

SUNTRUST BANKS INC  
Form 4  
May 26, 2016

**FORM 4**

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

OMB APPROVAL

OMB Number: 3235-0287  
Expires: January 31, 2015  
Estimated average burden hours per response... 0.5

Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES**

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person \*  
CARRIG KENNETH J

(Last) (First) (Middle)  
303 PEACHTREE STREET, NE  
(Street)

ATLANTA, GA 30308

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol  
SUNTRUST BANKS INC [STI]

3. Date of Earliest Transaction  
(Month/Day/Year)  
05/25/2016

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

\_\_\_ Director \_\_\_ 10% Owner  
\_X\_ Officer (give title below) \_\_\_ Other (specify below)  
CEVP & Chief HR Officer

6. Individual or Joint/Group Filing(Check Applicable Line)  
\_X\_ Form filed by One Reporting Person  
\_\_\_ Form filed by More than One Reporting Person

**Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned**

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Ownership (Instr. 4)
				(A) or (D)			
			Code	V	Amount	(D)	Price
Common Stock	05/25/2016		S		17,000	D	34,215.843
							D

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

**Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.**

SEC 1474 (9-02)

**Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)**

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1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Securities (Instr. 3 and 4)	8. P Der Sec (Ins	
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Phantom Stock <sup>(2)</sup>	<sup>(2)</sup>					02/21/2015	<sup>(2)</sup>	Common Stock	2,316
Phantom Stock	<sup>(3)</sup>					02/10/2017	<sup>(3)</sup>	Commons Stock	2,104
Phantom Stock	<sup>(3)</sup>					02/10/2018	<sup>(3)</sup>	Common Stock	2,104
Phantom Stock <sup>(4)</sup>	<sup>(4)</sup>					02/09/2017	02/09/2017	Common Stock	2,339
Phantom Stock <sup>(4)</sup>	<sup>(4)</sup>					02/09/2018	02/09/2018	Common Stock	2,339
Phantom Stock <sup>(4)</sup>	<sup>(4)</sup>					02/09/2019	02/09/2019	Common Stock	2,339
Option <sup>(5)</sup>	\$ 25.95					06/14/2014	06/14/2021	Common Stock	35,500
Option <sup>(6)</sup>	\$ 21.67					<sup>(6)</sup>	02/14/2022	Common Stock	30,000
Option <sup>(6)</sup>	\$ 27.41					02/26/2014	02/26/2023	Common Stock	7,753
Option <sup>(6)</sup>	\$ 27.41					02/26/2015	02/26/2023	Common Stock	7,753
Option <sup>(6)</sup>	\$ 27.41					02/26/2016	02/26/2023	Common Stock	7,754

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
CARRIG KENNETH J 303 PEACHTREE STREET, NE ATLANTA, GA 30308			CEVP & Chief HR Officer	

## Signatures

David Wisniewski, Attorney-in-Fact for Kenneth J.  
Carrig

05/26/2016

\_\_Signature of Reporting Person

Date

## Explanation of Responses:

\* If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).

\*\* Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

(1) Sold at prices ranging from \$43.49 to \$43.62.

Represents time-vested phantom stock granted on February 21, 2014 under the SunTrust Banks, Inc. 2009 Stock Plan. The plan is exempt under Rule 16b-3. The restricted stock unit agreements contain tax withholding provisions which allow us to withhold units to satisfy tax withholding obligations. Units will be settled in shares.

(3) Represents time-vested restricted stock units granted on February 10, 2015 under the 2009 Stock Plan. The Plan is exempt under Rule 16b-3. The restricted stock unit award agreements contain tax withholding features which allow us to withhold units to satisfy withholding obligations. Units will be settled in shares.

(4) Represents time-vested restricted stock units granted on February 9, 2016 under the SunTrust Banks, Inc. 2009 Stock Plan. the plan is exempt under Rule 16b-03. Units will be settled in shares. The award agreement contains tax withholding features which allow us to withhold units to satisfy withholding obligations.

(5) Granted under the SunTrust Banks, Inc. 2009 Stock Plan.

(6) Granted pursuant to the 2009 SunTrust Banks, Inc. Stock Plan. One third of the award vests each year for three years.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number. , however, that an election by Juniper to terminate this Agreement pursuant to this Section 8.1(c) shall not be effective until Juniper shall have paid the Break-up Fee to the Company as provided in Section 8.2(b); or

(d) By the Company, if (i) Juniper enters into a definitive agreement to effect an Acquisition Proposal, (ii) Juniper's Board of Directors or any committee thereof recommends that Juniper's stockholders accept or approve any Acquisition Proposal or (iii) Juniper's Board of Directors withdraws or modifies, in a manner material and adverse to the Company, Juniper's Recommendation, in any case, regardless of whether Juniper has complied with Section 6.5.

### 8.2. *Effect of Termination.*

(a) Subject to the remainder of this Section 8.2 and to Section 8.3, in the event of the termination of this Agreement pursuant to Section 8.1, this Agreement shall forthwith become null and void and have no effect,

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without any liability on the part of the Company, MergerCo or Juniper and their respective directors, trustees, officers, employees, partners or stockholders and all rights and obligations of the Company, Juniper and MergerCo shall cease, except for the agreements contained in Sections 6.2, 6.7, 8.2, 8.3 and Article IX; *provided, however*, that nothing contained in this Section 8.2(a) shall relieve any Party from liabilities or damages arising out of any fraud or willful breach by such Party of any of its representations, warranties, covenants or other agreements contained in this Agreement.

(b) If this Agreement is terminated by Juniper pursuant to Section 8.1(c) or by the Company pursuant to Section 8.1(d), then Juniper shall pay to the Company, subject to Section 8.4, an amount in cash equal to \$1,000,000 (the *Break-up Fee* ). If (i) at the time of Juniper's Stockholders Meeting, an Acquisition Proposal shall have been made (and not then withdrawn), (ii) this Agreement is terminated by either Party pursuant to Sections 8.1(b)(ii) or (v) or by the Company pursuant to Section 8.1(b)(iii) and (iii) Juniper consummates an Acquisition Proposal or enters into a definitive agreement with respect to an Acquisition Proposal, in either case, within twelve (12) months of such termination (and the transaction contemplated by any such definitive agreement is consummated within eighteen (18) months of such termination), then Juniper shall pay to the Company the Break-up Fee. Payment of the Break-up Fee required by this Section 8.2(b) shall be payable by wire transfer of immediately available funds (1) in the case of termination of this Agreement by Juniper pursuant to Section 8.1(c) or by the Company pursuant to Section 8.1(d), concurrently with the effective date of such termination, or (2) in case of a situation contemplated by the second sentence of this Section 8.2(b), concurrently with the consummation of such Acquisition Proposal. For the avoidance of doubt, the amount of any fees or expenses paid to the Company pursuant to Section 8.3 shall be deducted from the payment of any Break-up Fee required by this Section 8.2(b).

