior Debt of the Company, including our outstanding $287.5 million of 1.00% convertible senior notes due December 2020 (the Convertible Notes);
- effectively rank junior to any existing or future secured Indebtedness of the Company, including amounts that may be borrowed under its Credit Agreement, to the extent of the value of the collateral securing such Indebtedness;

be senior in right of payment to all future subordinated Indebtedness of the Company;

be fully and unconditionally guaranteed by the Guarantors as described under Note Guarantees ; and

be effectively subordinated to all existing and any future Indebtedness and other liabilities of the Company s Subsidiaries that are not Guarantors.

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Currently, all of our Subsidiaries are Restricted Subsidiaries. However, under the circumstances described below under the caption Certain Covenants Designation of Restricted and Unrestricted Subsidiaries, we are permitted to designate certain of our Subsidiaries as Unrestricted Subsidiaries. Any Unrestricted Subsidiaries will not be subject to any of the restrictive covenants in the Indenture and will not guarantee the Notes.

Principal, Maturity and Interest

The Company issued the old notes with an initial aggregate principal amount of $250.0 million. In addition to the new notes offered hereby and the old notes, the Company may issue Additional Notes (Additional Notes) from time to time after this offering in an unlimited amount, without the consent of the Holders but subject to the provisions of the Indenture described below under the caption Certain Covenants Incurrence of Indebtedness. The Notes and any Additional Notes subsequently issued under the Indenture will be treated as a single class for all purposes under the Indenture, including, without limitation, waivers, amendments, redemptions and offers to purchase. Unless otherwise provided or the context otherwise requires, for all purposes of the Indenture and this Description of New Notes, references to the Notes include any Additional Notes actually issued.

The Company will issue Notes only in minimum denominations of $2,000 and integral multiples of $1,000 in excess thereof. The Notes will mature on August 1, 2022.

Interest on the Notes accrues at the rate of 5.125% per year and is payable semiannually in arrears on February 1 and August 1, commencing on February 1, 2015. Interest on the old notes began to accrue from July 28, 2014, and interest on the new notes will accrue from the same date. The Company will make each interest payment to the Holders of record of the Notes on the immediately preceding January 15 and July 15.

Interest will be computed on the basis of a 360-day year comprised of twelve 30-day months. If an interest payment date falls on a day that is not a Business Day, the interest payment to be made on such interest payment date will be made on the next succeeding Business Day with the same force and effect as if made on such interest payment date, and no additional interest will accrue as a result of such delayed payment. The Company will pay interest on overdue principal of the Notes at the above rate, and overdue installments of interest at such rate, to the extent lawful.

Payments on the Notes; Paying Agent and Registrar

We will pay principal of, premium, if any, and interest on the Notes at the office or agency of the Paying Agent or Registrar designated by the Company in the City and State of New York, except that we may, at our option, pay interest on the Notes by check mailed to Holders of the Notes at their registered address as it appears in the Registrar s books. We have initially designated the corporate trust office of Wells Fargo Bank, National Association, in New York, which is currently located at 150 East 42nd Street, New York, New York 10017, to act as our Paying Agent and Registrar. We may, however, change the Paying Agent or Registrar without prior notice to the Holders of the Notes, and the Company or any of its Restricted Subsidiaries may act as Paying Agent or Registrar.

We will pay principal of, premium, if any, and interest on, Notes in global form registered in the name of or held by The Depository Trust Company or its nominee in immediately available funds to The Depository Trust Company or its nominee, as the case may be, as the registered holder of such global Note.

Transfer and Exchange

A Holder may transfer or exchange Notes in accordance with the Indenture. The Registrar and the Trustee may require a Holder, among other things, to furnish appropriate endorsements and transfer documents in

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connection with a transfer of Notes. No service charge will be imposed by the Company, the Trustee or the Registrar for any registration of transfer or exchange of Notes, but the Company may require a Holder to pay a sum sufficient to cover any transfer tax or other governmental taxes and fees required by law or permitted by the Indenture. The Company is not required to transfer or exchange any Note selected for redemption. Also, the Company is not required to transfer or exchange any Note for a period of 15 days before a selection of Notes to be redeemed.

The registered holder of a Note will be treated as its owner for all purposes.

Note Guarantees

Like the old notes, the new notes will be fully and unconditionally guaranteed on a joint and several basis, by the Guarantors, which include all of the Subsidiaries of the Company that guarantee its borrowings under the Credit Agreement. Each Note Guarantee will be:

a general unsecured obligation of that Guarantor;

pari passu in right of payment with all existing and any future Senior Debt of that Guarantor;

effectively subordinated in right of payment to all future secured Indebtedness of that Guarantor to the extent of the value of the collateral securing such Indebtedness; and

senior in right of payment to all existing and future subordinated Indebtedness of that Guarantor.

Not all of the Company s Subsidiaries will Guarantee the Notes. In the event of a bankruptcy, liquidation or reorganization of any of these non-Guarantor Subsidiaries, the non-Guarantor Subsidiaries will pay the holders of their debt and their trade creditors before they will be able to distribute any of their assets to the Company.

The obligations of each Guarantor under its Note Guarantee will be limited as necessary to prevent that Note Guarantee from constituting a fraudulent conveyance under applicable law. See Risk Factors Risks Relating to the Notes Any guarantees of the notes by our subsidiaries could be deemed fraudulent conveyances under certain circumstances, and a court may subordinate or void the subsidiary guarantees. See Certain Covenants Guarantees.

Optional Redemption

At any time prior to August 1, 2017, the Company may redeem, upon prior notice given as provided in the Indenture, up to 35% of the aggregate principal amount of Notes issued under the Indenture (including any Additional Notes) at a redemption price of 105.125% of the principal amount thereof, plus accrued and unpaid interest, if any, thereon to the redemption date (subject to the right of Holders on the relevant record date to receive interest due on the relevant payment date) with the net cash proceeds of one or more Equity Offerings; *provided* that:

(1) at least 65% of the aggregate principal amount of Notes issued under the Indenture (including any Additional Notes) remains outstanding immediately after the occurrence of such redemption (excluding Notes held by the Company or its Affiliates); and

(2) the redemption must occur within 180 days of the date of the closing of such Equity Offering.

At any time prior to August 1, 2017, the Company may redeem, upon prior notice given as provided in the Indenture, all or part of the Notes at a redemption price equal to the sum of (1) 100% of the principal amount thereof, plus (2) the Applicable Premium as of the date of redemption, plus accrued and unpaid interest, if any, to the date of redemption, subject to the right of Holders on the relevant record date to receive interest due on the relevant payment date.

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Except pursuant to the preceding paragraphs or the seventh paragraph of Repurchase at the Option of Holders Change of Control, the Notes will not be redeemable at the Company s option prior to August 1, 2017.

On or after August 1, 2017, at any time or from time to time, the Company may redeem, upon prior notice given as provided in the Indenture, all or a part of the Notes, at the redemption prices (expressed as percentages of principal amount) set forth below plus accrued and unpaid interest, if any, thereon, to the applicable redemption date (subject to the right of Holders on the relevant record date to receive interest due on the relevant payment date), if redeemed during the twelve-month period beginning on August 1 of the years indicated below:

Year	Percentage
2017	103.844%
2018	102.563%
2019	101.281%
2020 and thereafter	100.000%

If less than all of the Notes are to be redeemed at any time, the Trustee will select Notes for redemption as follows:

(1) if the Notes are listed on any national securities exchange, in compliance with the requirements of such national securities exchange; or

(2) if the Notes are not so listed, on a pro rata basis, by lot or by such method as the Trustee will deem fair and appropriate (or, in the case of global notes, the Notes represented thereby will be selected in accordance with the prescribed method of DTC).

No Notes of $2,000 or less will be redeemed in part. Notices of redemption will be sent at least 30 but not more than 60 days before the redemption date to each Holder of Notes to be redeemed at its registered address, except that an optional redemption notice may be given more than 60 days prior to a redemption date if the notice is issued in connection with a defeasance of the Notes or a satisfaction and discharge of the Indenture. Notices of redemption may not be conditional, except that any redemption described in the initial paragraph under Optional Redemption may, at the Company s discretion, be subject to completion of the related Equity Offering.

If any Note is to be redeemed in part only, the notice of redemption that relates to that Note will state the portion of the principal amount thereof to be redeemed. A new Note in principal amount equal to the unredeemed portion of the original Note will be issued in the name of the Holder thereof upon cancellation of the original Note.

Notes called for redemption without any condition precedent will become due on the date fixed for redemption. On and after the redemption date, interest will cease to accrue on Notes or portions of them called for redemption.

Mandatory Redemption

The Company is not required to make mandatory redemption or sinking fund payments with respect to the Notes.

Repurchase at the Option of Holders

Change of Control

If a Change of Control occurs, unless the Company has previously or concurrently exercised its right to redeem all of the Notes as described under Optional Redemption or another exception described below

applies, each Holder of Notes will have the right to require the Company to repurchase all or any part (equal to $2,000 or an integral multiple of $1,000 in excess thereof) of that Holder s Notes pursuant to an offer (a Change of Control Offer) on the terms set forth in the Indenture. In the Change of Control Offer, the Company will offer a payment (a Change of Control Payment) in cash equal to not less than 101% of the aggregate principal amount of Notes repurchased plus accrued and unpaid interest, if any, thereon, to the date of repurchase (the Change of Control Payment Date, which date will be no earlier than the date of such Change of Control), subject to the right of Holders on the relevant record date to receive interest due on the relevant payment date. No later than 30 days following any Change of Control, unless the Company has previously or concurrently exercised its right to redeem all of the Notes as described under Optional Redemption or another exception described below applies, the Company will send a notice to each Holder describing the transaction or transactions that constitute the Change of Control and offering to repurchase Notes on the Change of Control Payment Date specified in such notice, which date will be no earlier than 30 days and no later than 60 days from the date such notice is sent, pursuant to the procedures required by the Indenture and described in such notice.

The Company will comply with the requirements of Rule 14e-1 under the Exchange Act and any other securities laws and regulations thereunder to the extent such laws and regulations are applicable in connection with the repurchase of the Notes as a result of a Change of Control. To the extent that the provisions of any securities laws or regulations conflict with the Change of Control provisions of the Indenture, the Company will comply with the applicable securities laws and regulations and will not be deemed to have breached its obligations under the Change of Control provisions of the Indenture by virtue of such compliance.

On the Change of Control Payment Date, the Company will, to the extent lawful:

(1) accept for payment all Notes or portions thereof properly tendered pursuant to the Change of Control Offer;

(2) deposit with the paying agent an amount equal to the Change of Control Payment in respect of all Notes or portions thereof so tendered; and

(3) deliver or cause to be delivered to the Trustee the Notes so accepted together with an Officers Certificate stating the aggregate principal amount of Notes or portions thereof being purchased by the Company.

The paying agent will promptly mail or wire transfer to each Holder of Notes so tendered the Change of Control Payment for such Notes, and the Trustee will promptly authenticate and mail (or cause to be transferred by book entry) to each Holder a new Note equal in principal amount to any unpurchased portion of the Notes surrendered, if any; *provided* that each such new Note will be in a principal amount of $2,000 or an integral multiple of $1,000 in excess thereof. The Company will publicly announce the results of the Change of Control Offer on or as soon as practicable after the Change of Control Payment Date.

The Credit Agreement provides that certain change of control events with respect to the Company would constitute an event of default under the Credit Agreement entitling the lenders, among other things, to accelerate the maturity of all Indebtedness outstanding thereunder. Any future credit agreements or other agreements relating to Indebtedness to which the Company becomes a party may contain similar restrictions and provisions. Prior to complying with any of the provisions of this Change of Control covenant, but in any event no later than the Change of Control Payment Date, the Company must either repay all of its other outstanding Senior Debt or obtain the requisite consents, if any, under all agreements governing such Senior Debt to permit the repurchase of Notes required by this covenant.

The provisions described above that require the Company to make a Change of Control Offer following a Change of Control will be applicable regardless of whether any other provisions of the Indenture are applicable. Except as

described above with respect to a Change of Control, the Indenture will not contain provisions that permit the Holders of the Notes to require that the Company repurchase or redeem the Notes in the event of a takeover, recapitalization or similar transaction.

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If Holders of not less than 90% in aggregate principal amount of the outstanding Notes validly tender and do not withdraw such Notes in a Change of Control Offer and the Company, or any third party making a Change of Control Offer in lieu of the Company as described below, purchases all of the Notes validly tendered and not withdrawn by such holders, the Company will have the right, upon not less than 30 nor more than 60 days prior notice, given not more than 30 days following such purchase pursuant to the Change of Control Offer described above, to redeem all Notes that remain outstanding following such purchase at a redemption price in cash equal to the applicable Change of Control Payment plus, to the extent not included in the Change of Control Payment, accrued and unpaid interest, if any, to the date of redemption, subject to the right of Holders on the relevant record date to receive interest due on the relevant payment date.

The Change of Control provisions described above may deter certain mergers, tender offers and other takeover attempts involving the Company. The Change of Control purchase feature is a result of negotiations between the underwriters and us. As of the Issue Date, we have no present intention to engage in a transaction involving a Change of Control, although it is possible that we could decide to do so in the future. Subject to the limitations discussed below, we could, in the future, enter into certain transactions, including acquisitions, refinancings or other recapitalizations, that would not constitute a Change of Control under the Indenture, but that could increase the amount of indebtedness outstanding at such time or otherwise affect our capital structure or credit ratings. Restrictions on our ability to incur additional Indebtedness are contained in the covenants described under Certain Covenants Incurrence of Indebtedness and Certain Covenants Liens. Such restrictions in the Indenture can be waived only with the consent of the Holders of a majority in principal amount of the Notes then outstanding. Except for the limitations contained in such covenants, however, the Indenture does not contain any covenants or provisions that may afford Holders of the Notes protection in the event of a highly leveraged transaction.

The Company will not be required to make a Change of Control Offer upon a Change of Control if a third party makes the Change of Control Offer in the manner, at the times and otherwise in compliance with the requirements set forth in the Indenture applicable to a Change of Control Offer made by the Company and purchases all Notes validly tendered and not withdrawn under such Change of Control Offer.

A Change of Control Offer may be made in advance of a Change of Control, and conditioned upon the occurrence of a Change of Control, if a definitive agreement is in place for the Change of Control at the time of making the Change of Control Offer.

The definition of Change of Control includes a phrase relating to the direct or indirect sale, transfer, conveyance or other disposition of all or substantially all of the properties or assets of the Company and its Restricted Subsidiaries taken as a whole. Although there is a limited body of case law interpreting the phrase substantially all, there is no precise established definition of the phrase under applicable law. Accordingly, the ability of a Holder of Notes to require the Company to repurchase such Notes as a result of a sale, transfer, conveyance or other disposition of less than all of the properties or assets of the Company and its Restricted Subsidiaries taken as a whole may be uncertain.

Asset Sales

The Company will not, and will not permit any of its Restricted Subsidiaries to, consummate an Asset Sale unless:

(1) the Company (or a Restricted Subsidiary, as the case may be) receives consideration at the time of such Asset Sale at least equal to the Fair Market Value of the assets or Equity Interests issued or sold or otherwise disposed of; and

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(2) at least 75% of the consideration therefor received by the Company or a Restricted Subsidiary is in the form of cash, Cash Equivalents or Replacement Assets or a combination of both. For purposes of this provision, each of the following will be deemed to be cash:

(a) any liabilities (as shown on the Company s or a Restricted Subsidiary s most recent balance sheet) of the Company or any Restricted Subsidiary (other than contingent liabilities, Indebtedness that is by its terms subordinated to the Notes or any Note Guarantee and liabilities to the extent owed to the Company or any Affiliate of the Company) that are assumed by the transferee of any such assets or Equity Interests pursuant to a written novation agreement that releases the Company or such Restricted Subsidiary from further liability therefor;

(b) any securities, notes or other obligations received by the Company or any Restricted Subsidiary from such transferee that are converted by the Company or such Restricted Subsidiary into cash within 90 days of the Asset Sale (to the extent of the cash received in that conversion); and

(c) any Designated Non-Cash Consideration received by the Company or any of its Restricted Subsidiaries in such Asset Sale having an aggregated Fair Market Value, taken together with all other Designated Non-Cash Consideration received pursuant to this clause (c) that is at that time outstanding, not to exceed the greater of (x) 10.0% of the Company s Consolidated Net Assets as of the date or receipt of such Designated Non-Cash Consideration and (y) $100.0 million (with the Fair Market Value of each item of Designated Non-Cash Consideration being measured at the time received and without giving effect to subsequent changes in value).