**8.3. Fees and Expenses.**

(a) Except as set forth in Section 8.2 and this Section 8.3, whether or not the Merger is consummated, all fees, costs and expenses incurred in connection with the preparation, execution and performance of this Agreement and the transactions contemplated hereby, including, without limitation, all fees, costs and expenses of agents, representatives, counsel and accountants shall be paid by the Party incurring such fees, costs or expenses.

(b) If this Agreement is terminated by either Party pursuant to Section 8.1(b)(iii), the Other Party shall pay to the Party within three (3) Business Days after the date of termination, subject to Section 8.4, all documented, reasonable out-of-pocket costs and expenses, including, without limitation, the reasonable fees and expenses of lawyers, accountants, consultants, financial advisors and investment bankers, incurred by the Party or its Subsidiaries in connection with the entering into of this Agreement and the carrying out of any and all acts contemplated hereunder up to an aggregate maximum amount of \$500,000 (such amount, the Party's *Expenses* ). The payment of Expenses set forth in this Section 8.3(b) is not an exclusive remedy, but is in addition to any other rights or remedies available to the parties hereto (whether at law or in equity), and in no respect is intended by the parties to constitute liquidated damages, or be viewed as an indicator of the damages payable, or in any other respect limit or restrict damages available in case of any breach of this Agreement.

(c) Each Party acknowledges that the agreements contained in Section 8.2 and this Section 8.3 are an integral part of the transactions contemplated hereby and that, without these agreements, the parties would not enter into this Agreement. If either Party fails to pay the other any amounts due under Section 8.2 or 8.3, the Party failing to make such payment shall pay the reasonable costs and expenses (including, without limitation, reasonable legal fees and expenses) in connection with any action, including, without limitation, the filing of any lawsuit or other legal action, taken to collect payment. The payment of expenses set forth herein is not an exclusive remedy, but is in addition to any other rights or remedies available to the Parties (whether at law or in equity).

**8.4. Payment of Breakup Fee or Expenses.**

(a) In the event that Juniper is obligated to pay the Company the Break-up Fee pursuant to Section 8.2(b) or either Party is obligated to pay the Other Party any Expenses pursuant to Section 8.3(b), the Party making such payment shall pay to the Other Party, from the applicable Break-up Fee or Expenses deposited into escrow in accordance with the next sentence, an amount equal to the lesser of (i) the amount of the applicable Break-up Fee

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or Expenses and (ii) the sum of (A) the maximum amount that can be paid to the Other Party without causing the Other Party to fail to meet the requirements of Code Sections 856(c)(2) and (3) determined as if the payment of such amount did not constitute income described in Code Sections 856(c)(2) or Code 856(c)(3) ( *Qualifying Income* ), as determined by the Other Party's independent certified public accountants, plus (B) in the event the Other Party receives either (1) a letter from the Other Party's counsel indicating that the Other Party has received a ruling from the IRS described in Section 8.4(b)(ii) or (2) an opinion from the Other Party's outside counsel as described in Section 8.4(b)(ii), an amount equal to the applicable Break-up Fee or Expenses less the amount payable under clause (A) above. To secure the Party's obligation to pay these amounts, the Party shall deposit into escrow an amount in cash equal to the applicable Break-up Fee or Expenses with an escrow agent selected by the Party and on such terms (subject to Section 8.4(b)) as shall be mutually agreed upon by Juniper, the Company and the escrow agent. The payment or deposit into escrow of the applicable Break-up Fee or Expenses pursuant to this Section 8.4(a) shall be made at the time the Party is obligated to pay the Other Party such amount pursuant to Section 8.3 or Section 8.2(b), as applicable, by wire transfer or bank check.

(b) The escrow agreement shall provide that the applicable Break-up Fee or Expenses in escrow or any portion thereof shall not be released to the Other Party unless the escrow agent receives any of the following: (i) a letter from the Other Party's independent certified public accountants indicating the maximum amount that can be paid by the escrow agent to the Other Party without causing the Other Party to fail to meet the requirements of Code Sections 856(c)(2) and (3) determined as if the payment of such amount did not constitute Qualifying Income or a subsequent letter from the Other Party's independent certified public accountants revising that amount, in which case the escrow agent shall release such amount to the Other Party, or (ii) a letter from the Other Party's counsel indicating that the Other Party received a ruling from the IRS holding that the receipt by the Other Party of the applicable Break-up Fee or Expenses would either constitute Qualifying Income or would be excluded from gross income within the meaning of Code Sections 856(c)(2) and (3) (or alternatively, the Other Party's outside counsel has rendered a legal opinion to the effect that the receipt by the Other Party of the applicable Break-up Fee or Expenses would either constitute Qualifying Income or would be excluded from gross income within the meaning of Code Sections 856(c)(2) and (3)), in which case the escrow agent shall release the remainder of the applicable Break-up Fee or Expenses to the Other Party. The Party agrees to amend this Section 8.4 at the request of the Other Party in order to (A) maximize the portion of the applicable Break-up Fee or Expenses that may be distributed to the Other Party hereunder without causing the Other Party to fail to meet the requirements of Code Sections 856(c)(2) and (3), (B) improve the Other Party's chances of securing a favorable ruling described in this Section 8.4(b) or (C) assist the Other Party in obtaining a favorable legal opinion from its outside counsel as described in this Section 8.4(b). The escrow agreement shall also provide that any portion of the applicable Break-up Fee or Expenses held in escrow for five years shall be released by the escrow agent to the Party depositing such funds. The Party shall not be a party to such escrow agreement and shall not bear any cost of or have liability resulting from the escrow agreement.

(c) For the avoidance of doubt, the escrow provisions of clauses (a) and (b) of this Section 8.4 shall only apply at the election of the Party due the applicable Break-up Fee or Expenses, such election to be made in its absolute discretion.

*8.5. Amendment.*

This Agreement may be amended by the Parties by an instrument in writing signed on behalf of each of the Parties at any time before or after receipt of one or both Stockholder Approvals; *provided, however*, that after any such approval, no amendment shall be made which by law requires further approval by such stockholders without obtaining such approval.

*8.6. Extension; Waiver.*

At any time prior to the Effective Time, a Party may, to the extent legally allowed, (a) extend the time for the performance of any of the obligations or other acts of the Other Party, (b) waive any inaccuracies in the representations and warranties of the Other Party contained herein or in any document delivered pursuant hereto,

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and (c) waive compliance by the Other Party with any of the agreements or conditions contained herein. Any agreement on the part of a Party to any such extension or waiver shall be valid only if set forth in a written instrument signed on behalf of the Party against which such waiver or extension is to be enforced. The failure of a Party to assert any of its rights under this Agreement or otherwise shall not constitute a waiver of those rights.

**ARTICLE IX**

**GENERAL PROVISIONS**

9.1. *Notices.*

All notices and other communications given or made pursuant hereto shall be in writing and shall be deemed to have been duly given or made as of the date delivered or sent if delivered personally or sent by facsimile (providing confirmation of transmission) or sent by prepaid overnight carrier (providing proof of delivery) at the following addresses or facsimile numbers (or at such other addresses or facsimile numbers as shall be specified by like notice):

(a) if to the Company or MergerCo:  
Monmouth Real Estate Investment Corporation

Juniper Business Plaza

3499 Route 9 North, Suite 3-C

Freehold, New Jersey 07728

Attn: Peter Weidhorn

Facsimile: 732-577-9981

with a copy to (which shall not constitute notice):

Venable LLP

Two Hopkins Plaza, Suite 1800

Baltimore, Maryland 21201

Attn: Sharon A. Kroupa, Esquire

Facsimile: 410-244-7742

(b) if to Juniper:  
Monmouth Capital Corporation

Juniper Business Plaza

3499 Route 9 North, Suite 3-C

Freehold, New Jersey 07728

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Attn: Joshua Kahr

Facsimile: 732-577-9981

with a copy to (which shall not constitute notice):

Stroock & Stroock & Lavan LLP

180 Maiden Lane

New York, NY 10038-4982

Attn: Jeffrey Lowenthal, Esquire

Facsimile: 212-806-2509

9.2. *Interpretation.*

The headings contained in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement. Wherever used herein, a pronoun in the masculine gender shall be considered as including the feminine gender unless the context clearly indicates otherwise.

(a) When a reference is made in this Agreement to an Article or a Section, such reference shall be to an Article or a Section of this Agreement unless otherwise indicated.

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(b) The table of contents and headings contained in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement.

(c) The Parties have participated jointly in negotiating and drafting this Agreement. If an ambiguity or a question of intent or interpretation arises, this Agreement shall be construed as if drafted jointly by the Parties, and no presumption or burden of proof shall arise favoring or disfavoring any Party by virtue of the authorship of any provisions of this Agreement.

(d) The words include, includes or including shall be deemed to be followed by the words without limitation.

(e) The words hereof, herein and hereunder and words of similar import, when used in this Agreement, refer to this Agreement as a whole and not to any particular provision of this Agreement.

(f) All terms defined in this Agreement have their defined meanings when used in any certificate or other document made or delivered pursuant hereto, unless otherwise defined therein.

(g) The definitions contained in this Agreement are applicable to the singular as well as the plural forms of such terms.

(h) If any action is to be taken by any Party pursuant to this Agreement on a day that is not a Business Day, such action shall be taken on the next Business Day following such day.

(i) References to a person are also to its permitted successors and assigns.

(j) The use of or is not intended to be exclusive unless expressly indicated otherwise.

(k) Reasonable best efforts or similar terms shall not require the waiver of any rights under this Agreement.

(l) The term ordinary course of business (or similar terms) shall be deemed to be followed by the words consistent with past practice. A Party's past practice shall be determined by reference to its SEC Reports, where applicable.

*9.3. Trial by Jury.*

EACH PARTY HEREBY IRREVOCABLY WAIVES ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY.

*9.4. Non-Survival of Representations, Warranties, Covenants and Agreements.*

Except for Article II and Article III, Section 6.6 and any other covenant or agreement of the Parties which by its terms contemplates performance after the Effective Time (a) none of the representations, warranties, covenants and agreements contained in this Agreement or in any instrument delivered pursuant to this Agreement shall survive the Effective Time and (b) thereafter there shall be no liability on the part of any Party or any of their respective officers, directors or stockholders in respect thereof. Except as expressly set forth in this Agreement, there are no representations or warranties of any Party, express or implied.

*9.5. Miscellaneous.*

This Agreement (a) constitutes, together with Disclosure Schedules, the entire agreement and supersedes all of the prior agreements and understandings, both written and oral, among the Parties, or any of them, with respect to the subject matter hereof and (b) shall be binding upon and inure to the benefit of the Parties and their respective successors and assigns and is not intended to confer upon any other Person (except as set forth below) any rights or remedies hereunder. The Parties agree that irreparable damage would occur in the event that any of the provisions of this Agreement were not performed in accordance with their specific terms or were otherwise breached. It is accordingly agreed that the Parties shall be entitled to an injunction or injunctions to prevent breaches of this Agreement and to enforce specifically the terms and provisions hereof in the federal and state courts located in Maryland, this being in addition to any other remedy to which they are entitled at law or in equity.



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*9.6. Assignment; Benefit; Severability.*

Except as expressly permitted by the terms hereof, neither this Agreement nor any of the rights, interests or obligations hereunder shall be assigned by any Party without the prior written consent of the Other Party. Notwithstanding anything contained in this Agreement to the contrary (except for the provisions of Section 6.6 hereof which shall inure to the benefit of the Persons or entities benefiting therefrom who are expressly intended to be third party beneficiaries thereof and who may enforce the covenants contained therein), nothing in this Agreement, expressed or implied, is intended to confer on any person other than the Parties or their respective heirs, successors, executors, administrators and assigns any rights, remedies, obligations or liabilities under or by reason of this Agreement.