Within 540 days after the receipt of any Net Proceeds from an Asset Sale, the Company or any Restricted Subsidiary may apply such Net Proceeds at its option:

(1) to repay Senior Debt and, if the Senior Debt repaid is revolving credit Indebtedness, to correspondingly reduce commitments with respect thereto; or

(2) to purchase Replacement Assets (or enter into a binding agreement to purchase such Replacement Assets; *provided* that (x) such purchase is consummated within 90 days after the date of such binding agreement and (y) if such purchase is not consummated, within the period set forth in subclause (x), the Net Proceeds not so applied will be deemed to be Excess Proceeds (as defined below)).

Pending the final application of any such Net Proceeds, the Company or any Restricted Subsidiary may temporarily reduce revolving credit borrowings or otherwise invest such Net Proceeds in any manner that is not prohibited by the Indenture.

On the 541st day after an Asset Sale or such earlier date, if any, as the Company determines not to apply the Net Proceeds relating to such Asset Sale as set forth in the preceding paragraph (each such date being referred to as an Excess Proceeds Trigger Date), such aggregate amount of Net Proceeds that has not been applied on or before the Excess Proceeds Trigger Date as permitted in the preceding paragraph (Excess Proceeds) will be applied by the Company to make an offer (an Asset Sale Offer) to all Holders of Notes and all holders of other Indebtedness that ranks *pari passu* in right of payment with the Notes or any Note Guarantee containing provisions similar to those set forth in the Indenture with respect to offers to purchase with the proceeds of sales of assets, to purchase the maximum principal amount of Notes and such other *pari passu* Indebtedness that may be purchased using the Excess Proceeds. The offer price in any Asset Sale Offer will be equal to 100% of the principal amount of the Notes and such other *pari passu* Indebtedness plus accrued and unpaid interest, if any, to the date of purchase, subject to the right of Holders on the relevant record date to receive interest due on the relevant payment date, and will be payable in cash.

The Company may defer the Asset Sale Offer until there are aggregate unutilized Excess Proceeds equal to or in excess of $20.0 million resulting from one or more Asset Sales, at which time the entire unutilized amount of Excess Proceeds (not only the amount in excess of $20.0 million) will be applied as provided in the preceding

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paragraph. If any Excess Proceeds remain after consummation of an Asset Sale Offer, the Company or any Restricted Subsidiary may use such Excess Proceeds for any purpose not otherwise prohibited by the Indenture. If the aggregate principal amount of Notes and such other *pari passu* Indebtedness tendered into such Asset Sale Offer exceeds the amount of Excess Proceeds, the Notes and such other *pari passu* Indebtedness will be purchased on a pro rata basis based on the principal amount of Notes and such other *pari passu* Indebtedness tendered. Upon completion of each Asset Sale Offer, Excess Proceeds subject to such Asset Sale and still held by the Company will no longer be deemed to be Excess Proceeds.

The Company will comply with the requirements of Rule 14e-1 under the Exchange Act and any other securities laws and regulations thereunder to the extent such laws and regulations are applicable in connection with each repurchase of Notes pursuant to an Asset Sale Offer. To the extent that the provisions of any securities laws or regulations conflict with the Asset Sales provisions of the Indenture, the Company will comply with the applicable securities laws and regulations and will not be deemed to have breached its obligations under the Asset Sale provisions of the Indenture by virtue of such compliance.

Certain Covenants

Restricted Payments

(A) The Company will not, and will not permit any of its Restricted Subsidiaries to, directly or indirectly:

(1) declare or pay (without duplication) any dividend or make any other payment or distribution on account of the Company s or any of its Restricted Subsidiaries Equity Interests (including, without limitation, any payment in connection with any merger or consolidation involving the Company or any of its Restricted Subsidiaries) or to the direct or indirect holders of the Company s or any of its Restricted Subsidiaries Equity Interests in their capacity as such (other than dividends, payments or distributions (x) payable in Equity Interests (other than Disqualified Stock) of the Company or (y) to the Company or a Restricted Subsidiary of the Company);

(2) purchase, redeem or otherwise acquire or retire for value (including, without limitation, in connection with any merger or consolidation involving the Company or any of its Restricted Subsidiaries) any Equity Interests of the Company, or any Restricted Subsidiary thereof held by Persons other than the Company or any of its Restricted Subsidiaries;

(3) make any payment on or with respect to, or purchase, redeem, defease or otherwise acquire or retire for value any Indebtedness that is subordinated to the Notes or any Note Guarantees (except for our formerly outstanding senior subordinated notes due 2018), except (a) a payment of interest or principal at the Stated Maturity thereof or (b) the purchase, repurchase or other acquisition of any such Indebtedness in anticipation of satisfying a sinking fund obligation, principal installment or final maturity, in each case due within one year of the date of such purchase, repurchase or other acquisition; or

(4) make any Restricted Investment (all such payments and other actions set forth in clauses (1) through (4) above being collectively referred to as Restricted Payments),

unless, at the time of and after giving effect to such Restricted Payment:

(1) no Default or Event of Default will have occurred and be continuing or would occur as a consequence thereof; and

(2) the Company would, at the time of such Restricted Payment and after giving pro forma effect thereto as if such Restricted Payment had been made at the beginning of the applicable four-quarter period, have been permitted to Incur at least $1.00 of additional Indebtedness pursuant to the Fixed Charge Coverage Ratio test set forth in the first paragraph of the covenant described below under the caption Incurrence of Indebtedness ; and

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(3) such Restricted Payment, together with the aggregate amount of all other Restricted Payments made by the Company and its Restricted Subsidiaries after the Issue Date (excluding Restricted Payments permitted by clauses (3), (4), (5), (6) and (8) of the next succeeding paragraph (B)), is less than the sum, without duplication, of (the Restricted Payments Basket):

(a) 50% of the Consolidated Net Income of the Company for the period (taken as one accounting period) from July 1, 2010 to the end of the Company s most recently ended fiscal quarter for which internal financial statements are available at the time of such Restricted Payment (or, if such Consolidated Net Income for such period is a deficit, less 100% of such deficit), *plus*

(b) 100% of the aggregate net cash proceeds and the Fair Market Value of assets other than cash received by the Company since August 26, 2010 as a contribution to its common equity capital or from the issue or sale of Equity Interests (other than Disqualified Stock) of the Company, *plus*

(c) with respect to Restricted Investments made by the Company and its Restricted Subsidiaries after August 26, 2010, an amount equal to the net reduction in such Restricted Investments in any Person resulting from repayments of loans or advances, or other transfers of assets, in each case to the Company or any Restricted Subsidiary or from the net cash proceeds from the sale of any such Restricted Investment (except, in each case, to the extent any such payment or proceeds are included in the calculation of Consolidated Net Income), from the release of any Guarantee (except to the extent any amounts are paid under such Guarantee) or from redesignations of Unrestricted Subsidiaries as Restricted Subsidiaries, not to exceed, in each case, the amount of Restricted Investments previously made by the Company or any Restricted Subsidiary in such Person or Unrestricted Subsidiary after August 26, 2010, *plus*

(d) the amount by which Indebtedness of the Company is reduced on the Company s most recent quarterly balance sheet upon the conversion or exchange subsequent to August 26, 2010 of any Indebtedness of the Company convertible or exchangeable for Capital Stock (other than Disqualified Stock) of the Company (less the amount of any cash or the Fair Market Value of any other property (other than such Capital Stock) distributed by the Company upon such conversion or exchange) plus the amount of any cash received by the Company upon such conversion or exchange; *provided*, *however*, that such amount may not exceed the net proceeds received by the Company or any of its Restricted Subsidiaries from the Incurrence of such Indebtedness (excluding net proceeds from the sale or issuance of such Indebtedness to a Subsidiary of the Company or an employee ownership plan or a trust established by the Company or any of its Subsidiaries for the benefit of their employees), *plus*

(e) $75.0 million.

(B) The preceding provisions will not prohibit, so long as, in the case of clauses (7), (9) and (10) below, no Default has occurred and is continuing or would be caused thereby:

(1) the payment of any dividend within 60 days after the date of declaration thereof, if at said date of declaration such payment would have complied with the provisions of the Indenture;

(2) the payment of any dividend by a Restricted Subsidiary of the Company to the holders of its Common Stock on a pro rata basis;

(3) the purchase, redemption, defeasance or other acquisition or retirement for value of any subordinated Indebtedness of the Company or any Guarantor or of any Equity Interests of the Company or any Restricted Subsidiary in exchange for, or out of the net cash proceeds of a contribution to the Equity Interests (other than Disqualified Stock) of the Company or a substantially concurrent sale (other than to a Subsidiary of the Company) of, Equity Interests (other

than Disqualified Stock) of the Company; *provided* that the amount of any such net cash proceeds that are utilized for any such purchase, redemption, defeasance or other acquisition or retirement for value will be excluded from clause (3)(b) of the preceding paragraph (A);

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(4) the purchase, redemption, defeasance or other acquisition or retirement for value of Indebtedness subordinated to the Notes or the Note Guarantees in exchange for, or with the net cash proceeds from an Incurrence of, Permitted Refinancing Indebtedness;

(5) the purchase of Capital Stock (i) deemed to occur (x) upon the exercise of options or warrants to the extent that such Capital Stock represents all or a portion of the exercise price thereof, or (y) in lieu of payment of withholding taxes in connection with any exercise of options or warrants to acquire such Capital Stock or (ii) upon exercise of bond hedge or capped call options purchased by the Company from one or more financial institutions to hedge the Company s payment or delivery obligations due upon conversion of the Convertible Notes;

(6) the purchase, redemption or other acquisition or retirement for value of any Equity Interests of the Company or any of its Restricted Subsidiaries held by any current or former employee or director of the Company (or any of its Restricted Subsidiaries) pursuant to the terms of any director or employee equity subscription agreement, equity option agreement or other director or employee benefit plan entered into in the ordinary course of business; *provided* that the aggregate price paid for all such purchased, redeemed, acquired or retired Equity Interests in a calendar year does not exceed $5.0 million (with unused amounts in any calendar year after the Issue Date of up to $5.0 million being carried over to the next succeeding calendar year);

(7) payments of dividends on Disqualified Stock permitted to be issued under the covenant described below under Incurrence of Indebtedness ;

(8) cash payments in lieu of the issuance of fractional shares in connection with the exercise of warrants, options or other securities convertible into or exchangeable for Capital Stock of the Company;

(9) other Restricted Payments if, immediately after giving effect to such Restricted Payment (including the incurrence of any Indebtedness to finance such payment) as if it had occurred at the beginning of the most recently ended four full fiscal quarters for which internal financial statements of the Company are available, the Total Leverage Ratio would not be greater than 1.75 to 1.0; and

(10) other Restricted Payments in an aggregate amount not to exceed $100.0 million since the Issue Date.

The amount of all Restricted Payments (other than cash) will be the Fair Market Value on the date of the Restricted Payment of the asset(s) or securities proposed to be transferred or issued to or by the Company or such Subsidiary, as the case may be, pursuant to the Restricted Payment, except that the Fair Market Value of any non-cash dividend made within 60 days after the date of declaration shall be determined as of such date of declaration. Not later than the date of making any Restricted Payment (excluding Restricted Payments permitted by clauses (3), (4), (5), (6) and (8) of the next preceding paragraph (B)), the Company will deliver to the Trustee an Officers Certificate stating that such Restricted Payment is permitted and setting forth the basis upon which the calculations required by this Restricted Payments covenant were computed.

Incurrence of Indebtedness

The Company will not, and will not permit any of its Restricted Subsidiaries to, directly or indirectly, Incur any Indebtedness; *provided*, *however*, that the Company or any Guarantor may Incur Disqualified Stock or other Indebtedness, and any Guarantor may issue Preferred Stock, if the Fixed Charge Coverage Ratio for the Company s most recently ended four full fiscal quarters for which internal financial statements are available immediately preceding the date on which such additional Disqualified Stock or other Indebtedness is Incurred or Preferred Stock is issued would have been at least 2.0 to 1.0, determined on a pro forma basis (including a pro forma application of the

net proceeds therefrom), as if the additional Disqualified Stock or other Indebtedness or Preferred Stock had been Incurred or issued at the beginning of such four-quarter period.

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The first paragraph of this covenant will not prohibit the Incurrence of the following items of Indebtedness (collectively, Permitted Debt):

(1) the Incurrence by the Company or any Guarantor of Indebtedness under one or more Credit Facilities, *provided* that, after giving effect to any such Incurrence, the aggregate principal amount of all Indebtedness Incurred pursuant to this clause (1) and then outstanding does not exceed the greater of (a) $500.0 million less the aggregate amount of all Net Proceeds of Asset Sales applied by the Company or any Restricted Subsidiary thereof to permanently repay any such Indebtedness pursuant to the covenant described above under the caption Repurchase at the Option of Holders Asset Sales or (b) $300.0 million plus 20% of the Consolidated Net Assets of the Company;

(2) the Incurrence of Existing Indebtedness;

(3) the Incurrence by the Company and the Guarantors of Indebtedness represented by (a) the old notes, (b) any new notes issued pursuant to the Registration Rights Agreement in exchange for the old notes and (c) the related Note Guarantees;

(4) the Incurrence by the Company or any Guarantor of Indebtedness represented by Capital Lease Obligations, mortgage financings, construction loans or purchase money obligations for property acquired in the ordinary course of business, in each case Incurred for the purpose of financing all or any part of the purchase price or cost of construction or improvement of property, plant or equipment used by the Company or any such Guarantor, in an aggregate outstanding principal amount, after giving effect to such Incurrence and together with all Permitted Refinancing Indebtedness Incurred to refund, refinance or replace any Indebtedness Incurred pursuant to this clause (4) and then outstanding, not to exceed the greater of (a) $75.0 million or (b) 7.5% of the Company s Consolidated Net Assets;

(5) the Incurrence by the Company or any Restricted Subsidiary of the Company of Permitted Refinancing Indebtedness in exchange for, or the net proceeds of which are used to extend, refinance, renew, replace, defease or refund Indebtedness (other than intercompany Indebtedness) that was permitted by the Indenture to be Incurred under the first paragraph of this covenant or clause (2), (3), (4) or (5) of this paragraph;

(6) the Incurrence by the Company or any of its Restricted Subsidiaries of intercompany Indebtedness owing to and held by the Company or any of its Restricted Subsidiaries; *provided*, *however*, that:

(a) if the Company or any Guarantor is the obligor on such Indebtedness and the payee is neither the Company nor a Guarantor, such Indebtedness must be unsecured and expressly subordinated to the prior payment in full in cash of all Obligations with respect to the Notes, in the case of the Company, or the Note Guarantee, in the case of a Guarantor;

(b) Indebtedness owed to the Company or any Guarantor must be evidenced by an unsubordinated promissory note, unless the obligor under such Indebtedness is the Company or a Guarantor; and

(c) (i) any subsequent issuance or transfer of Equity Interests that results in any such Indebtedness being held by a Person other than the Company or a Restricted Subsidiary thereof and (ii) any sale or other transfer of any such Indebtedness to a Person that is not either the Company or a Restricted Subsidiary thereof, will be deemed, in each case, to constitute an Incurrence of such Indebtedness by the Company or such Restricted Subsidiary, as the case may be, that was not permitted by this clause (6);

(7) the Guarantee (a) by the Company or any of the Guarantors of Indebtedness of the Company or a Guarantor or (b) by any Restricted Subsidiary of the Company that is not a Guarantor of Indebtedness of a Restricted Subsidiary of the Company that is not a Guarantor, in each case that was permitted to be Incurred by another provision of this

covenant;

(8) the Incurrence by the Company or any of its Restricted Subsidiaries of Hedging Obligations that are Incurred for the purpose of fixing, hedging or swapping interest rate, commodity price or foreign currency

exchange rate risk (or to reverse or amend any such agreements previously made for such purposes), and not for speculative purposes, and that do not increase the Indebtedness of the obligor outstanding at any time other than as a result of fluctuations in interest rates, commodity prices or foreign currency exchange rates or by reason of fees, indemnities and compensation payable thereunder;

(9) the Incurrence by any Foreign Subsidiary of Indebtedness in an aggregate outstanding principal amount, after giving effect to such Incurrence and together with all Permitted Refinancing Indebtedness Incurred to refund, refinance or replace any Indebtedness Incurred pursuant to this clause (9) and then outstanding, not to exceed the greater of (a) $50.0 million or (b) 40% of the Consolidated Net Assets of any such Foreign Subsidiaries;

(10) the Incurrence of Other Permitted Debt;

(11) Indebtedness of any Person outstanding on the date on which such Person becomes a Restricted Subsidiary or is acquired by, or merged or consolidated with or into, the Company or any Restricted Subsidiary, or Indebtedness of the Company or any Restricted Subsidiary Incurred in connection with a transaction subject to the covenant described below under the caption Merger, Consolidation or Sale of Assets or in contemplation of, or to provide all or any portion of the funds or credit support utilized to consummate, the acquisition by the Company or such Restricted Subsidiary of any assets (whether through the direct purchase of assets or the purchase of Capital Stock of, or merger or consolidation with or into, any Person owning such assets); *provided*, *however*, that at the time any such transaction occurs, either

(a) the Company would have been able to Incur $1.00 of additional Indebtedness pursuant to the first paragraph of this covenant after giving pro forma effect to such transaction and the incurrence of such Indebtedness pursuant to this clause (11); or

(b) the Fixed Charge Coverage Ratio of the Company (or its permitted successor) after giving pro forma effect to such transaction is equal to or higher than such ratio immediately prior to such transaction; or

(12) the Incurrence by the Company or any Guarantor of additional Indebtedness in an aggregate outstanding principal amount, after giving effect to such Incurrence and together with all Permitted Refinancing Indebtedness Incurred to refund, refinance or replace any Indebtedness Incurred pursuant to this clause (12) and then outstanding, not to exceed the greater of (a) $50.0 million or (b) 5% of the Consolidated Net Assets of the Company.

For purposes of determining compliance with this covenant, in the event that any proposed Indebtedness meets the criteria of more than one of the categories of Permitted Debt described in clauses (1) through (12) above, or is entitled to be Incurred pursuant to the first paragraph of this covenant, the Company will be permitted to classify such item of Indebtedness at the time of its Incurrence in any manner that complies with this covenant. In addition, any Indebtedness originally classified as Incurred pursuant to clauses (1) through (12) above may later be reclassified by the Company such that it will be deemed as having been Incurred pursuant to another of such clauses to the extent that such reclassified Indebtedness could be Incurred pursuant to such new clause at the time of such reclassification. Notwithstanding the foregoing, Indebtedness under the Credit Agreement outstanding on the Issue Date will be deemed to have been Incurred on such date in reliance on the exception provided by clause (1) of the definition of Permitted Debt.

For purposes of determining compliance with any U.S. dollar-denominated restriction on the Incurrence of Indebtedness, the U.S. dollar-equivalent principal amount of Indebtedness denominated in a foreign currency shall be calculated based on the relevant currency exchange rate in effect on the date such Indebtedness was Incurred, in the case of term Indebtedness, or first committed, in the case of revolving credit Indebtedness; *provided* that if such

Indebtedness is Incurred to refinance other Indebtedness denominated in a foreign currency, and such refinancing would cause the applicable U.S. dollar-denominated restriction to be exceeded if calculated at the relevant currency exchange rate in effect on the date of such refinancing, such U.S. dollar-denominated restriction shall be deemed not to have been exceeded so long as the principal amount of such refinancing

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Indebtedness does not exceed the principal amount of such Indebtedness being refinanced. Notwithstanding any other provision of this covenant, the maximum amount of Indebtedness that the Company may Incur pursuant to this covenant shall not be deemed to be exceeded solely as a result of fluctuations in the exchange rates of currencies. The principal amount of any Indebtedness Incurred to refinance other Indebtedness, if Incurred in a different currency from the Indebtedness being refinanced, shall be calculated based on the currency exchange rate applicable to the currencies in which such refinancing Indebtedness is denominated that is in effect on the date of such refinancing.

Liens

The Company will not, and will not permit any of its Restricted Subsidiaries to, create, incur, assume or otherwise cause or suffer to exist or become effective any Lien of any kind securing Indebtedness (other than Permitted Liens) upon any of its property or assets, now owned or hereafter acquired, unless all payments under the Indenture and the Notes are secured on an equal and ratable basis with the obligations so secured (or, in the case of Indebtedness subordinated to the Notes or the Note Guarantees, prior or senior thereto, with the same relative priority as the Notes or the Note Guarantees, as applicable, will have with respect to such subordinated Indebtedness) until such time as such Indebtedness is no longer secured by a Lien.

Dividend and Other Payment Restrictions Affecting Restricted Subsidiaries

The Company will not, and will not permit any of its Restricted Subsidiaries to, directly or indirectly, create or permit to exist or become effective any consensual encumbrance or restriction on the ability of any Restricted Subsidiary to:

(1) pay dividends or make any other distributions on its Capital Stock to the Company or any of its Restricted Subsidiaries or pay any liabilities owed to the Company or any of its Restricted Subsidiaries;

(2) make loans or advances to the Company or any of its Restricted Subsidiaries; or

(3) transfer any of its properties or assets to the Company or any of its Restricted Subsidiaries.

However, the preceding restrictions will not apply to encumbrances or restrictions:

(1) existing under, by reason of or with respect to the Credit Agreement, Existing Indebtedness or any other agreements in effect on the Issue Date and any amendments, modifications, restatements, renewals, extensions, supplements, refundings, replacements or refinancings thereof, *provided* that the encumbrances and restrictions in any such amendments, modifications, restatements, renewals, extensions, supplements, refundings, replacement or refinancings are no more restrictive, taken as a whole, than those contained in the Credit Agreement, Existing Indebtedness or such other agreements, as the case may be, as in effect on the Issue Date;

(2) set forth in the Indenture, the Notes and the Note Guarantees;

(3) existing under, by reason of or with respect to applicable law;

(4) with respect to any Person or the property or assets of a Person acquired by the Company or any of its Restricted Subsidiaries existing at the time of such acquisition and not incurred in connection with or in contemplation of such acquisition, which encumbrance or restriction is not applicable to any Person or the properties or assets of any Person, other than the Person, or the property or assets of the Person so acquired and any amendments, modifications, restatements, renewals, extensions, supplements, refundings, replacements or refinancings thereof; *provided* that the encumbrances and restrictions in any such amendments, modifications, restatements, renewals, extensions,

supplements, refundings, replacement or refinancings are no more restrictive, taken as a whole, than those in effect on the date of the acquisition;

(5) in the case of clause (3) of the first paragraph of this covenant:

(a) restricting in a customary manner the subletting, assignment or transfer of any property or asset that is a lease, license, conveyance or contract or similar property or asset;

(b) existing by virtue of any transfer of, agreement to transfer, option or right with respect to, or Lien on, any property or assets of the Company or any Restricted Subsidiary thereof not otherwise prohibited by the Indenture;

(c) arising or existing by reason of construction loans or purchase money obligations for property acquired in the ordinary course of business and Capital Lease Obligations, in each case to the extent permitted under the Indenture;

(d) restricting in a customary manner the transfer of intellectual property in connection with licenses of such intellectual property in the ordinary course of business;

(e) existing under or by reason of provisions with respect to the disposition or distribution of assets or property in Joint Venture agreements and other similar agreements, in each case to the extent permitted under the Indenture, so long as any such encumbrances or restrictions are not applicable to any Person (to its property or assets) other than such Joint Venture or a Subsidiary thereof; or

(f) arising or agreed to in the ordinary course of business, not relating to any Indebtedness, and that do not, individually or in the aggregate, detract from the value of property or assets of the Company or any Restricted Subsidiary thereof in any manner material to the Company or any Restricted Subsidiary thereof;

(6) existing under, by reason of or with respect to any agreement for the sale or other disposition of all or substantially all of the Capital Stock of, or property or assets of, a Restricted Subsidiary that restrict distributions by that Restricted Subsidiary pending such sale or other disposition;

(7) on cash or other deposits or net worth imposed by customers or required by utility, insurance, surety or bonding companies, in each case, under contracts entered into in the ordinary course of business;

(8) the issuance of Preferred Stock by a Restricted Subsidiary of the Company or the payment of dividends thereon in accordance with the terms thereof; *provided* that issuance of such Preferred Stock is permitted pursuant to the covenant described above under the caption Incurrence of Indebtedness and the terms of such Preferred Stock do not expressly restrict the ability of such Restricted Subsidiary to pay dividends or make any other distributions on its Capital Stock (other than requirements to pay dividends or liquidation preferences on such Preferred Stock prior to paying any dividends or making any other distributions on such other Capital Stock);

(9) in the terms of any Indebtedness of any Foreign Subsidiary or any agreement pursuant to which such Indebtedness was Incurred, if either (a) the encumbrance or restriction applies only in the event of a payment default or a default with respect to a financial covenant in such Indebtedness or agreement or (b) the Company determines that any such encumbrance or restriction will not materially affect the Company s ability to make principal or interest payments on the Notes, as determined in good faith by the Board of Directors of the Company, whose determination shall be conclusive; and

(10) in any other agreement governing Indebtedness of the Company or any Guarantor of the Company that is permitted to be Incurred by the covenant described under Incurrence of Indebtedness ; *provided*, *however*, that such encumbrances or restrictions are not materially more restrictive, taken as a whole, than those contained in the Indenture or the Credit Agreement as it exists on the Issue Date.

Merger, Consolidation or Sale of Assets

The Company will not, directly or indirectly: (1) consolidate or merge with or into another Person (whether or not the Company is the surviving Person) or (2) sell, assign, transfer, lease or otherwise dispose of all or

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substantially all of the properties or assets of the Company and its Restricted Subsidiaries taken as a whole, in one or more related transactions, to another Person, unless:

(1) either: (a) the Company is the surviving Person; or (b) the Person formed by or surviving any such consolidation or merger (if other than the Company) or to which such sale, assignment, transfer, lease or other disposition will have been made (i) is a Person organized or existing under the laws of the United States, any state thereof or the District of Columbia and (ii) assumes all the obligations of the Company under the Notes and the Indenture pursuant to a supplement to the Indenture reasonably satisfactory to the Trustee;

(2) immediately after giving effect to such transaction no Default or Event of Default exists;

(3) immediately after giving effect to such transaction and any related financing transactions on a pro forma basis as if the same had occurred at the beginning of the applicable four-quarter period, either (a) the Company or the Person formed by or surviving any such consolidation or merger (if other than the Company), or to which such sale, assignment, transfer, lease or other disposition will have been made, will be permitted to Incur at least $1.00 of additional Indebtedness pursuant to the Fixed Charge Coverage Ratio test set forth in the first paragraph of the covenant described above under the caption Incurrence of Indebtedness or (b) the Fixed Charge Coverage Ratio of the Company or the Person formed by or surviving any such consolidation or merger (if other than the Company), or to which such sale, assignment, transfer, lease or other disposition has been made, will be equal to or greater than the Fixed Charge Coverage Ratio of the Company immediately before such transaction;

(4) unless the Company is the surviving Person in such transaction, each Guarantor, unless such Guarantor is the Person with which the Company has entered into a transaction under this covenant, will have by a supplement to the Indenture reasonably satisfactory to the Trustee confirmed that its Note Guarantee will apply to the obligations of the successor to the Company under the Notes and the Indenture; and

(5) the Company delivers to the Trustee an Officers Certificate (attaching the arithmetic computation to demonstrate compliance with clause (3) above) and Opinion of Counsel, in each case stating that such transaction and any such supplement to the Indenture comply with this covenant and that all conditions precedent provided for in this covenant relating to such transaction have been complied with.

Upon any consolidation or merger, or any sale, assignment, transfer, lease or other disposition of all or substantially all of the properties or assets of the Company in accordance with this covenant, the successor formed by such consolidation or into or with which the Company is merged or to which such sale, assignment, transfer, lease or other disposition is made will succeed to, and be substituted for (so that from and after the date of such consolidation, merger, sale, assignment, transfer, lease or other disposition, the provisions of the Indenture referring to the Company will refer instead to the successor and not to the Company), and may exercise every right and power of, the Company under the Indenture with the same effect as if such successor Person had been named as the Company in the Indenture, and the Company, unless the Company is the surviving Person in such transaction and except in the case of a lease, will be released from any further obligations under the Notes or Indenture.

Clause (3) above of this covenant will not apply to any merger, consolidation or sale, assignment, transfer, lease or other disposition of assets between or among the Company and any of its Restricted Subsidiaries.

Transactions with Affiliates

The Company will not, and will not permit any of its Restricted Subsidiaries to, make any payment to, or sell, lease, transfer or otherwise dispose of any of its properties or assets to, or purchase any property or assets

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from, or enter into, make, amend, renew or extend any transaction, contract, agreement, understanding, loan, advance or Guarantee with, or for the benefit of, any Affiliate (each, an Affiliate Transaction), unless:

(1) such Affiliate Transaction is on terms that are no less favorable to the Company or the relevant Restricted Subsidiary than those that would have been obtained in a comparable arm s-length transaction by the Company or such Restricted Subsidiary with a Person that is not an Affiliate of the Company or any of its Restricted Subsidiaries; and

(2) the Company delivers to the Trustee, with respect to any Affiliate Transaction or series of related Affiliate Transactions involving aggregate consideration in excess of $10.0 million, a Board Resolution set forth in an Officers Certificate certifying that such Affiliate Transaction or series of related Affiliate Transactions complies with this covenant, and that such Affiliate Transaction or series of related Affiliate Transactions has been approved by a majority of the disinterested members of the Board of Directors of the Company.

The following items will not be deemed to be Affiliate Transactions and, therefore, will not be subject to the provisions of the prior paragraph:

(1) transactions between or among the Company and/or its Restricted Subsidiaries;

(2) payment of reasonable and customary fees to, and reasonable and customary indemnification and similar payments on behalf of, directors of the Company;

(3) Restricted Payments that are permitted by the provisions of the Indenture described above under the caption Restricted Payments including, without limitation, payments included in the definition of Permitted Investments ;

(4) any sale of Equity Interests (other than Disqualified Stock) of the Company or any of its Restricted Subsidiaries;

(5) the receipt by the Company of any capital contribution from its shareholders;

(6) transactions pursuant to agreements or arrangements in effect on the Issue Date and described in this prospectus supplement, or any amendment, modification, or supplement thereto or replacement thereof, as long as such agreement or arrangement, as so amended, modified or supplemented or replaced, taken as a whole, is not more disadvantageous to the Company and its Restricted Subsidiaries in any material respect than the original agreements or arrangements in existence on the Issue Date;

(7) transactions with a Person (other than an Unrestricted Subsidiary) that is an Affiliate of the Company solely because the Company owns, directly or through a Restricted Subsidiary, an Equity Interest in such Person;

(8) transactions with customers, clients, suppliers, or purchasers or sellers of goods or services, in each case in the ordinary course of business and otherwise in compliance with the terms of the Indenture, *provided* that in the reasonable determination of the Board of Directors of the Company or the senior management of the Company, such transactions are on terms not materially less favorable to the Company or the relevant Restricted Subsidiary than those that could reasonably be expected to be obtained in a comparable transaction at such time on an arm s-length basis from a Person that is not an Affiliate of the Company; and

(9) any employment, consulting, service or termination agreement, or reasonable and customary indemnification arrangements, entered into by the Company or any of its Restricted Subsidiaries with officers and employees of the Company or any of its Restricted Subsidiaries and the payment of compensation to officers and employees of the Company or any of its Restricted Subsidiaries (including amounts paid pursuant to employee benefit plans, employee

stock option or similar plans), so long as such agreement or payment has been approved by the Board of Directors of the Company.