If any provision of this Agreement, or the application thereof to any person or circumstance is held invalid or unenforceable, the remainder of this Agreement, and the application of such provision to other persons or circumstances, shall not be affected thereby, and to such end, the provisions of this Agreement are agreed to be severable.

*9.7. Choice of Law/Consent to Jurisdiction.*

All disputes, claims or controversies arising out of or relating to this Agreement, or the negotiation, validity or performance of this Agreement, or the transactions contemplated hereby shall be governed by and construed in accordance with the laws of the State of Maryland without regard to its rules of conflict of laws.

Each of Juniper, the Company and MergerCo hereby irrevocably and unconditionally consents to submit to the jurisdiction of any federal court located in the State of Maryland or in the Circuit Court for Baltimore City, for any litigation arising out of or relating to this Agreement, or the negotiation, validity or performance of this Agreement, or the transactions contemplated hereby, waives any objection to the laying of venue of any such litigation in such court and agrees not to plead or claim in such court that such litigation brought therein has been brought in any inconvenient forum. Each of Juniper, the Company and MergerCo further agree that, in the event that any suit, action or proceeding is brought in the Circuit Court of Baltimore City, the parties shall jointly request that the case be assigned to that court's business and technology case management program. Each of Juniper, the Company and MergerCo agrees, that service of process may also be made on such Person at its address as provided in Section 9.1 by prepaid certified mail with a proof of mailing receipt validated by the United States Postal Service constituting evidence of valid service. Service made as described above shall have the same legal force and effect as if served upon such Person personally within the State of Maryland.

*9.8. Waiver.*

Except as provided in this Agreement, no action taken pursuant to this Agreement, including, without limitation, any investigation by or on behalf of any Party, shall be deemed to constitute a waiver by the Party taking such action of compliance with any representations, warranties, covenants or agreements contained in this Agreement. The waiver by any Party of a breach of any provision hereunder shall not operate or be construed as a waiver of any prior or subsequent breach of the same or any other provision hereunder.

*9.9. Counterparts.*

This Agreement may be executed in counterparts, all of which shall be considered one and the same agreement and shall become effective when one or more counterparts have been signed by each of Juniper, the Company and MergerCo and delivered to the other parties hereto. Facsimile transmission of any signed original document shall be deemed the same as delivery of an original. At the request of any Party, the Parties will confirm facsimile transmission by signing a duplicate original document.

*[Remainder of page intentionally left blank]*

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IN WITNESS WHEREOF, Juniper, the Company and MergerCo have caused this Agreement to be executed as of the date first written above by their respective officers thereunto duly authorized.

**MONMOUTH CAPITAL CORPORATION**

By: */s/ Eugene W. Landy*  
**Eugene W. Landy, President**

**MONMOUTH REAL ESTATE**

**INVESTMENT CORPORATION**

By: */s/ Eugene W. Landy*  
**Eugene W. Landy, President**

**ROUTE 9 ACQUISITION, INC.**

By: */s/ Eugene W. Landy*  
**Eugene W. Landy, President**

[SIGNATURE PAGE TO AGREEMENT AND PLAN OF MERGER]

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**EXHIBIT A**

**SECOND AMENDED AND RESTATED CERTIFICATE OF INCORPORATION**

**OF**

**MONMOUTH CAPITAL CORPORATION**

Pursuant to Section 14A:9-5 of the New Jersey Business Corporation Act, Monmouth Capital Corporation amends, restates, and integrates its Amended and Restated Certificate of Incorporation, as heretofore amended and restated, to read as follows:

I.

*Name.* The name of the Corporation is Monmouth Capital Corporation.

II.

*Registered Office.* The address of the Corporation's registered office in the State of New Jersey is Juniper Business Plaza, 3499 Route 9 North, Suite 3-C, Freehold, New Jersey 07728. The name of its registered agent at such address is Landy & Landy, P.C.

III.

*Purposes.* The nature of the Corporation's business or purposes to be conducted or promoted is:

To engage in any lawful act or activities for which corporations may be organized under the New Jersey Business Corporation Act and to do all things and exercise all powers, rights and privileges that a business corporation may now or hereafter be organized or authorized to do or to exercise under the laws of the State of New Jersey.

IV.

*Capitalization.* The Corporation shall have the authority to issue 10,000,000 shares of common stock, with a par value of \$1.00 for each share of such stock. All or any part of the authorized stock may be issued by the Corporation from time to time and for such consideration as may be determined upon and fixed by the Board of Directors, as provided by law.

This Certificate of Incorporation authorizes the Board of Directors to amend the Certificate of Incorporation as to (a) the division of shares into classes and into series within any class or classes; (b) the determination of the designation and the number of shares of any class or series; (c) the determination of the relative rights, preferences and limitations of the shares of any class or series; and (d) the above-amendment power includes the power to increase the number of shares of any class or series previously determined and to decrease such previously determined number of shares to a number not less than that of the shares then outstanding.

V.

*Directors.* The business and affairs of the Corporation shall be managed by or under the direction of the Board of Directors. The Board of Directors shall be classified in respect to the time in which they shall severally hold office. No class of Directors shall hold office for a term shorter than one year and a term of office not longer than five years. The term of office of at least one class shall expire each year. The By-laws of the Corporation shall provide for the number of Directors and their term of office. The By-laws may provide for expansion of the Board of Directors, interim expansion of the Board of Directors, election of successor Directors and disqualification and removal from office. No decrease in the number of Directors shall shorten the term of an incumbent Director. A vacancy on the Board of Directors created by expanding the number of Directors may be filled by a majority vote of the Directors, but a majority of the Board of Directors may not be composed of Directors who are so elected.

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The Board of Directors shall have power to enter into contracts on behalf of this Corporation with any individual Director or Directors thereof, and no contract or transaction between this Corporation and any Director thereof shall be in any way affected by the fact that such Director is interested therein either individually or as a member or shareholder of a firm, association or corporation.

The Board of Directors shall have power to make By-laws of the Corporation, subject always to alteration or repeal by the shareholders.

VI.