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Designation of Restricted and Unrestricted Subsidiaries

The Board of Directors of the Company may designate any Restricted Subsidiary of the Company to be an Unrestricted Subsidiary; *provided* that:

(1) the aggregate Fair Market Value of all outstanding Investments owned by the Company and its Restricted Subsidiaries in the Subsidiary being so designated will be deemed to be an Investment made as of the time of such designation and that such Investment would be permitted under the covenant described above under the caption Restricted Payments ;

(2) the Subsidiary being so designated:

(a) except as permitted by the covenant described above under the caption Transactions with Affiliates, is not party to any agreement, contract, arrangement or understanding with the Company or any Restricted Subsidiary of the Company unless the terms of any such agreement, contract, arrangement or understanding are no less favorable to the Company or such Restricted Subsidiary than those that might be obtained at the time from Persons who are not Affiliates of the Company;

(b) is a Person with respect to which neither the Company nor any of its Restricted Subsidiaries has any direct or indirect obligation (i) to subscribe for additional Equity Interests or (ii) to maintain or preserve such Person s financial condition or to cause such Person to achieve any specified levels of operating results; and

(c) has not Guaranteed or otherwise directly or indirectly provided credit support for any Indebtedness of the Company or any of its Restricted Subsidiaries, except to the extent such Guarantee or credit support would be released upon such designation; and

(3) no Default or Event of Default would be in existence following such designation.

Any designation of a Restricted Subsidiary of the Company as an Unrestricted Subsidiary will be evidenced to the Trustee by filing with the Trustee the Board Resolution giving effect to such designation and an Officers Certificate certifying that such designation complied with the preceding conditions and was permitted by the Indenture. If, at any time, any Unrestricted Subsidiary would fail to meet any of the preceding requirements and such failure continues for a period of 30 days, it will thereafter cease to be an Unrestricted Subsidiary for purposes of the Indenture and any Indebtedness, Investments, or Liens on the property, of such Subsidiary will be deemed to be Incurred or made by a Restricted Subsidiary of the Company as of such date and, if such Indebtedness, Investments or Liens are not permitted to be Incurred or made as of such date under the Indenture, the Company will be in default under the Indenture.

The Board of Directors of the Company may at any time designate any Unrestricted Subsidiary to be a Restricted Subsidiary; *provided* that:

(1) such designation will be deemed to be an Incurrence of Indebtedness by a Restricted Subsidiary of the Company of any outstanding Indebtedness of such Unrestricted Subsidiary and such designation will only be permitted if such Indebtedness is permitted under the covenant described under the caption Incurrence of Indebtedness ;

(2) all outstanding Investments owned by such Unrestricted Subsidiary will be deemed to be made as of the time of such designation and such designation will only be permitted if such Investments would be permitted under the covenant described above under the caption Restricted Payments ;

(3) all Liens upon property or assets of such Unrestricted Subsidiary existing at the time of such designation would be permitted under the covenant described under the caption Liens ; and

(4) no Default or Event of Default would be in existence following such designation.

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Guarantees

If the Company or any of its Restricted Subsidiaries acquires or creates another Wholly-Owned Subsidiary (other than an Immaterial Subsidiary or a Foreign Subsidiary) on or after the Issue Date, then that newly acquired or created Wholly-Owned Subsidiary must become a Guarantor of the Notes by executing a supplemental indenture and delivering it to the Trustee within 30 days of such acquisition or creation.

In addition, (a) any Immaterial Subsidiary that no longer meets the definition of Immaterial Subsidiary, and (b) any other Restricted Subsidiary of the Company (including any Immaterial Subsidiary and any Foreign Subsidiary) that Guarantees any other Indebtedness of the Company or any Guarantor, must become a Guarantor of the Notes in the same manner within 30 days, if it is not already a Guarantor at such time.

A Guarantor may not sell or otherwise dispose of all or substantially all of its properties or assets to, or consolidate with or merge with or into (whether or not such Guarantor is the surviving Person), another Person, other than the Company or another Guarantor, unless:

(1) immediately after giving effect to that transaction, no Default or Event of Default exists; and

(2) either:

(a) the Person acquiring the properties or assets in any such sale or disposition or the Person formed by or surviving any such consolidation or merger (if other than the Guarantor) is organized or existing under the laws of the United States, any state thereof or the District of Columbia and assumes all the obligations of that Guarantor under the Indenture and its Note Guarantee pursuant to a supplemental indenture reasonably satisfactory to the Trustee; or

(b) such sale or other disposition or consolidation or merger complies with the covenant described above under the caption Repurchase at the Option of Holders Asset Sales.

The Note Guarantee of a Guarantor will be released:

(1) in connection with any sale or other disposition of all or substantially all of the properties or assets of that Guarantor (including by way of merger or consolidation) to a Person that is not (either before or after giving effect to such transaction) the Company or a Restricted Subsidiary of the Company, if the sale or other disposition complies with the covenant described above under the caption Repurchase at the Option of Holders Asset Sales ;

(2) in connection with any sale or other disposition of Capital Stock of that Guarantor to a Person that is not (either before or after giving effect to such transaction) the Company or a Restricted Subsidiary of the Company, if the sale or other disposition complies with the covenant described above under the caption Repurchase at the Option of Holders Asset Sales, and the Guarantor ceases to be a Restricted Subsidiary of the Company as a result of such sale or other disposition;

(3) if the Company properly designates a Guarantor as an Unrestricted Subsidiary under the Indenture;

(4) upon Legal Defeasance or Covenant Defeasance as described below the caption Legal Defeasance and Covenant Defeasance or upon satisfaction and discharge of the Indenture with respect to the Notes as described below under the caption Satisfaction and Discharge ;

(5) upon the liquidation or dissolution of such Guarantor *provided* no Default or Event of Default has occurred that is continuing; or

(6) solely in the case of a Note Guarantee created pursuant to clause (b) of the second paragraph of this covenant, upon the release or discharge of the Guarantee which resulted in the creation of such Note Guarantee pursuant to this covenant, except a discharge or release by or as a result of payment under such Guarantee.

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Business Activities

The Company will not, and will not permit any Restricted Subsidiary thereof to, engage in any business other than Permitted Businesses, except to such extent as would not be material to the Company and its Restricted Subsidiaries taken as a whole.

Payments for Consent

The Company will not, and will not permit any of its Restricted Subsidiaries to, directly or indirectly, pay or cause to be paid any consideration to or for the benefit of any Holder of Notes for or as an inducement to any consent, waiver or amendment of any of the terms or provisions of the Indenture or the Notes unless such consideration is offered to be paid and is paid to all Holders of the Notes that consent, waive or agree to amend in the time frame set forth in the solicitation documents relating to such consent, waiver or agreement.

Reports

The Company will furnish to the Trustee and, upon request, to the Holders a copy of all of the information and reports referred to in clauses (1) and (2) below, if such information and reports are not filed electronically with the Commission, within the time periods specified in the Commission s rules and regulations:

(1) all quarterly and annual financial information that would be required to be contained in a filing with the Commission on Forms 10-Q and 10-K if the Company were required to file such Forms, including a Management s Discussion and Analysis of Financial Condition and Results of Operations and, with respect to the annual information only, a report on the annual financial statements by the Company s certified independent accountants; and

(2) all current reports that would be required to be filed with the Commission on Form 8-K if the Company were required to file such reports.

The Indenture provides that, whether or not required by the Commission, the Company will comply with the periodic reporting requirements of the Exchange Act and will file the reports specified in the preceding paragraph with the Commission within the time periods specified above unless the Commission will not accept such a filing. The Company agrees that it will not take any action for the purpose of causing the Commission not to accept any such filings. If, notwithstanding the foregoing, the Commission will not accept the Company s filings for any reason, the Company will post the reports referred to in the preceding paragraph on its website within the time periods that would apply if the Company were required to file those reports with the Commission.

In addition, the Indenture provides that, for so long as any Notes remain outstanding and are restricted securities within the meaning of Rule 144(a)(3), if at any time the Company is not required to file the reports required by the preceding paragraphs with the Commission, it will furnish to the Holders and to securities analysts and prospective investors in the Notes, upon their request, the information required to be delivered pursuant to Rule 144A(d)(4) under the Securities Act.

If the Company has designated any of its Subsidiaries as Unrestricted Subsidiaries or if any of the Company s Subsidiaries are not Guarantors, then the Company will include a reasonably detailed discussion of the financial condition and results of operations of such Unrestricted Subsidiary, or if more than one, of such Unrestricted Subsidiaries, taken as a whole and of such non-Guarantor Subsidiaries taken as a whole, separately in each case, in the section of the Company s quarterly and annual financial information required by this covenant under the caption Management s Discussion and Analysis of Financial Condition and Results of Operations, and further, in the case of

the non-Guarantor Subsidiaries, also include a presentation of the financial condition and results of operations of such non-Guarantor Subsidiaries on the face of the financial statements or in the footnotes thereto, separate from the financial condition and results of operations of the Company and the Guarantors.

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Any and all Defaults or Events of Default arising from a failure to furnish or file in a timely manner a report or certification required by this covenant shall be deemed cured (and the Company shall be deemed to be in compliance with this covenant) upon furnishing or filing such report or certification as contemplated by this covenant (but without regard to the date on which such report or certification is so furnished or filed); *provided* that such cure shall not otherwise affect the rights of the holders under Events of Default and Remedies if the principal, premium, if any, and interest with respect to the Notes have been accelerated in accordance with the terms of the Indenture and such acceleration has not been rescinded orCBL & Associates Properties, Inc., Developers Diversified Realty Corp., Duke Realty Corp., HCP, Inc., Health Care REIT, Inc., Host Hotels & Resorts, Inc., Kimco Realty Corp., Liberty Property Trust, Macerich Co., Prologis, Inc., Public Storage, Inc., Regency Centers Corp., SL Green Realty Corp., Taubman Centers, Inc., UDR, Inc., and Ventas, Inc. At the time 2010 compensation targets were established, approximately half of these real estate companies had a larger GAV, and approximately half of these real estate companies had a smaller GAV, than Aimco.

How the Committee determines the allocation of Mr. Considine s target total compensation between base compensation, STI and LTI.

The Committee s philosophy with respect to Mr. Considine s base compensation is to set a fixed base compensation amount to provide a level of base compensation that is competitive with pay for comparable chief executive officer positions in real estate companies and companies in other industries with similar revenue size and management complexity. The Committee set that level at $600,000 in Mr. Considine s employment agreement.

Mr. Considine s employment agreement provides for an overall minimum target incentive amount, but does not specify a certain percentage of the target incentive to be in the form of STI versus LTI. In connection with renewing his employment agreement in December 2008, the Committee set Mr. Considine s target STI and target LTI using median competitive target total cash compensation and median target total compensation for Aimco s peers in 2008.

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How Aimco determines the allocation of target total compensation for executive officers (other than the CEO) between base compensation, STI and LTI.

Base compensation amounts are generally the same for officers with comparable levels of responsibility to provide internal equity and consistency among executive officers. Executive officer base compensation is paid in cash. In some cases, base compensation varies from that of the market median or from that of officers with comparable levels of responsibility because of the current recruiting or retention market for a particular position, or because of the tenure of a particular officer in his or her position.

Target STI and LTI for executive officers was set using median competitive target total cash compensation and median target total compensation for Aimco s peers. Target STI and LTI for executive officers relatively new to their positions was set below the median levels of target total cash compensation and target total compensation paid by Aimco s peers.

How incentive compensation (STI and LTI) serves Aimco s objectives.

Incentive compensation is used primarily to provide total compensation potential that is competitive with pay for comparable positions in real estate companies. Providing incentive compensation in the form of Aimco equity that vests over time (typically a period of four years) serves as a retention incentive, aligns executive compensation with stockholder objectives and serves as an incentive to take a longer-term view of Aimco s performance. When the equity is in the form of restricted stock, the compensation is linked to performance because the future value of the equity depends on the performance of Aimco s stock.

Risk analysis of Aimco s compensation programs.

Neither Aimco s executive compensation program nor any of its non-executive compensation programs create risk-taking incentives that are reasonably likely to have a material adverse effect on the organization. Aimco s compensation programs align with the long-term interests of the Company, as follows:

Limits on STI. The compensation of executive officers and other team members is not overly weighted toward STI. Moreover, STI is capped.

Use of LTI. LTI is included in target total compensation for all officers and vests over time, typically a period of four years. The vesting period encourages officers to focus on sustaining Aimco s long-term performance. Executive officers with more responsibility for strategic and operating decisions have a greater percentage of their target total compensation allocated to LTI. Like STI, the number of shares that may be awarded as LTI is capped.

Stock ownership guidelines and required holding periods after vesting. Aimco s stock ownership guidelines require all executive officers to hold a certain amount of Aimco equity. Any executive officer who has not yet satisfied the stock ownership requirements for his or her position must satisfy certain required holding periods after vesting until stock ownership requirements are met. These policies ensure each executive officer has a substantial amount of personal wealth tied to long-term holdings in Aimco stock.

Shared performance metrics across the organization. A portion of STI for all officers and corporate team members is based upon Aimco s performance against its corporate goals, which are core to the long-term strategy of Aimco s business and are reviewed and approved by the Board.

LTI based in part on TSR. A portion of LTI for all officers is based on Aimco s one-year and three-year TSR as compared to the REIT Index.

Multiple performance metrics. Incentive compensation for Aimco team members is based on many different performance metrics. Aimco s five corporate goals for 2010, with sub-goals, contained seventeen different performance measurements. In addition, through Aimco s performance management program, Managing Aimco Performance, or MAP, which sets and monitors performance objectives for each team member, each team member has several different individual performance goals that are set at the beginning of the year and approved by management. Each of the named executive officers other than Mr. Considine (whose individual goals were identical to Aimco s corporate goals) had an average of six individual goals for

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2010. Having multiple performance metrics inherently reduces excessive or unnecessary risk-taking as incentive compensation is spread among a number of metrics rather than a few.

Total Compensation for 2010

For 2010, total compensation is the sum of base compensation, STI and LTI.

Base Compensation for 2010

Mr. Considine s Base Compensation

In 2010, Mr. Considine s base compensation of $600,000 was paid in cash. His base compensation of $600,000 has remained unchanged since 2006.

Other Executive Officer Base Compensation

For 2010, base compensation for all other executive officers was set between $325,000 and $500,000, with no increases in base compensation rates as compared to 2009.

Incentive Compensation for 2010

The Compensation Committee determined Mr. Considine s STI by the extent to which Aimco met five designated corporate goals, which are described below and are referred to as Aimco s Key Performance Indicators, or KPI.

For the other executive officers, calculation of STI is determined by two components, Aimco s performance against the KPI and each individual officer s achievement of his or her MAP goals. For Messrs. Freedman and Beaudin and Ms. Cohn, given their roles in the implementation of company strategy, an allocation of the target STI is made primarily based on KPI as follows: 75% of the target STI is calculated based on KPI and 25% of the target STI is calculated based on MAP. For example, if an executive s target STI is $500,000, then 75% of that amount, or $375,000, varies based on KPI results and 25% of that amount, or $125,000, varies based on MAP results. If KPI results are 50%, then the executive receives 50% of $375,000 (or $187,500) for that portion of his STI and if MAP results are 100%, then the executive receives 100% of the $125,000, for a total STI payment of $312,500.

For Mr. Cortez, an allocation of the target STI is made as follows: 50% of the target STI is calculated based on KPI and 50% of the target STI is calculated based on MAP. Mr. Cortez s STI allocation reflects the greater amount of special project work he performs as compared to the other named executives.