*Actions of Shareholders.* Any action required or permitted to be taken at any annual or special meeting of shareholders may be taken upon the vote of the shareholders at an annual or special meeting duly noticed and called, as provided in the By-laws of the Corporation.

Any action which requires the consent of shareholders may be given by the holders of a majority vote of the shares represented in person or by proxy at a duly called meeting at which a quorum is present.

VII.

*Actions of Shareholders without a Meeting.* Any action required to be taken, or any action which may be taken, at any annual or special meeting of stockholders, may be taken without a meeting, without prior notice and without a vote, if all the stockholders entitled to vote thereon consent thereto in writing.

VIII.

*Special Shareholders Meetings.* Special meetings of the shareholders of the Corporation for any purpose or purposes may be called at any time by the President (if the President is a member of the Board of Directors), by a majority of the entire Board of Directors or by the holders of a majority of the outstanding shares of the Corporation then entitled to vote generally in the election of directors. Special meetings of the shareholders of the Corporation may not be called by any other person or persons.

IX.

*Limitation of Liability.* A Director's liability shall be limited to breaches of his duty based upon an act or omission (a) in breach of the Director's duty of loyalty to the Corporation or its shareholders, (b) not in good faith or involving a knowing violation of law, or (c) resulting in receipt by such person of an improper personal benefit. The Directors are authorized to adopt By-laws indemnifying Directors, Officers and other personnel to the fullest extent provided by law.

X.

*Pre-emptive Rights.* The shareholders shall not have pre-emptive rights.

XI.

*Amendment.* The Corporation reserves the right to repeal, alter, amend, or rescind any provision contained in this Certificate of Incorporation, in the manner now or hereafter prescribed by statute, and all rights conferred on shareholders herein are granted subject to this reservation.

**MONMOUTH CAPITAL CORPORATION**

By:

**Eugene W. Landy**

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**EXHIBIT B**

**AMENDED AND RESTATED BY-LAWS OF  
MONMOUTH CAPITAL CORPORATION**

**ARTICLE I**

**OFFICES**

Section 1. *Registered Office.* The registered office of the Corporation shall be Juniper Business Plaza, 3499 Route 9 North, Suite 3-C, Freehold, New Jersey 07728 and the name of the registered agent at that address shall be Landy & Landy, P.C. The Board of Directors may, from time to time, designate a new agent and/or change the location of the registered office to any place within the State of New Jersey.

Section 2. *Principal Office.* The principal office of the Corporation shall be in Freehold, New Jersey. The Board of Directors may, from time to time, change such location and maintain other offices or places of business.

**ARTICLE II**

**MEETINGS OF SHAREHOLDERS**

Section 1. *Place of Meetings.* Meetings of the shareholders of the Corporation shall be held at a location selected by the Board of Directors in the city where the principal office of the Corporation is located or at such other location as is designated by the Board of Directors.

Section 2. *Annual Meetings.* The annual meeting of the shareholders for the election of directors and for the transaction of any other proper business shall be held after delivery of the annual report required by Section 5 of Article VI, on such date and at such time as are set by the Board of Directors and stated in the notice of meeting.

Section 3. *Special Meetings.* Special meetings of the shareholders of the Corporation for any purpose or purposes may be called as provided in the Certificate of Incorporation (Certificate). If a special meeting is requested by a shareholder or shareholders entitled to call such a meeting under the Certificate, the date and time of such meetings shall be designated by the Secretary or other officer authorized to give notice of a shareholders meeting, and the date for such meeting shall not be more than sixty (60) days after the date of the delivery of such request if delivered in person or after the date of the mailing of the request. Notice of a special meeting of shareholders shall state the purposes of such meeting and shall be given in the manner prescribed by these By-laws.

Section 4. *Notice of Shareholders Meetings.* Whenever the shareholders are required or permitted to take any action at a meeting, written notice thereof shall be given, stating the place, date and time of the meeting and, in the case of a special meeting, the purpose or purposes for which the meeting is called. The notice shall be given in the manner prescribed by Section 2 of Article VIII.

Section 5. *Waiver of Notice.* The transactions of any meeting of the shareholders, either annual, special or adjourned, however called or noticed, shall be as valid as though conducted at a meeting duly held after regular call and notice if a quorum is present and if, either before or after the meeting, each shareholder entitled to vote and not present in person or by proxy signs a written waiver of notice or a consent to the holding of such meeting or an approval of the minutes thereof. All such waivers, consents or approval shall be filed with the corporate records or made a part of the minutes of the meeting. Attendance of a person at a meeting shall constitute a waiver of notice of such meeting, except when the person attends the meeting for the express purpose of objecting, at the beginning of the meeting, to the transaction of business because the meeting is not lawfully called or convened.

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Section 6. *Quorum*. The presence in person or by proxy of the holders of a majority of the shares entitled to vote at any meeting of shareholders shall constitute a quorum for the transaction of business. The shareholders present at a duly called or held meeting at which a quorum is present may continue to do business until adjournment, notwithstanding the withdrawal of enough shareholders to leave less than a quorum.

Section 7. *Voting*. A shareholder may vote in person or by proxy. Except as otherwise provided by law, the Certificate or these By-laws, the affirmative vote of a majority of shares entitled to vote on the subject matter and present in person or represented by proxy at a meeting at which a quorum is present shall be the act of the shareholders.

Section 8. *Proxies*. The appointment of a proxy or proxies shall be made by an instrument in writing executed by the shareholder or his duly authorized agent and filed with the Secretary of the Corporation. The Board of Directors may solicit such proxies from all of the shareholders or any of them with respect to any matter requiring or permitting the shareholders' vote or consent. No proxy shall be valid after the expiration of eleven (11) months from the date of its execution unless the shareholder executing the proxy specified therein the length of time for which the proxy is to continue in force, which in no case shall exceed seven (7) years from the date of its execution. At a meeting of the shareholders, all questions concerning the qualifications of voters, the validity of proxies and the acceptance or rejection of votes shall be decided by the Secretary of the Corporation unless inspectors of election are appointed pursuant to Section 11 of this Article, in which event such inspectors shall pass upon all questions and shall have all other duties specified therein.

Section 9. *Adjourned Meetings*. Any meeting of the shareholders, whether or not a quorum is present, may be adjourned from day to day or from time to time by the vote of the holders of a majority of the shares represented at the meeting. Unless the Board of Directors, after the adjournment, shall fix a new record date for an adjourned meeting or unless the adjournment is for more than thirty (30) days, notice of an adjourned meeting need not be given if the place, date and time to which the meeting shall be adjourned is announced at the meeting at which the adjournment is taken. At the adjourned meeting, the Corporation may transact any business which might have been transacted at the original meeting.

Section 10. *Actions of Shareholders without a Meeting*. Any action required to be taken, or any action which may be taken, at any annual or special meeting of stockholders, may be taken without a meeting, without prior notice and without a vote, if all the stockholders entitled to vote thereon consent thereto in writing.

## **ARTICLE III**

### **BOARD OF DIRECTORS**

Section 1. *Powers*. Except as otherwise provided by law, the Certificate or these By-laws, the business and affairs of the Corporation shall be managed and all corporate powers shall be exercised by or under the direction of the Board of Directors.

Section 2. *Number of Directors*. The Board of Directors shall consist of not less than one (1) member. The authorized number of directors may be reduced or increased from time to time by resolution of the Board of Directors or by amendment of this Section by the shareholders, but no such decrease may shorten the term of an incumbent director. Until such action is taken, the authorized number of directors shall be thirteen (13).

Section 3. *Qualification of Directors*. A director shall be an individual at least twenty-one (21) years of age who is not under legal disability. Directors need not be shareholders.

Section 4. *Election and Term of Office of Directors*. To the extent provided in the Certificate, directors shall be elected by the shareholders at each annual meeting. Subject to Sections 5 and 6 of this Article, each director, including a director elected or approved to fill a vacancy, shall hold office until a successor has been elected and qualified. If directors are not elected at an annual meeting or if such meeting is not held, the directors may be elected at a special meeting. Directors may be re-elected.

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The Certificate of Incorporation provides that the Directors may adopt By-laws providing for a staggered Board of Directors with terms of between one year and five years. Directors will be elected for one year terms which shall continue until the Directors amend this By-law as to term in the future.

Section 5. *Removal.* A director may be removed as provided in the Certificate. Any or all of the directors may be removed for cause or without cause by the shareholders.

Section 6. *Resignations.* Any director may resign by giving written notice to the Board of Directors. A notice of resignation shall be effective on the date given unless a later time is specified for the notice, in which case such resignation shall be effective at the time specified. Unless such resignation specifies otherwise, its acceptance by the Corporation shall not be necessary to make it effective. A director shall be deemed to have resigned if (i) such director is adjudicated insane or incompetent, (ii) an order for relief or similar provision for the benefit of creditors is entered against such director under any federal or state bankruptcy or insolvency laws or (iii) a receiver, guardian or conservator is appointed for such director or such director's affairs. The effective date of the resignation of a director deemed to have resigned pursuant to this Section shall be as of the date of such adjudication, order or appointment.

Section 7. *Vacancies.* Any vacancy on the Board of Directors may be filled as provided in the Certificate.

Section 8. *Place of Meetings.* Meetings of the Board of Directors shall be held at the principal office of the Corporation or at such place as is designated by the Board of Directors. Whenever a place other than the principal office is fixed as the place at which meetings are to be held, written notice thereof shall be sent to all directors who did not participate in the decision so designating such place.

Section 9. *Regular Meetings.* Regular meetings of the Board of Directors shall be held on such dates and at such place and times as the Board of Directors determines. Notice of such regular meetings need not be given. If any day designated for a regular meeting is a legal holiday at the place where the meeting is to be held, then the meeting shall be held at the same hour and place on the next succeeding business day that is not a legal holiday.

Section 10. *Special Meetings.* Special meetings of the Board of Directors for any purpose or purposes may be called at any time by the President, the Chairman of the Board or upon the written request of two (2) directors. Notice of the time and place of a special meeting shall be given to each director by the Secretary or, if not given by the Secretary, by the President, the Chairman of the Board, or the directors requesting the meeting, delivered personally to the director, left at the director's residence or usual place of business, or sent by telegraph, facsimile transmission, electronic mail or telephone, at least 24 hours before the time of the meeting or, in the alternative by mail to his or her address as it shall appear on the records of the Corporation, at least 72 hours before the time of the meeting. Unless these By-laws or a resolution of the Board of Directors provides otherwise, the notice need not state the business to be transacted at or the purpose of any regular or special meeting of the Board of Directors.

Section 11. *Quorum.* At all meetings of the Board of Directors, a majority of the authorized number of directors shall constitute a quorum for the transaction of business. Except as otherwise provided by law, the Certificate or these By-laws, the vote of a majority of the directors present at a meeting at which a quorum is present shall be the act of the Board of Directors. Common or interested directors may be counted in determining the existence of a quorum. The directors at a duly called or held meeting at which a quorum is present may continue to do business until adjournment notwithstanding the withdrawal of enough directors to leave less than a quorum.

Section 12. *Adjourned Meetings.* Any meetings of the Board of Directors, whether or not a quorum is present, may be adjourned from day to day and from time to time by the vote of a majority of the directors present, without notice of the place, date and time of the adjourned meeting other than announcement thereof at the meeting.

Section 13. *Meetings Held Other Than in Person.* Members of the Board of Directors or any committee may participate in a meeting of the Board of Directors or committee by conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other, and such participation shall constitute presence in person at the meeting.

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Section 14. *Waiver of Notice.* The transactions of a special meeting of the Board of Directors, however called and notice of wherever held, shall be as valid as though taken at a meeting duly held after regular call and notice if a quorum is present and if, either before or after the meeting, each of the directors not present signs a written waiver of notice, a consent to the holding of the meeting or an approval of the minutes thereof. All such waivers, consents and approvals shall be filed with the corporate records or made a part of the minutes of the meeting. Attendance of a director at a meeting shall constitute a waiver of notice of such meeting, except when the director attends the meeting for the express purpose of objecting, at the beginning of the meeting, to the transaction of any business because the meeting is not lawfully called or convened.