Aimco s KPI consisted of five corporate goals that were reviewed with, and approved by, the Committee namely, property operations performance, portfolio quality, financial performance, balance sheet, and compliance and team member engagement. These goals and their expected successful outcome aligned executive officers with the long-term goals of the Company without encouraging them to take unnecessary and excessive risks. For most goals, Threshold performance paid out at 50%; Target performance paid out at 100%; and Maximum performance paid out at 200%. For some goals, performance was capped at Target. Performance below Threshold resulted in no payout. Where performance was between Threshold and Target or Target and Maximum, the proportion of the award earned was interpolated. Four of the five goals also carried components that were based on qualitative

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assessments not based on numerical targets. The following were Aimco s KPI for 2010 and the Company s performance against those goals:

Corporate Goals	Target Goal	Actual Achievement	Payout
1. Property Operations Performance (30%)			
Total Revenue Performance (15%)	Achievement of 2010 Budget	.25% greater than 2010 budget	16.25% payout
Total Expense Performance (5%)	Achievement of 2010 Budget	2.59% lower than budget	9.32% payout
Total Property NOI (5%)	Achievement of 2010 Budget	2.32% greater than budget	6.65% payout
Customer Satisfaction (5%)	Qualitative	Aimco s 2010 resident satisfaction score of 80%.	Committee determined a 5% payout for Mr. Considine and Mr. Considine made the same determination for the rest of the named executive officers.
2. Portfolio Quality (15%)			
Net Proceeds from Property Sales (5%)	$100 million	$130 million	8% payout
Aimco Reinvestment of Net Proceeds from Property Sales (5%)	Qualitative	Aimco closed two partnership mergers in 2010 and cleared another six with the SEC; finalized the settlement with the City of Los Angeles concerning Aimco s Lincoln Place community in Venice, CA, enabling Aimco to proceed with redevelopment plans for the community; and made decisions regarding a number of redevelopment opportunities to be started in 2011 and 2012.	Committee determined a 2% payout for Mr. Considine and Mr. Considine made the same determination for the rest of the named executive officers.
Whether Property Sales and Reinvestment Activities were Consistent with and Enhanced Aimco s Portfolio Allocation Objectives (5%)	Qualitative	As of December 31, 2010, 89% of Aimco s portfolio was in Aimco s target markets, up from 86% at December 31, 2009. Aimco sold lower rated assets and assets with lower free cash flow internal rates of return.	Committee determined a 4.5% payout for Mr. Considine and Mr. Considine made the same determination for the rest of the named executive officers.

		Aimco s rents continued to track local market averages, as Aimco aimed to maintain a B/B+ portfolio, targeting 100-125% of local market average rents.	
3. Financial Performance (28%)			
Proforma Funds from Operations (20%)	$1.40	$1.51	40% payout
Off-Site Costs (5%)	$130 million	$126.1 million	10% payout
Non-Recurring Income (3%)	$12 million	$7.9 million	0% payout

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Corporate Goals	Target Goal	Actual Achievement	Payout
4. Balance Sheet (17%)			
Recourse Debt Reduction (3%)	Elimination of recourse debt	Recourse debt paid off in 2010	3% payout
Refinancing Goals (3%)	$70 million	$137 million	6% payout
Reduction in Near-Term Debt Maturities (4%)	Qualitative	Aimco made substantial progress in reducing debts maturing in 2011-2013, reducing debts maturing in 2011 from $170 million to $25 million, and reducing debts maturing in 2012 and 2013 from $489 million to $417 million and from $425 million to $303 million, respectively.	Committee determined a 3% payout for Mr. Considine and Mr. Considine made the same determination for the rest of the named executive officers.
Cash Management (3%)	Qualitative	Aimco was successful in accessing restricted cash and reducing restricted cash reserves. As of December 31, 2010, restricted cash reserves were $201 million, down from $219 million as of December 31, 2009.	Committee determined a 2.5% payout for Mr. Considine and Mr. Considine made the same determination for the rest of the named executive officers.
Reducing Refunding Risk on Swap Arrangements and Lines of Credit (4%)	Qualitative	Aimco made substantial progress in reducing refunding risk on swap arrangements and in increasing the amount (to $300 million) and term (to May 1, 2014, inclusive of a one-year extension option) of its line of credit. As of December 31, 2010, the swap arrangement had an outstanding balance of $265 million on 15 properties versus an outstanding balance of $341 million on 18 properties as of December 31, 2009. At December 31, 2010, Aimco had no outstanding borrowings on its line of credit and available capacity was	Committee determined a 2.5% payout for Mr. Considine and Mr. Considine made the same determination for the rest of the named executive officers.

		$260.3 million, net of $39.7 million of letter of credit backed by the facility.	
5. Compliance and Team Member Engagement (10%)			
Compliance (5%)	Qualitative	Aimco s substantially achieved its goals relating to Sarbanes-Oxley Section 404 internal control results, legal and regulatory requirements including those related to subsidized housing and fair housing, bond covenants, environmental laws and regulations, labor and employment laws and regulations, Aimco s Code of Business Conduct and Ethics, and workplace safety rules.	Committee determined a 4% payout for Mr. Considine and Mr. Considine made the same determination for the rest of the named executive officers.
Team Member Engagement (5%)	78%	Aimco s 2010 team member engagement score from internal surveys was 79.6%.	5.8% payout

[1] Performance capped at Target.

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Due to Aimco s outperformance on multiple goals, Aimco s overall KPI performance was 128.52%. Accordingly, each executive officer was awarded 128.52% of the portion of his or her target STI attributable to KPI.

At the start of 2010, the Committee determined for Mr. Considine, and Mr. Considine determined for the other executive officers, that LTI for 2010 would be based in part on TSR. Specifically, one-third of each executive officer s LTI target would be awarded for the purpose of attracting and retaining key talent integral to the success of Aimco. Two-thirds of the LTI target would be based on TSR, with half (one-third of the total LTI target) based on Aimco s one-year TSR as compared to the REIT Index, and half (another one-third of the total LTI target) based on Aimco s three-year TSR as compared to the REIT Index. Aimco TSR at greater than 110% of the REIT Index would result in a 125% payout of the LTI target attributable to TSR and Aimco TSR at less than 90% of the REIT Index would result in a 75% payout of the LTI target attributable to TSR. Aimco TSR between 90% and 110% of the REIT Index would result in a 100% payout of the LTI target attributable to TSR.

Each of Aimco s one-year and three-year TSR were greater than 110% of the REIT Index, resulting in a 125% payout of those portions of target LTI attributable to TSR. Accordingly, each executive officer was awarded approximately 116.67% of his or her target LTI (*i.e.*, one-third of the LTI target was for purposes of retention and paid at 100%; one-third of the LTI target was paid at 125% based on outperformance on one-year TSR; and one-third of the LTI target was paid at 125% based on outperformance on three-year TSR; and the net effect of these three components resulted in an overall award of 116.67% of target LTI).

Mr. Considine s employment agreement provides for target incentive compensation (both STI and LTI combined) of not less than $3.9 million. As he did for 2009, Mr. Considine voluntarily reduced his target incentive compensation for 2010 in consideration of the economic turbulence. Specifically, Mr. Considine voluntarily reduced his target incentive compensation from $3.9 million to $3.21 million for 2009 and from $3.9 million to $3.05 million for 2010. Mr. Considine s STI for 2010 was entirely based on Aimco s performance against the five designated corporate goals. Mr. Considine s STI was calculated by multiplying his STI target of $1.05 million by 128.52%, which was Aimco s overall performance on the five corporate goals. Mr. Considine s LTI was calculated by multiplying his LTI target of $2.0 million by 116.67%. This resulted in the following:

		Target Total Incentive Compensation		2010 Incentive Compensation			
				STI	LTI		
Target Total Compensation ($)	Paid Base ($)	STI (Cash $)	LTI ($)	Cash ($)	Stock Options ($)	Restricted Stock ($)	Total 2010 Compensation ($)
3,650,000	600,000	1,050,000	2,000,000	1,349,460		2,333,400	4,282,860

Mr. Considine s STI is paid in cash and his LTI is in the form of 91,830 shares of restricted stock, which vest ratably over four years. The shares were granted on January 31, 2011. Because the equity award for 2010 LTI was made in 2011, pursuant to the applicable disclosure rules, such award will be reflected in the Summary Compensation Table and Grants of Plan-Based Awards in 2011 table in Aimco s proxy statement for the 2012 annual meeting of stockholders. Providing LTI in the form of Aimco equity that vests over time serves as a retention incentive, aligns Mr. Considine s compensation with stockholder objectives and serves as an incentive to take a longer term view of Aimco s performance. Mr. Considine s compensation is highly variable, and has changed significantly with performance over the past five years.

As noted above, for Messrs. Freedman and Beaudin and Ms. Cohn, an allocation of the target STI is made as follows: 75% of the target STI was calculated based on Aimco s performance against the KPI and 25% of the target STI was

calculated based on each executive s achievement of his or her individual MAP objectives. For Mr. Cortez, 50% of the target STI was calculated based on Aimco s performance against the KPI and 50% of the target STI was calculated based on his achievement of his individual MAP goals. As noted above, Aimco s KPI performance was 128.52%. Accordingly, each executive officer was awarded 128.52% of the portion of his or her STI (*i.e.*, 75% of the target STI amount shown below for Messrs. Freedman and Beaudin and Ms. Cohn, and 50% of the target STI amount shown below for Mr. Cortez) attributable to KPI. In determining the MAP achievement component of 2010 STI, Mr. Considine determined that: Mr. Freedman s MAP achievement would be paid at 112.5% for his contributions to finance and planning and information technology; Ms. Cohn s MAP achievement would be paid at 112.5% for her leadership over legal matters, insurance, risk management and human resources; Mr. Cortez s

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MAP achievement would be paid at 112.5% for his role in addressing issues related to assets in the portfolio requiring specialized oversight and negotiation; and Mr. Beaudin s MAP achievement would be paid at 100% for his contributions to operations, asset management, and transactions. The Committee reviewed Mr. Considine s determinations.

	Target Total Compensation ($)	Paid Base ($)	Target Total Incentive Compensation STI (Cash $)	LTI ($)	2010 Incentive Compensation ($) STI Cash ($)	LTI Stock Options ($)	LTI Restricted Stock ($)	Total 2010 Compensation ($)
Mr. Freedman	1,000,000	335,000	265,000	400,000	329,965		466,680	1,131,645
Ms. Cohn	1,000,000	325,000	275,000	400,000	342,417		466,680	1,134,097
Mr. Cortez	845,000	350,000	210,000	285,000	253,071		332,510	935,581
Mr. Beaudin	2,450,000	500,000	650,000	1,300,000	789,035			1,289,035

Pursuant to the applicable disclosure rules, the STI shown above appears in the Summary Compensation Table under the column headed Non-Equity Incentive Plan Compensation.

With respect to LTI, the shares of restricted stock were granted January 31, 2011, and vest ratably over four years. Because the equity awards for 2010 incentive compensation were made in 2011, pursuant to the applicable disclosure rules, such awards will be reflected in the Summary Compensation Table and Grants of Plan-Based Awards in 2011 table in Aimco s proxy statement for the 2012 annual meeting of stockholders. For the purpose of calculating the number of shares of restricted stock to be granted, the dollars allocated to restricted stock were divided by $25.41 per share, which was the average of the closing trading prices of Aimco s Common Stock on the five trading days up to and including the grant date. The five-day average was used to provide a more fair approximation of the value of the stock at the time of grant by muting the effect of any single day spikes or declines.

Mr. Beaudin announced his resignation from Aimco prior to the time incentive compensation for 2010 was awarded, and, therefore, received no LTI for 2010. Mr. Beaudin did not receive any payment in connection with his resignation.

Other Compensation

From time to time, Aimco determines to provide executive officers with additional compensation in the form of discretionary cash or equity awards. No such additional compensation was provided to the named executive officers in 2010.

On January 31, 2011, Aimco awarded each of Mr. Freedman and Ms. Cohn a restricted stock award of 39,355 shares, with an approximate fair market value at the grant date of $1 million. These grants, which vest primarily at the end of four and one-half years from the date of grant, were provided for the purposes of retention and brought the switching costs for Mr. Freedman and Ms. Cohn closer to the median switching costs of comparable positions within the Aimco peer group.

Post-Employment Compensation and Severance Arrangements

401(k)

Aimco provides a 401(k) plan that is offered to all Aimco team members. Effective January 29, 2009, Aimco suspended the employer matching contribution. As a result, participant contributions made on or after January 29, 2009, were not matched with an employer contribution. Aimco may resume employer matching contributions on a discretionary basis at any time.

Other than the 401(k) plan, Aimco does not provide post-employment benefits. Aimco does not have a pension plan, a SERP or any other similar arrangements.

Executive Severance Arrangements

In response to a stockholder proposal seeking certain limitations regarding executive severance arrangements, in July 2004, the Committee adopted an executive severance policy. That policy provides that Aimco shall seek stockholder approval or ratification of any future severance agreement for any senior executive officer that provides for benefits, such as lump-sum or future periodic cash payments or new equity awards, in an amount in excess of

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2.99 times such executive officer s base salary and bonus. Compensation and benefits earned through the termination date, the value of vesting or payment of any equity awards outstanding prior to the termination date, pro rata vesting of any other long-term awards, or benefits provided under plans, programs or arrangements that are applicable to one or more groups of employees in addition to senior executives are not subject to the policy. Even prior to the Committee s response to the stockholder proposal, it had been Aimco s longstanding practice not to enter into agreements with senior executives to provide excessive severance arrangements.

Executive Employment Arrangements

On December 29, 2008, Aimco entered into an employment agreement with Mr. Considine to replace his July 29, 1994, employment agreement and the 2002 non-competition and non-solicitation agreement between Mr. Considine and Aimco. The employment agreement was entered into to reflect current practice and update Aimco s agreement with Mr. Considine, which had not been formally revised since the Company s initial public offering in 1994, and to make the compensation arrangements compliant with certain Internal Revenue Service requirements, primarily Section 409A of the Code, which required documentary compliance by December 31, 2008. In connection with the execution of the employment agreement, Mr. Considine did not receive any additional equity awards or signing bonus. The Committee evaluated the terms of Mr. Considine s employment agreement in comparison to those of the CEOs of Aimco s peers and other comparable companies.

The employment agreement is for an initial five-year term, with automatic renewal for successive one-year terms until the year in which Mr. Considine reaches age 70, unless earlier terminated. The employment agreement eliminates the evergreen term in the prior employment agreement.

Mr. Considine continues to receive his current base pay of $600,000, subject to future increase. Mr. Considine also continues to be eligible to participate in Aimco s performance-based incentive compensation plan with a target total incentive compensation amount of not less than $3.9 million, which may be paid in cash or in equity.

The employment agreement provides severance payments to Mr. Considine upon his termination of employment by Aimco without cause, by Mr. Considine for good reason and upon a termination for reason of disability.

Mr. Considine is not entitled to any additional or special payments upon the occurrence of a change in control. Mr. Considine s walk right under the 1994 employment agreement (that is, his right to severance payments upon his terminating employment with the Company within two years following a change in control) was eliminated. The definition of change in control was also narrowed to increase the required percentage of change in ownership and to require the occurrence of the applicable change in control event, as opposed to shareholder approval of such event.

Upon his termination of employment by Aimco without cause, by Mr. Considine for good reason, or upon a termination for reason of disability, Mr. Considine is generally entitled to (a) a lump sum cash payment equal to two times the sum of base salary at the time of termination and $1.65 million, subject to certain limited reductions, (b) any STI earned but unpaid for a prior fiscal year, (c) a pro-rata portion of a $1.65 million STI amount for the fiscal year in which the termination occurs, and (d) immediate full acceleration of any outstanding unvested stock options and equity awards with certain limitations on the term thereof.

In the event of Mr. Considine s death, the Company will pay or provide to Mr. Considine s estate any earned but unpaid base salary and vested accrued benefits and any STI earned but unpaid for a prior fiscal year, and all equity-based and other long-term incentive awards granted to Mr. Considine will become immediately fully vested and payable, as applicable, and all outstanding stock option awards will remain exercisable subject to certain limitations on the term thereof.

Under the employment agreement, in the event payments to Mr. Considine are subject to the excise tax imposed by Section 4999 of the Code, Mr. Considine is entitled to receive a limited gross-up payment, subject to a maximum of $5 million. If covered payments are less than 10% over the permitted limit, Mr. Considine is required to reduce his payments to avoid triggering a gross-up payment. The limited gross-up payment is intended to balance the interests of Aimco s stockholders, eliminate the incentive for the early exercise of stock options and reflect competitive practice.