Section 15. *Action Without Meeting.* Any action required or permitted to be taken at a meeting of the Board of Directors, or any committee thereof, may be taken without a meeting if all members of the Board of Directors or committee, as the case may be, consent in writing to such action. Such action by written consent shall have the same force and effect as a unanimous vote of the Board of Directors. Such written consent or consents shall be filed with the minutes of the proceedings of the Board of Directors.

Section 16. *Compensation of Directors.* The Directors shall be entitled to receive such reasonable compensation for their services as directors and/or as members of committees of the Board of Directors as the Board of Directors determines from time to time. The directors may be paid their expenses, if any, for attendance at each meeting of the Board of Directors or a committee of directors, and each director may be paid a fixed sum for attendance at each meeting and/or a fixed salary, as determined from time to time by the Board of Directors. The directors, either directly or indirectly, shall also be entitled to receive remuneration for services rendered to the Corporation in any other capacity. Such services may include, without limitation, services as an officer of the Corporation, legal, accounting or other professional services, or services as a broker, transfer agent or underwriter, whether performed by a director or any person affiliated with a director.

Section 17. *Interested Directors.* The Corporation shall not enter into a contract or transaction with any director or officer, or with any person in which any officer or director holds a financial interest or serves as an officer or director, unless:

(a) The material facts as to such director's or officer's relationship or interest and as to the contract or transactions are disclosed or are known to the Board of Directors or the committee thereof approving such contract or transaction, and the Board or committee in good faith authorizes the contract or transaction by the affirmative vote of a majority of the disinterested directors, even though the disinterested directors be less than a quorum; or

(b) The material facts as to such director's or officer's relationship or interest and as to the contract or transaction are disclosed or are known to the shareholders entitled to vote thereon, and the contract or transaction is specifically approved in good faith by vote of the shareholders; or

(c) The contract or transaction is fair as to the Corporation as of the time it is authorized, approved or ratified by the Board of Directors, a committee thereof or the shareholders.

Section 18. *Executive Committee.* The Board of Directors may appoint an Executive Committee of one (1) or more directors to whom they may delegate any of the powers and authorities of the Board of Directors, except the power to declare dividends and to adopt, amend or repeal by-laws. The Board of Directors may prescribe the procedures of the Executive Committee, change the membership thereof and appoint one or more directors to act as alternate members to replace absent or disqualified members. The President shall be a member of the Executive Committee.

Section 19. *Other Committees.* The Board of Directors may appoint committees of directors from time to time to advise the Board of Directors. The Board of Directors shall describe the procedures for such committees and may designate one or more directors as alternate members of any committee, who may replace absent or disqualified members at any meeting of the committee.

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**ARTICLE IV**

**OFFICERS**

Section 1. *Officers.* The officers of the Corporation shall be a President, Vice President, Secretary and a Treasurer. The Board of Directors may appoint or may empower the President to appoint such other officers as the business of the Corporation may require. The terms, compensation and duties of all officers of the Corporation shall be determined by these By-laws or by the Board of Directors. All officers shall serve at the pleasure of the Board of Directors, subject to the rights, if any, of any officer under any employment contract.

Section 2. *Removal and Resignation of Officers.* Subject to the rights, if any, of an officer under any contract of employment, any officer may be removed, either with or without cause, by the Board of Directors, at any regular or special meeting thereof or, except in the case of an officer chosen by the Board of Directors, by any officer upon whom such power of removal may be conferred by the Board of Directors.

Any officer may resign at any time by giving written notice to the Board of Directors. Any such resignation shall take effect at the date of the receipt of such notice or at any later time specified therein; and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective. Any such resignation is without prejudice to the rights, if any, of the Corporation under any contract to which the officer is a party.

Section 3. *Vacancies in Offices.* A vacancy in any office because of death, resignation, removal, disqualification or any other cause shall be filled in the manner described in these By-laws for regular appointments to such office.

Section 4. *President.* The President shall preside at all meetings of the shareholders and the Board of Directors and shall exercise and perform such other powers and duties as may from time to time be assigned to the President by the Board of Directors or prescribed by these By-laws. Unless otherwise provided by the Board of Directors, the President shall also be the chief executive officer of the Corporation.

Section 5. *Vice President.* In the absence or disability of the President, the Vice President shall perform all of the duties of the President and when so acting shall have all of the powers of, and be subject to all of the restrictions upon, the President. The Vice President shall have such other powers and perform such other duties as the Board of Directors may from time to time prescribe.

Section 6. *Secretary.* The Secretary shall attend all meetings of the Board of Directors and all meetings of the shareholders and record all proceedings of such meetings in a book to be kept for that purpose and shall perform like duties for the standing committees when required. The Secretary shall give, or cause to be given, notice of all meetings of the shareholders and special meetings of the Board of Directors. The Secretary shall have such other powers and perform such other duties as the Board of Directors or the President may from time to time prescribe.

The Secretary shall have custody of the seal of the Corporation and the Secretary or an Assistant Secretary shall have authority to affix the same to any instrument requiring it and, when so affixed, it may be attested by the Secretary's signature or by the signature of such Assistant Secretary. The Board of Directors may give general authority to any other officer to affix the seal of the Corporation and to attest the affixing by such officer's signature.

Section 7. *Assistant Secretaries.* In the absence of the Secretary or in the event of the Secretary's inability or refusal to act, any Assistant Secretary may perform the duties and exercise the powers of the Secretary and shall have such other powers and perform such other duties as the Board of Directors or the President may from time to time prescribe.

Section 8. *Treasurer.* The Treasurer shall be the chief accounting and financial officer of the Corporation. The Treasurer shall have the custody of the corporate funds and securities and shall keep full and accurate accounts of receipts and disbursements and books belonging to the Corporation and shall deposit all monies and

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other valuable effects in the name and to the credit of the Corporation in such depositories as may be designated by the Board of Directors. The Treasurer shall also disburse the funds of the Corporation as may be ordered by the Board of Directors, and shall render to the President and the Board of Directors, at their regular meetings, or when the Board of Directors so requires, an account of all of the Treasurer's transactions and of the financial condition of the Corporation. The Treasurer shall have such other powers and perform such other duties as the Board of Directors or the President may from time to time prescribe.

Section 9. *Assistant Treasurer.* In the absence of the Treasurer or in the event of the Treasurer's inability or refusal to act, any Assistant Treasurer may perform the duties and exercise the powers of the Treasurer and shall have such other powers and perform such other duties as the Board of Directors or the President may from time to time prescribe.