The employment agreement also contains customary confidentiality provisions, a limited mutual non-disparagement provision, and non-competition, non-solicitation and no-hire provisions.

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None of Messrs. Freedman or Cortez or Ms. Cohn has an employment agreement or severance arrangement. The restricted stock and stock option agreements pursuant to which restricted stock and stock option awards have been made to Messrs. Considine, Freedman, Cortez, Beaudin, and Ms. Cohn provide that, upon a change of control, all outstanding shares of restricted stock become immediately and fully vested and all unvested stock options become immediately and fully vested and remain exercisable (along with all options already vested) for the remainder of the term of the option. Upon his resignation from Aimco, which became effective March 1, 2011, Mr. Beaudin forfeited all unvested restricted stock and unvested stock options.

Other Benefits; Perquisite Philosophy

Aimco s executive officer benefit programs are substantially the same as for all other eligible officers and employees. Aimco does not provide executives with more than minimal perquisites, such as reserved parking places.

Stock Ownership Guidelines and Required Holding Periods After Vesting

Aimco believes that it is in the best interest of Aimco s stockholders for Aimco s executive officers to own Aimco stock. The Committee and management have established stock ownership guidelines for Aimco s executive officers. Equity ownership guidelines for all executive officers are determined as a minimum of the lesser of a multiple of the executive s base salary or a fixed number of shares. The Committee and Mr. Considine reviewed each executive officer s holdings in light of the stock ownership guidelines and each executive officer s accumulated realized and unrealized stock option and restricted stock gains.

Aimco s stock ownership guidelines require the following:

Officer Position	Ownership Target
Chief Executive Officer	Lesser of 5x base salary or 150,000 shares
President, Chief Operating Officer	Lesser of 5x base salary or 150,000 shares
Chief Financial Officer	Lesser of 5x base salary or 75,000 shares
Chief Administrative Officer	Lesser of 4x base salary or 35,000 shares
Other Executive Vice Presidents	Lesser of 3x base salary or 22,500 shares

Any executive who has not satisfied the stock ownership guidelines must, until the stock ownership guidelines are satisfied, hold 50% of after tax shares of restricted stock for at least three years from the date of vesting, and hold 50% of shares acquired upon option exercises (50% calculated after exercise price plus taxes) for at least three years from the date of exercise.

Each of Messrs. Considine, Freedman, Cortez, and Beaudin and Ms. Cohn exceed the ownership targets established in Aimco s stock ownership guidelines.

Role of Outside Consultants and Executive Officers

The Committee has the authority under its charter to engage the services of outside advisors, experts and others to assist the Committee. The Committee has engaged Aon Consulting (Aon) as its independent compensation consultant. At the direction of the Committee, Aon coordinates and consults with Ms. Cohn and Jennifer Johnson, Senior Vice President Human Resources, regarding executive compensation matters. Aon provides the Committee with an independent view of both market data and plan design. Aimco management has engaged Ferguson Partners to review Aimco s executive compensation plan. Neither Aon nor Ferguson Partners provided other services to the Company in

excess of $120,000.

Base Salary, Incentive Compensation, and Equity Grant Practices

Base salary adjustments typically take effect on July 1. The Committee (for Mr. Considine), and Mr. Considine, in consultation with the Committee (for the other executive officers), determine incentive compensation in late January or early February. STI is typically paid in February or March. LTI is awarded on a date determined by the Committee, typically in late January or in February.

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Aimco grants equity in three scenarios: in connection with incentive compensation, as discussed above; in connection with certain new-hire or promotion packages; and for purposes of retention and attaining a competitive level of switching costs.

With respect to LTI, the Committee sets the grant date for the stock option and restricted stock grants. The Committee sets grant dates at the time of its final compensation determination, generally in late January or in February. The date of determination and date of award are not selected based on share price. In the case of new-hire packages that include equity awards, option grants are made on the employee s start date or on a date designated in advance based on the passage of a specific number of days after the employee s start date. For non-executive officers, as provided for in the 2007 Plan, the Committee has delegated the authority to make equity awards, up to certain limits, to the Chief Financial Officer (Mr. Freedman) and/or Corporate Secretary (Ms. Cohn). The Committee and Mr. Freedman and Ms. Cohn time grants without regard to the share price or the timing of the release of material non-public information and do not time grants for the purpose of affecting the value of executive compensation.

In 2010, other than with respect to year-end incentive compensation for 2009, Aimco made no equity awards, either as part of new-hire packages or as additional compensation.

2011 Compensation Targets

For 2009 and 2010, Mr. Considine proposed an incentive compensation target (both STI and LTI combined) that was less than the $3.9 million minimum target provided for in his employment agreement. Mr. Considine proposed lower target amounts for these years due to the economic uncertainty and consistent with the Company s continued focus on cost control. The Committee accepted Mr. Considine s proposals for those years. Given that the economy appears to be entering a recovery, the Company has achieved its goals on cost control (while remaining vigilant with respect thereto), and the Company s strong performance in 2010, the Committee set Mr. Considine s target total compensation (base compensation, STI and LTI) for 2011 at the minimum target provided for in his employment agreement of $4.5 million. Mr. Considine set target total compensation (base compensation, STI and LTI) for 2011 for the other named executive officers as follows: Mr. Freedman $1.1 million; Ms. Cohn $1.1 million; and Mr. Cortez $845,000. Mr. Considine increased the target total compensation amounts for each of Mr. Freedman and Ms. Cohn by $100,000 over 2010 targets for the purpose of setting their target total compensation amounts closer to the median for comparable positions within Aimco s peer group. Both Aimco and individual performance will determine the amount paid for 2011 incentive compensation, and such amounts may be less than, or in excess of, these target amounts. STI will be paid in cash, and LTI will be paid in the form of restricted stock, stock options and/or deferred cash.

COMPENSATION AND HUMAN RESOURCES COMMITTEE REPORT TO STOCKHOLDERS

The Compensation and Human Resources Committee held six meetings during fiscal year 2010. The Compensation and Human Resources Committee has reviewed and discussed the Compensation Discussion and Analysis with management. Based upon such review, the related discussions and such other matters deemed relevant and appropriate by the Compensation and Human Resources Committee, the Compensation and Human Resources Committee has recommended to the Board that the Compensation Discussion and Analysis be included in this Proxy Statement to be delivered to stockholders.

Date: February 21, 2011

J. LANDIS MARTIN (CHAIRMAN)
JAMES N. BAILEY
RICHARD S. ELLWOOD
THOMAS L. KELTNER

ROBERT A. MILLER
KATHLEEN M. NELSON
MICHAEL A. STEIN

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The above report will not be deemed to be incorporated by reference into any filing by Aimco under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended, except to the extent that Aimco specifically incorporates the same by reference.

SUMMARY COMPENSATION TABLE

The table below summarizes the compensation attributable to the principal executive officer, principal financial officer, each individual who served as the principal financial officer, and the three other most highly compensated executives in 2010, 2009 and 2008.

Name and Principal Position	Year	Salary ($)	Bonus ($)	Stock Awards ($)(1)	Option Awards ($)(2)	Non-Equity Incentive Plan Compensation ($)(3)	All Other Compensation ($)(4)	Total ($)
Terry Considine Chairman of the Board of Directors, President and Chief Executive Officer(5)	2010	600,000		2,160,003		1,349,460		4,109,463
	2009	600,000			2,000,000	710,535		3,310,535
	2008		(6)		3,200,000(7)	1,700,000		4,900,000
Ernest M. Freedman Executive Vice President and Chief Financial Officer	2010	335,000		375,008		354,535(8)		1,064,543
	2009	305,000				189,571	458	495,029
Lisa R. Cohn Executive Vice President, General Counsel and Secretary	2010	325,000		357,516		342,417		1,024,933
	2009	325,000		253,355		153,811	542	732,708
Miles Cortez Executive Vice President and Chief Administrative Officer	2010	350,000		385,005		253,071		988,076

	2009	350,000	253,355		132,830	583	736,768
	2008	350,000	97,154	34,256	250,000	9,200	740,610
Timothy J. Beaudin President and Chief Operating Officer	2010	500,000	1,400,007		789,035		2,689,042
	2009	500,000	669,241		492,391	833	1,662,465
	2008	500,000	336,254	118,573	1,100,000	9,200	2,064,027

(1) This column represents the aggregate grant date fair value of stock awards in the year granted computed in accordance with FASB ASC Topic 718, although they are attributable to LTI in respect of the prior compensation year. Because stock awards for 2010 incentive compensation were made in 2011, pursuant to the applicable disclosure rules, such awards will be reflected in the Summary Compensation Table and Grants of Plan-Based Awards in 2011 table in Aimco s proxy statement for the 2012 annual meeting of stockholders. For additional information on the valuation assumptions with respect to the grants reflected in this column, refer to Note 12 to Aimco s consolidated financial statements in its Annual Report on Form 10-K for the year ended December 31, 2010.

(2) This column represents the aggregate grant date fair value of option awards in the year granted computed in accordance with FASB ASC Topic 718, although they are attributable to the LTI in respect of the prior compensation year. For additional information on the valuation assumptions with respect to the grants reflected in this column, refer to Note 12 to Aimco s consolidated financial statements in its Annual Report on Form 10-K for the year ended December 31, 2010.

(3) For 2010, the amounts in this column represent the amounts for non-equity incentive compensation determined by the Committee on January 31, 2011, for which target amounts were established by the Committee on February 1, 2010 as discussed below in the Grants of Plan-Based Awards in 2010 table. For 2010, cash payments were made on February 28, 2011.

(4) Unless otherwise noted, represents non-discretionary matching contributions under Aimco s 401(k) plan. Effective January 29, 2009, Aimco suspended the employer matching contribution. As a result, participant contributions made on or after January 29, 2009, were not matched with an employer contribution.

(5) Mr. Considine receives annual cash compensation pursuant to an employment agreement with Aimco. The base salary under the employment agreement is subject to review and adjustment as may be determined by the Board from time to time. For 2009 and 2010, Mr. Considine received his base salary in cash. For 2008, Mr. Considine

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received his base salary in the form of a stock option instead of cash. Mr. Considine is also eligible for a bonus determined by the Committee. The employment agreement provides that Mr. Considine s target incentive opportunity shall not be less than $3.9 million, provided the applicable achievement targets are met; however, for 2009 and 2010 Mr. Considine voluntarily reduced his target incentive in consideration of the continued economic turmoil.

(6) For 2009 and 2010, Mr. Considine s base salary was paid in cash. For 2008, Mr. Considine s base salary of $600,000 was in the form of a non-qualified stock option to acquire 138,249 shares.

(7) Includes the options granted to Mr. Considine in lieu of cash base salary (see note (6) to this table).

(8) Of this amount, $329,965 represents Mr. Freedman s annual cash bonus for 2010, and $24,570 represents payout in 2010 pursuant to a prior year long-term cash grant.

GRANTS OF PLAN-BASED AWARDS IN 2010

The following table provides details regarding plan-based awards granted to the named executive officers during the year ended December 31, 2010.

		Estimated Future Payouts Under Non-Equity Incentive Plan Awards(2)			Estimated Future Payouts Under Equity Incentive Plan Awards			All Other Stock Awards: Number of Shares of Stock or Units	All Other Option Awards: Number of Securities Under-Lying Options	Exercise or Base Price of Option Awards	Grant Date Fair Value of Stock and Option Awards
Name	Grant Date	Threshold ($)	Target ($)	Maximum ($)	Threshold (#)	Target (#)	Maximum (#)	(#)	(#)	($/Sh)	
Terry Considine	2/26/2010(1)	509,250	1,050,000	2,016,000				129,419			2,160,003
Ernest M. Freedman	2/26/2010(1)	129,519	265,000	464,413				22,469			375,008
Lisa R. Cohn	2/26/2010(1)	134,406	275,000	481,938				21,421			357,516
Miles Cortez	2/26/2010(1)	103,425	210,000	332,850				23,068			385,005
Timothy J. Beaudin	2/26/2010(1)	317,688	650,000	1,139,125				83,883			1,400,007

(1) On February 26, 2010, in connection with its review and determination of year-end 2009 compensation, the Committee approved certain compensation arrangements related to Mr. Considine and, in conjunction with Mr. Considine, the Committee approved certain compensation arrangements related to Messrs. Freedman, Cortez, and Beaudin and Ms. Cohn. For 2009, year-end bonuses were in the form of cash and equity, and because the equity grants were made in 2010 (even though they were for 2009 compensation), as required by the disclosure rules, the equity portion is shown above.

Pursuant to the 2007 Plan, the Committee made equity awards as follows: Mr. Considine 129,419 shares of restricted stock; Mr. Freedman 22,469 shares of restricted stock; Ms. Cohn 21,421 shares of restricted stock; Mr. Cortez 23,068 shares of restricted stock; and Mr. Beaudin 83,883 shares of restricted stock. All of the foregoing equity awards vest ratably over four years beginning with the first anniversary of the grant date.

The number of shares of restricted stock granted was determined based on the closing price of Aimco s Common Stock on the New York Stock Exchange on the date of grant, or $16.69. Holders of restricted stock are entitled to receive any dividends declared and paid on such shares commencing on the date of grant.

(2) On February 1, 2010, the Committee made determinations of target total incentive compensation for 2010 based on achievement of Aimco s five corporate goals for 2010, and achievement of specific individual objectives. Target total incentive compensation amounts were as follows: Mr. Considine $3.05 million; Mr. Freedman $665,000; Ms. Cohn $675,000; Mr. Cortez $495,000; and Mr. Beaudin $1.95 million. The table above indicates the target cash portion of these target total incentive amounts. The equity portions of these target total incentive amounts were awarded in 2011; therefore, pursuant to the applicable disclosures rules, such awards will be reflected in this table in Aimco s proxy statement for the 2012 annual meeting of stockholders.

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OUTSTANDING EQUITY AWARDS AT FISCAL YEAR-END 2010

The following table shows outstanding stock option awards classified as exercisable and unexercisable as of December 31, 2010, for the named executive officers, other than those awards that have been transferred for value. The table also shows unvested and unearned stock awards assuming a market value of $25.84 a share (the closing market price of the Company s Common Stock on the New York Stock Exchange on December 31, 2010).

	Option Awards					Stock Awards			
Name	Number of Securities Underlying Unexercised Options (#) Exercisable(1)	Number of Securities Underlying Unexercised Options (#) Unexercisable(1)	Equity Incentive Plan Awards: Number of Securities Underlying Unexercised Unearned Options (#)	Option Exercise Price ($)(1)	Option Expiration Date	Number of Shares or Units of Stock That Have Not Vested (#)(2)	Market Value of Shares or Units of Stock That Have Not Vested ($)(2)(3)	Equity Incentive Plan Awards: Number of Unearned Shares, Units or Other Rights That Have Not Vested (#)	Equity Incentive Plan Awards: Market or Payout Value of Unearned Shares, Units or Other Rights That Have Not Vested ($)
Terry Considine	0(4)	607,287(4)		8.92	2/3/2019	129,419(5)	3,344,187		
	178,334(6)	0(6)		30.89	1/29/2018				
	386,392(7)	386,392(7)		30.89	1/29/2018				
	148,740(8)	49,580(8)		46.11	2/5/2017				
	72,117(9)	48,077(9)		46.11	2/5/2017				
	156,715(10)	0(10)		31.64	2/13/2016				
	519,385(11)	129,846(11)		31.64	2/13/2016				
	407,458(12)	0(12)		28.02	2/16/2015				
	521,702(13)	0(13)		23.60	2/19/2014				
	521,699(14)	0(14)		23.60	2/19/2014				
Ernest M. Freedman	1,041(15)	1,040(15)		30.89	1/29/2018	22,469(16)	580,599		
						1,114(17)	28,786		

					3,364(18)	86,926
Lisa R. Cohn	3,716(29)	3,714(19)	30.89	1/29/2018	21,421(20)	553,519
	909(31)	0(21)	23.60	2/19/2014	21,302(22)	550,444
	1,200(33)	0(23)	26.76	2/3/2013	1,320(24)	34,109
	3,673(35)	0(25)	35.40	7/8/2012	660(26)	17,054
					1,359(27)	35,117
Miles Cortez	5,092(19)	5,090(28)	30.89	1/29/2018	23,068(29)	596,077
	25,513(21)	0(30)	23.60	2/19/2014	21,302(31)	550,444
	41,157(23)	0(32)	32.10	1/28/2012	1,688(33)	43,618
	258,057(25)	0(34)	35.40	7/17/2011	1,469(35)	37,959
					940(36)	24,290
					6,798(37)	175,660
Timothy J. Beaudin(38)	17,622(39)	17,621(39)	30.89	1/29/2018	83,883(40)	2,167,537
	11,833(41)	2,958(41)	35.70	7/31/2016	56,270(42)	1,454,017
					5,852(43)	151,216
					2,213(44)	57,184
					3,593(45)	92,843

(1) Pursuant to the anti-dilution provisions of the plan pursuant to which the options were granted, the number of shares subject to the then outstanding options and the exercise price of such options were adjusted, where applicable, to reflect the special dividends paid in January 2008, August 2008, December 2008, and January 2009. The footnotes to each option award provide the original number of shares subject to the option and the original exercise price on the grant date.

(2) The information on unvested stock shown above has been adjusted, where applicable, to reflect additional shares received as a result of special dividends paid in January 2008, August 2008, December 2008, and January 2009. The footnotes to each stock award provide the number of shares originally issued on the grant date.

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(3) Amounts reflect the number of shares of restricted stock that have not vested multiplied by the market value of $25.84 a share, which was the closing market price of Aimco s Common Stock on December 31, 2010.

(4) This option was granted for the purchase of 809,717 shares at an exercise price of $8.92 per share and vests 25% on each anniversary of the grant date of February 3, 2009; the option was exercised in part for 202,430 shares on May 6, 2010.

(5) This restricted stock award was granted February 26, 2010, for a total of 129,419 shares and vests 25% on each anniversary of the grant date.

(6) This option was granted for the purchase of 138,249 shares at an exercise price of $39.85 per share and vested 100% on the first anniversary of the grant date of January 29, 2008.

(7) This option was granted for the purchase of 599,078 shares at an exercise price of $39.85 per share and vests 25% on each anniversary of the grant date of January 29, 2008.

(8) This option was granted for the purchase of 146,018 shares at an exercise price of $62.63 per share and vests 25% on each anniversary of the grant date of February 5, 2007.

(9) This option was granted for the purchase of 88,496 shares at an exercise price of $62.63 per share and vests 20% on each anniversary of the grant date of February 5, 2007.

(10) Because Aimco earned at least $2.40 per share of adjusted funds from operations for 2006, this option grant for the purchase of 115,385 shares at an exercise price of $42.98 per share vested on the first anniversary of the grant date of February 13, 2006.

(11) This option was granted for the purchase of 478,011 shares at an exercise price of $42.98 per share and vests 20% on each anniversary of the grant date of February 13, 2006.

(12) This option was granted for the purchase of 300,000 shares at an exercise price of $38.05 per share and vests 20% on each anniversary of the grant date of February 16, 2005.

(13) This option was granted for the purchase of 384,114 shares at an exercise price of $32.05 per share and vested 20% on each anniversary of the grant date of February 19, 2004.

(14) This option was granted for the purchase of 384,113 shares at an exercise price of $32.05 per share and vested 34% on the first anniversary, and 33% on each of the second and third anniversaries, of the grant date of February 19, 2004.

(15) This option was granted for the purchase of 1,613 shares at an exercise price of $39.85 per share and vests 25% on each anniversary of the grant date of January 29, 2008.

(16) This restricted stock award was granted February 26, 2010, for a total of 22,469 shares and vests 25% on each anniversary of the grant date.

(17) This restricted stock award was granted January 29, 2008, for a total of 1,604 shares and vests 25% on each anniversary of the grant date.

(18) This restricted stock award was granted June 18, 2007, for a total of 9,317 shares and vests 20% on each anniversary of the grant date.

(19) This option was granted for the purchase of 5,760 shares at an exercise price of $39.85 per share and vests 25% on each anniversary of the grant date of January 29, 2008.

(20) This restricted stock award was granted February 26, 2010, for a total of 21,421 shares and vests 25% on each anniversary of the grant date.

(21) This option was granted for the purchase of 1,116 shares at an exercise price of $32.05 per share and vested 20% on each anniversary of the grant date of February 19, 2004; the option was exercised in part for 447 shares on August 29, 2006.

(22) This restricted stock award was granted February 3, 2009, for a total of 28,403 shares and vests 25% on each anniversary of the grant date.

(23) This option was granted for the purchase of 2,212 shares at an exercise price of $36.35 per share and vested 40% on the second anniversary, and 20% on each of the third, fourth, and fifth anniversaries, of the grant date of February 3, 2003; the option was exercised in part for 1,328 shares on August 29, 2006.

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(24) This restricted stock award was granted January 29, 2008, for a total of 1,909 shares and vests 25% on each anniversary of the grant date.

(25) This option was granted for the purchase of 2,704 shares at an exercise price of $48.08 per share and vested 60% on the third anniversary, and 20% on each of the fourth and fifth anniversaries, of the grant date of July 8, 2002.

(26) This restricted stock award was granted February 5, 2007, for a total of 1,829 shares and vests 25% on each anniversary of the grant date.

(27) This restricted stock award was granted February 13, 2006, for a total of 4,701 shares and vests 20% on each anniversary of the grant date.

(28) This option was granted for the purchase of 7,893 shares at an exercise price of $39.85 per share and vests 25% on each anniversary of the grant date of January 29, 2008.

(29) This restricted stock award was granted February 26, 2010, for a total of 23,068 shares and vests 25% on each anniversary of the grant date.

(30) This option was granted for the purchase of 31,306 shares at an exercise price of $32.05 per share and vested 20% on each anniversary of the grant date of February 19, 2004; the option was exercised in part for 12,523 shares on December 11, 2006.

(31) This restricted stock award was granted February 3, 2009, for a total of 28,403 shares and vests 25% on each anniversary of the grant date.

(32) This option was granted for the purchase of 30,303 shares at an exercise price of $43.60 per share and vested 40% on the second anniversary, and 20% on each of the third, fourth and fifth anniversaries, of the grant date of January 28, 2002.

(33) This restricted stock award was granted January 29, 2008, for a total of 2,438 shares and vests 25% on each anniversary of the grant date.

(34) This option was granted for the purchase of 200,000 shares at an exercise price of $48.10 per share and vested 60% on the third anniversary, and 20% on each of the fourth and fifth anniversaries, of the grant date of July 17, 2001; the option was exercised in part for 10,000 shares on February 27, 2007.

(35) This restricted stock award was granted February 5, 2007, for a total of 4,064 shares and vests 25% on each anniversary of the grant date.

(36) This restricted stock award was granted February 5, 2007, for a total of 1,625 shares and vests 20% on each anniversary of the grant date.

(37) This restricted stock award was granted February 13, 2006, for a total of 23,507 shares and vests 20% on each anniversary of the grant date.

(38) Mr. Beaudin resigned from his employment with Aimco effective March 1, 2011. In accordance with the terms of the agreements underlying Mr. Beaudin s option and restricted stock awards, all unvested options and shares

of restricted stock were forfeited as of March 1, 2011, and outstanding vested options remain exercisable for a period of 90 days following Mr. Beaudin s resignation effective date. Upon his resignation, Mr. Beaudin forfeited 11,768 unvested options and 105,148 unvested shares of restricted stock.

(39) This option was granted for the purchase of 27,321 shares at an exercise price of $39.85 per share and vests 25% on each anniversary of the grant date of January 29, 2008.

(40) This restricted stock award was granted February 26, 2010, for a total of 83,883 shares and vests 25% on each anniversary of the grant date.

(41) This option was granted for the purchase of 10,890 shares at an exercise price of $48.50 per share and vests 20% on each anniversary of April 10, beginning on April 10, 2007.

(42) This restricted stock award was granted February 3, 2009, for a total of 75,027 shares and vests 25% on each anniversary of the grant date.

(43) This restricted stock award was granted January 29, 2008, for a total of 8,438 shares and vests 25% on each anniversary of the grant date.

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(44) This restricted stock award was granted February 5, 2007, for a total of 6,096 shares and vests 25% on each anniversary of the grant date.

(45) This restricted stock award was granted February 5, 2007, for a total of 6,177 shares and vests 20% on each anniversary of the grant date.

OPTION EXERCISES AND STOCK VESTED IN 2010

The following table sets forth certain information regarding options and stock awards exercised and vested, respectively, during the year ended December 31, 2010, for the persons named in the Summary Compensation Table above. The stock vestings reflected below include additional shares received as a result of the special dividends paid in January 2008, August 2008, December 2008, and January 2009.

	Option Awards		Stock Awards	
Name	Number of Shares Acquired on Exercise (#)	Value Realized on Exercise ($)(1)	Number of Shares Acquired on Vesting (#)	Value Realized on Vesting ($)(2)
Terry Considine	202,430	2,914,992	13,369	222,460
Ernest M. Freedman		N/A	3,923	83,449
Lisa R. Cohn		N/A	10,272	163,364
Miles Cortez		N/A	20,669	330,731
Timothy J. Beaudin		N/A	49,465	880,189

(1) Amounts reflect the difference between the exercise price of the option and the market price at the time of exercise.

(2) Amounts reflect the market price of the stock on the day the shares of restricted stock vested.

POTENTIAL PAYMENTS UPON TERMINATION OR CHANGE IN CONTROL

In the table and discussion that follows, payments and other benefits payable upon early termination and change in control situations are set out as if the conditions for payments had occurred and/or the terminations took place on December 31, 2010. In setting out such payments and benefits, amounts that had already been earned as of the termination date are not shown. Also, benefits that are available to all full-time regular employees when their employment terminates are not shown. The amounts set forth below are estimates of the amounts which could be paid out to the named executive officers upon their termination. The actual amounts to be paid out can only be determined at the time of such named executive officers separation from Aimco.

Mr. Considine s 2008 Employment Agreement

Under his 2008 employment agreement, Mr. Considine is not entitled to any additional or special payments upon the occurrence of a change in control. Mr. Considine s walk right under the 1994 employment agreement (that is, his right to severance payments upon his terminating employment with the Company within two years following a change in control) was eliminated. The definition of change in control was also narrowed to increase the required percentage of change in ownership and to require the occurrence of the applicable change in control event, as opposed to stockholder approval of such event.

In the event Mr. Considine s employment is terminated without cause by Aimco, by Mr. Considine for good reason, or for reason of disability, Mr. Considine will be entitled to: a lump sum cash payment equal to two times the sum of his base salary at the time of termination and $1.65 million, subject to certain limited deductions; the amount of any STI earned but unpaid for the fiscal year preceding the termination date; a pro-rata portion of a $1.65 million STI amount for the fiscal year in which the termination occurs; continued medical coverage at Aimco s expense until the earlier of (a) eighteen months following the date of termination, or (b) Mr. Considine becoming eligible for coverage under the medical plans of a subsequent employer, provided that in the event Mr. Considine s medical coverage terminates pursuant to (a), he will be entitled to a lump sum payment equal to six times the monthly

COBRA premium then in effect; and immediate and full acceleration of any unvested stock awards and outstanding unvested stock options, with all outstanding stock options (along with all options already vested) remaining exercisable until the earliest to occur of the fifth anniversary of the date of termination or the expiration of the applicable option term.

In the event of Mr. Considine s disability, the lump sum cash payment described above shall be offset by any long-term disability benefits received under Aimco s long-term disability insurance plan. In the event of a qualifying disability, Mr. Considine is entitled to $10,000 per month in long-term disability pay for the length of the qualifying disability up to age 65.

In the event of Mr. Considine s death, Aimco will pay or provide to Mr. Considine s estate the amount of any STI earned but unpaid for the prior fiscal year, and all equity-based and other long-term incentive awards granted to Mr. Considine will become immediately fully vested and payable, as applicable, and all outstanding stock option awards will remain exercisable until the earliest to occur of the fifth anniversary of the date of termination or the expiration of the applicable option term.

Under the employment agreement, in the event payments to Mr. Considine are subject to the excise tax imposed by Section 4999 of the Code, Mr. Considine is entitled to receive a limited gross-up payment, subject to a maximum of $5 million. If covered payments are less than 10% over the permitted limit, Mr. Considine is required to reduce his payments to avoid triggering a gross-up payment.

Accelerated Vesting Upon Change of Control

The restricted stock and stock option agreements pursuant to which restricted stock and stock option awards have been made to Messrs. Considine, Freedman, Cortez, and Beaudin and Ms. Cohn provide that upon a change of control, all outstanding shares of restricted stock become immediately and fully vested and all unvested stock options become immediately and fully vested and remain exercisable (along with all options already vested) for the remainder of the term of the option.

Accelerated Vesting upon Termination of Employment Due to Death or Disability

As set forth above, in the event Mr. Considine s employment is terminated for reason of disability, Mr. Considine will be entitled to immediate and full acceleration of any unvested stock awards and outstanding unvested stock options, with all outstanding stock options (along with all options already vested) remaining exercisable until the earliest to occur of the fifth anniversary of the date of termination or the expiration of the applicable option term. In the event of Mr. Considine s death, all equity-based and other long-term incentive awards granted to Mr. Considine will become immediately fully vested and payable, as applicable, and all outstanding stock option awards will remain exercisable until the earliest to occur of the fifth anniversary of the date of termination or the expiration of the applicable option term.

The restricted stock and stock option agreements pursuant to which restricted stock and stock option awards have been made to Messrs. Freedman, Cortez, and Beaudin and Ms. Cohn provide that upon termination of employment due to death or disability, all outstanding shares of restricted stock become immediately and fully vested and all unvested stock options become immediately and fully vested and remain exercisable (along with all options already vested) for the remainder of the term of the option.

Accelerated Vesting Upon Termination of Employment other than for Cause

Certain grants to Messrs. Freedman and Beaudin provide for accelerated vesting if their employment is terminated other than for cause. Aimco typically does not provide accelerated vesting under such circumstances; however, in some cases, in order to recruit or retain executives, such accelerated vesting is necessary or desirable.

Non-competition and Non-Solicitation Agreements

Effective in January 2002 for Messrs. Considine and Cortez, and in connection with their employment by Aimco for Messrs. Freedman and Beaudin and Ms. Cohn, Aimco entered into certain non-competition and/or non-solicitation agreements with each executive. Mr. Considine s 2002 non-competition and non-solicitation agreement

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was replaced by his December 2008 employment agreement. Pursuant to the agreements, each of these named executive officers agreed that during the term of his or her employment with the Company and for a period of two years following the termination of his employment, except in circumstances where there was a change in control of the Company, he or she could not (i) be employed by a competitor of the Company named on a schedule to the agreement, (ii) solicit other employees to leave the Company s employ or (iii) solicit customers of Aimco to terminate their relationship with the Company. The agreements further required that the named executive officers protect Aimco s trade secrets and confidential information. The agreements for Messrs. Beaudin and Freedman do not include the non-competition covenant as described in (i) above. Mr. Beaudin s covenant requires that during the term of his employment with the Company and for a period of 12 months following the termination of his employment, he will not compete against the Company in any acquisition opportunities with which he was involved during his employment. For Mr. Cortez and Ms. Cohn, the agreements provide that in order to enforce the above-noted non-competition condition following the executive s termination of employment by the Company without cause, each such executive will receive, for a period not to exceed the earlier of 24 months following such termination or the date of acceptance of employment with a non-competitor, (i) severance pay in an amount, if any, to be determined by the Company in its sole discretion and (ii) a monthly payment equal to two-thirds (2/3) of such executive s monthly base salary at the time of termination. For purposes of these agreements, cause is defined to mean, among other things, the executive s (i) breach of the agreement, (ii) failure to perform required employment services, (iii) misappropriation of Company funds or property, (iv) indictment, conviction, plea of guilty or plea of no contest to a crime involving fraud or moral turpitude, or (v) negligence, fraud, breach of fiduciary duty, misconduct or violation of law.

Mr. Beaudin s Termination other than For Cause

If Mr. Beaudin s employment is terminated other than for cause, Mr. Beaudin is entitled to a separation payment in an amount equal to his base salary of $500,000. Effective March 1, 2011, Mr. Beaudin resigned from Aimco. Mr. Beaudin did not receive a separation payment.

The following table summarizes the potential payments under various scenarios if they had occurred on December 31, 2010.

	Value of Accelerated Stock and Stock Options ($)(1)					Severance ($)			
	Change in Control	Death or Disability	Termination Without Cause	Termination With Good Reason	Change in Contro	Death	Disability	Termination Without Cause	Termination For Good Reason
ne	13,619,483	13,619,483	13,619,483	13,619,483			6,174,416(3)(4)	6,174,416(4)	6,174,416(4)
	696,310	696,310	86,926						
	1,190,242	1,190,242							
	1,428,048	1,428,048							
	3,922,796	3,922,796						500,000(5)	

(1) Amounts reflect value of accelerated stock and options using the closing market price on December 31, 2010, of $25.84 per share.

(2) Amounts assume the agreements were enforced by the Company and the payments extended for 24 months.

(3) Amount does not reflect the offset for long-term disability benefit payments in the case of a qualifying disability under Aimco s long-term disability insurance plan.

(4) Amount consists of a lump sum cash payment equal to (a) two times the sum of his base salary and $1.65 million, (b) $1.65 million STI for 2010, and (c) 24 months of medical coverage reimbursement.

(5) Mr. Beaudin resigned from Aimco effective March 1, 2011, and all of the equity awards reflected above were forfeited as of that date. Mr. Beaudin did not receive severance in connection with his resignation.

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SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

Information on equity compensation plans as of the end of the 2010 fiscal year under which equity securities of the Company are authorized for issuance is set forth in the following table.

Plan Category	Number of Securities To Be Issued upon Exercise of Outstanding Options Warrants and Rights	Weighted Average Exercise Price of Outstanding Options, Warrants and Rights	Number of Securities Remaining Available for Future Issuance under Equity Compensation Plans (Excluding Securities Subject to Outstanding Unexercised Grants)
Equity compensation plans approved by security holders	7,160,175	$ 28.65	1,338,683
Equity compensation plans not approved by security holders			

CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

Policies and Procedures for Review, Approval or Ratification of Related Person Transactions

Aimco recognizes that related person transactions can present potential or actual conflicts of interest and create the appearance that Aimco s decisions are based on considerations other than the best interests of Aimco and its stockholders. Accordingly, as a general matter, it is Aimco s preference to avoid related person transactions. Nevertheless, Aimco recognizes that there are situations where related person transactions may be in, or may not be inconsistent with, the best interests of Aimco and its stockholders. The Nominating and Corporate Governance Committee, pursuant to a written policy approved by the Board, has oversight for related person transactions. The Nominating and Corporate Governance Committee will review transactions, arrangements or relationships in which (1) the aggregate amount involved will or may be expected to exceed $100,000 in any calendar year, (2) Aimco (or any Aimco entity) is a participant, and (3) any related party has or will have a direct or indirect interest (other than solely as a result of being a director or a less than 10 percent beneficial owner of another entity). The Nominating and Corporate Governance Committee has also given its standing approval for certain types of related person transactions such as certain employment arrangements, director compensation, transactions with another entity in which a related person s interest is only by virtue of a non-executive employment relationship or limited equity position, and transactions in which all stockholders receive pro rata benefits. In 2010, there were no related person transactions that required review under the policy.

OTHER MATTERS

Section 16(a) Beneficial Ownership Reporting Compliance. Section 16(a) of the Securities Exchange Act of 1934, as amended, requires Aimco s executive officers and directors, and persons who own more than ten percent of a registered class of Aimco s equity securities, to file reports (Forms 3, 4 and 5) of stock ownership and changes in ownership with the SEC and the New York Stock Exchange. Executive officers, directors and beneficial owners of more than ten percent of Aimco s registered equity securities are required by SEC regulations to furnish Aimco with copies of all such forms that they file.

Based solely on Aimco s review of the copies of Forms 3, 4 and 5 and the amendments thereto received by it for the year ended December 31, 2010, or written representations from certain reporting persons that no Forms 5 were required to be filed by those persons, Aimco believes that during the period ended December 31, 2010, all filing requirements were complied with by its executive officers and directors.

Stockholders Proposals. Proposals of stockholders intended to be presented at Aimco s Annual Meeting of Stockholders to be held in 2012 must be received by Aimco, marked to the attention of the Corporate Secretary, no later than November 11, 2011, to be included in Aimco s proxy statement and form of proxy for that meeting. Proposals must comply with the requirements as to form and substance established by the SEC for proposals in order to be included in the proxy statement. Proposals of stockholders submitted to Aimco for consideration at

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Aimco s annual meeting of stockholders to be held in 2012 outside the processes of Rule 14a-8 (*i.e.*, the procedures for placing a stockholder s proposal in Aimco s proxy materials) will be considered untimely if received by the Company before December 28, 2011, or after January 27, 2012.

Other Business. Aimco knows of no other business that will come before the Meeting for action. As to any other business that comes before the Meeting, the persons designated as proxies will have discretionary authority to act in their best judgment.

Available Information. Aimco files annual, quarterly and current reports, proxy statements and other information with the SEC. You may read and copy any reports, statements or other information that the Company files at the SEC s public reference rooms in Washington, D.C., New York, New York and Chicago, Illinois. Please call the SEC at 1-800-SEC-0330 for further information on the public reference rooms. The Company s public filings are also available to the public from commercial document retrieval services and on the internet site maintained by the SEC at http://www.sec.gov. Reports, proxy statements and other information concerning the Company also may be inspected at the offices of the New York Stock Exchange, 20 Broad Street, New York, New York 10005.

The SEC allows Aimco to incorporate by reference information into this Proxy Statement, which means that the Company can disclose important information to you by referring you to another document filed separately with the SEC. The information incorporated by reference is deemed to be part of this Proxy Statement, except for any information superseded by information contained directly in the Proxy Statement. This Proxy Statement incorporates by reference the Company s Annual Report on Form 10-K for the fiscal year ended December 31, 2010 (Commission file No. 1-13232). This document contains important information about the Company and its financial condition.

Aimco incorporates by reference additional documents that it may file with the SEC between the date of this Proxy Statement and the date of the Meeting. These include periodic reports, such as Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q and Current Reports on Form 8-K, as well as proxy statements. Aimco has mailed all information contained or incorporated by reference in this Proxy Statement to stockholders.

If you are a stockholder, the Company may have sent you some of the documents incorporated by reference, but you can obtain any of them through the Company or the SEC or the SEC s internet site described above. Documents incorporated by reference are available from the Company without charge, excluding all exhibits unless specifically incorporated by reference as exhibits in the Proxy Statement. Stockholders may obtain documents incorporated by reference in this Proxy Statement by requesting them in writing from the Company at the following address:

Corporate Secretary
Apartment Investment and Management Company
4582 South Ulster Street Parkway
Suite 1100
Denver, Colorado 80237

If you would like to request documents from the Company, please do so by April 12, 2011, to receive them before the Meeting. If you request any incorporated documents, they will be mailed to you by first-class mail, or other equally prompt means, within one business day of receipt of your request.

You should rely only on the information contained or incorporated by reference in this Proxy Statement to vote your shares at the Meeting. The Company has not authorized anyone to provide you with information that is different from what is contained in this Proxy Statement. This Proxy Statement is dated March 14, 2011. You should not assume that the information contained in the Proxy Statement is accurate as of any date other than that date.

THE BOARD OF DIRECTORS

March 14, 2011
Denver, Colorado

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Annex A

APARTMENT INVESTMENT AND MANAGEMENT COMPANY

ARTICLES OF AMENDMENT

APARTMENT INVESTMENT AND MANAGEMENT COMPANY, a Maryland corporation, having its principal office in Baltimore City, Maryland (which is hereinafter called the Corporation), hereby certifies to the State Department of Assessments and Taxation of Maryland that:

FIRST: The Charter of the Corporation is hereby amended as follows:

(a) ARTICLE IV, Section 3, paragraph 3.4.8(A) of the Charter of the Corporation is hereby amended to read in its entirety as follows:

WAIVER OF OWNERSHIP LIMIT. The Board of Directors, upon receipt of a ruling from the Internal Revenue Service or an opinion of tax counsel or other evidence or undertaking acceptable to it, may waive the application, in whole or in part, of the Ownership Limit to a Person subject to the Ownership Limit, if such person is not an individual for purpose of Section 542(a) of the Code and is a corporation, partnership, estate or trust; provided, however, that in no event may any such exception cause such Person s ownership, direct or indirect (without taking into account such Person s ownership of interests in any partnership of which the Corporation is a partner), to exceed 12.0% of the number of Outstanding shares of Common Stock. In connection with any such exemption, the Board of Directors may require such representations and undertakings from such Person and may impose such other conditions as the Board deems necessary, in its sole discretion, to determine the effect, if any, of the proposed Transfer on the Corporation s status as a REIT.

SECOND: The foregoing amendment to the Charter of the Corporation does not increase the authorized stock of the Corporation.

THIRD: The foregoing amendment to the Charter of the Corporation has been advised by the Board of Directors and approved by the stockholders of the Corporation.

FOURTH: The foregoing amendment to the Charter of the Corporation shall become effective upon acceptance for record by the Maryland State Department of Assessments and Taxation.

IN WITNESS WHEREOF, Apartment Investment and Management Company has caused these Articles of Amendment to be signed in its name and on its behalf by its [Executive Vice President and Chief Financial Officer] and witnessed by its [Secretary] on , 2011.

WITNESS:

APARTMENT INVESTMENT AND MANAGEMENT COMPANY

By:

[Lisa R. Cohn, Secretary]

[Ernest M. Freedman, Executive Vice President and Chief Financial Officer]

THE UNDERSIGNED, the [Executive Vice President and Chief Financial Officer] of Apartment Investment and Management Company, who executed on behalf of the Corporation the foregoing Articles of Amendment of which this certificate is made a part, hereby acknowledges in the name and on behalf of said Corporation the foregoing Articles of Amendment to be the corporate act of said Corporation and hereby certifies that to the best of his knowledge, information, and belief the matters and facts set forth therein with respect to the authorization and approval thereof are true in all material respects under the penalties of perjury.

[Ernest M. Freedman, Executive Vice President and
Chief Financial Officer]

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AIMCO Apartment Investment and Management Company lllllllllllllllllllllllllllllllllllllllllllllllllllllllllll C123456789 *IMPORTANT ANNUAL MEETING INFORMATION* 000004 000000000.000000 ext 000000000.000000 ext endorsement_line_ __ sackpack___ 000000000.000000 ext 000000000.000000 ext IiiiIIiiIiIiiIIiiIiiIiIiIiiiiIIiiIiIiiIIiiIiiIIImI 000000000.000000 ext 000000000.000000 ext mr a sample Electronic Voting Instructions designation (IF any) You can vote by Internet or telephone! ADD 1 Available 24 hours a day, 7 days a week! ADD 2 ADD 3 Instead of mailing your proxy, you may choose one of the two voting ADD 4 methods outlined below to vote your proxy. ADD 5 VALIDATION DETAILS ARE LOCATED BELOW IN THE TITLE BAR. ADD 6 Proxies submitted by the Internet or telephone must be received by 1:00 a.m., Central Time, on April 26, 2011. i Vote by Internet I Log on to the Internet and go to 3nnnc www.envisionreports.com/aiv Follow the steps outlined on the secured website. *0*^* Vote by telephone fnm Call toll free 1-800-652-VOTE (8683) within the USA, US territories & Canada any time on a touch tone telephone. There is NO CHARGE to you for the call. Using a black ink pen, mark your votes with an X as shown in *y* Follow the instructions provided by the recorded message. this example. Please do not write outside the designated areas. Annual Meeting Proxy Card (1234 5678 9012 345j T IF YOU HAVE NOT VOTED VIA THE INTERNET OR TELEPHONE, FOLD ALONG THE PERFORATION, DETACH AND RETURN THE BOTTOM PORTION IN THE ENCLOSED ENVELOPE. ? A Proposals The Board of Directors recommends a vote FOR all the nominees listed in Proposal 1, FOR Proposals 2, 3 and 5, and FOR an annual advisory vote on executive compensation in Proposal 4. . 1. Election of Directors: For Against Abstain For Against Abstain For Against Abstain 01 James N. Bailey 02 Terry Considine 03 Richard S. Ellwood 04 Thomas L. Keltner 05 J. Landis Martin 06 Robert A. Miller 07 - Kathleen M. Nelson 08 Michael A. Stein For Against Abstain For Against Abstain 2. To ratify the selection of Ernst & Young LLP to serve as the independent registered I I I I I 3. Advisory vote on executive compensation. I I I I |public accounting firm for Aimco for the year ending December 31, 2011. I I I I I I I I I I I 4. Advisory vote on the frequency of future advisory votes on 1 Yr 2 Yrs 3 Yrs Abstain 5. To amend Aimco s charter to permit the i i i i i executive compensation. Board of Directors to grant waivers of | | | | | I I I I I I I I the ownership limit up to 12%. B Non-Voting Items Change of Address Please print your new address below. Comments Please print your comments below. Meeting Attendance Mark the box to the right if you plan to attend the Annual Meeting C Authorized Signatures This section must be completed for your vote to be counted. Date and Sign Below Please sign exactly as name(s) appears hereon. Joint owners should each sign. When signing as attorney, executor, administrator, corporate officer, trustee, guardian, or custodian, please give full title.Date (mm/dd/yyyy) Please print date below. Signature 1 Please keep signature within the box. Signature 2 Please keep signature within the box / 1 1 I I II Mill Mill Mill Mill Mill Mill I C 1234567890 J N T M1 4R0 ACHSAARMAPCLETE (RTHSI)S M ARR AEASAISMPSLEET AUNPD T MO RA CA CSOAMMMPLOED AANT DE ¦ MR A SAMPLE AND MR A SAMPLE AND MR A SAMPLE AND ¦ 1UPX 1124821 MR A SAMPLE AND MR A SAMPLE AND MR A SAMPLE AND + 01AJ8B_AIMCO_Common3-02-11.pdf 01AJ8B

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IF YOU HAVE NOT VOTED VIA THE INTERNET Ofi TELEPHONE, FOLD ALONG THE PERFORATION, DETACH AND RETURN THE BOTTOM PORTION IN THE ENCLOSED ENVELOPE, T *AIMCO* Arriment Investment and Maraeerrarw Com parry Proxy Apartment Investment and Management Company PROXY FOR COMMON STOCK SOLICITED BY THE BOARD OF DIRECTORS FOR THE ANNUAL MEETING OF STOCKHOLDERS APRIL 26, 2011 The undersigned hereby appoints Terry Considine, Ernest M. Freedmart and Lisa R. Cohn and each of them the undersigned s true and (awful attorneys and proxies (with full power of substitution in each) to vote all Common Stock of Apartmen! Investment and Management Company (Aimco), standing In the undersigned s name, a! the Annual Meeting of Stockholders of Aimco to be held at Aimco s Corporate Office, 4582 S. Ulster Street Parkway, Suite 1100, Denver, CO 80237, on Tuesday, April 26, 2011, at 8:30 a.m., and any adjournment or postponement thereof (the Stockholders Meeting), upon those matters as described in the Proxy Statement for the Stockholders Meeting. In their discretion, the proxies are authorized to vote upon such other business as may properly come before the Stockholders Meeting {including any adjournment or postponement thereof). <0"- IF NOT OTHERWISE SPECIFIED, THIS PROXY WILL BE VOTED FOR EACH OF THE EIGHT DIRECTOR NOMINEES IN PROPOSAL 1 ANO FOR PROPOSALS 2, 3 AND 5 AND FOR THE ANNUAL OPTION IN PROPOSAL 4. *J* PLEASE REFER TO THE REVERSE SIDE FOR TELEPHONE AND INTERNET VOTING INSTRUCTIONS. *Y^)* (Items to be voted appear on reverse side).