**ARTICLE V**

**INDEMNIFICATION OF DIRECTORS, OFFICERS AND OTHER AGENTS**

Section 1. *Indemnification of Directors, Officers and Employees.*

(a) The Corporation shall indemnify and hold harmless against all liabilities any person who is or was a director or officer, including the director's or officer's estate (an Indemnitee), who is or was a party to or threatened to be made a party to any action, suit or proceeding, whether civil, criminal, administrative, investigative or otherwise in respect of any past, present or future matter, including any action suit or proceeding by or in the right of the Corporation (an Action), by reason of the fact that the Indemnitee is or was serving as a director, officer, employee or agent of the corporation or is or was serving at the request of the corporation as a director, officer, trustee, employee or agent of any other enterprise; provided, however, that the Corporation shall not indemnify an Indemnitee if a judgment or other final adjudication adverse to the Indemnitee establishes that the Indemnitee's acts or omissions (A) were acts or omissions that the Indemnitee knew or believed to be contrary to the best interests of the Corporation or shareholders in connection with a matter to which he had a material conflict of interest, (B) were not in good faith or involved a knowing violation of law or (C) resulted in receipt by such person of an improper personal benefit. Subject to the receipt by the Corporation of an undertaking by the Indemnitee to repay Expenses if there shall be a judgment or other final adjudication that the Indemnitee is not entitled to receive reimbursement of Expenses from the Corporation, the Corporation shall pay or reimburse within 20 days following the later of (i) the receipt of such undertaking and (ii) receipt of a demand from the Indemnitee for payment or reimbursement of Expenses, in advance of final disposition or otherwise, to the full extent authorized or permitted by law, Expenses as incurred by the Indemnitee in defending any actual or threatened Action by reason of the fact that the Indemnitee is or was serving as a director, officer, employee or agent of the Corporation or is or was serving at the request of the Corporation as a director, officer, trustee, employee or agent of any other enterprise; provided, however, the Corporation shall not be required hereunder to further pay or reimburse Expenses and, if requested by the Corporation, shall be entitled to repayment of Expenses from the Indemnitee following any plea formally entered by or formal written admission by the Indemnitee in the Action for which the Indemnitee has sought payment or reimbursement of Expenses or indemnification that the Indemnitee has committed such acts or omissions establishing that the Indemnitee is not entitled to indemnification pursuant to this subsection (a). The Indemnitee shall be entitled to be paid or reimbursed for Expenses incurred in any Action to obtain indemnification or payment or reimbursement of Expenses under this subsection (a) on the same terms, conditions and limitations as the Indemnitee is entitled to Expenses under the previous sentence. The Corporation shall not be obligated under this subsection (a) to provide any indemnification or any payment or reimbursement of Expenses to an Indemnitee in connection with an Action (or part thereof) initiated by the Indemnitee unless the Board of Directors has authorized or consented to the Action (or part thereof) in a resolution adopted by the Board of Directors. For the purposes of this Article V, Expenses shall include, without limitation, all reasonable fees, costs and expenses, including without limitation, attorneys' fees, retainers, court costs, transcript costs, fees of experts, witness fees, travel expenses, duplicating costs, printing and binding costs, telephone charges, postage, delivery service fees, and all other

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disbursements or expenses of the types customarily incurred in connection with prosecuting, defending, preparing to prosecute or defend, or investigating an Action, including any Action to obtain indemnification or payment or reimbursement of Expenses.

(b) To the extent authorized from time to time by the Board of Directors and subject to any terms and conditions thereof, the Corporation may, to the full extent authorized or permitted by law, advance Expenses and indemnify and hold harmless against liabilities any person not covered by subsection (a) of this Section 1, including the person's estate (an Employee Indemnitee), who is or was an employee or agent of this corporation, or who is or was serving at the request of the Corporation as a director, officer, trustee, employee or agent of any other enterprise, or the legal representative of any such person, and who is or was a party to or threatened to be made a party to any Action by reason of the fact that the Employee Indemnitee is or was serving in any of the foregoing capacities.

Section 2. *Non-Exclusivity of Indemnification Rights.* The right of an Indemnitee or Employee Indemnitee to indemnification and payment or reimbursement of Expenses by the Corporation under Section 1 of this Article V shall be in addition to, and not in lieu of, any statutory or other right of indemnification or payment, advancement or reimbursement of Expenses provided to any Indemnitee or Employee Indemnitee. No amendment of this Article V shall impair the rights of any person arising at any time with respect to events occurring prior to such amendment.

Section 3. *Insurance.* The Corporation may purchase and maintain insurance on behalf of any Indemnitee against any liability asserted against or incurred by that Indemnitee in any capacity or arising out of the Indemnitee's status as such, whether or not the Corporation would have the power to indemnify the Indemnitee against such liability under the provisions of this Article. The Corporation may create a trust fund, grant a security interest or use other means, including, without limitation, a letter of credit, to ensure the payment of such sums as may become necessary to effect indemnification as provided herein.

Section 4. *Constituent Corporations.* For purposes of this Article, references to the Corporation include all constituent corporations (including any constituent of a constituent) absorbed in a consolidation or merger as well as the resulting or surviving corporation, so that any person who is or was an Indemnitee of the constituent corporation shall stand in the same position under the provisions of this Article with respect to the resulting or surviving corporation as the Indemnitee would if he or she had served the resulting or surviving corporation in the same capacity.

Section 5. *Severability; Statutory Indemnification.* If this Article or any portion hereof shall be invalidated on any ground by any court of competent jurisdiction, then the Corporation shall nevertheless indemnify each Indemnitee as to all Expenses, liability and loss reasonably incurred by such Indemnitee in connection with any Action, to the fullest extent permitted by any portion of this Article that shall not have been invalidated, or by any other applicable law. Notwithstanding any other provision of this Article V, the Corporation shall indemnify any Indemnitee and advance Expenses incurred by such Indemnitee in any Action to the fullest extent permitted by the New Jersey Business Corporation Act as the same may be amended from time to time (the NJBCA).

All indemnification agreements heretofore adopted shall remain in full force and effect. It is the intent that every officer, director and employee of the Corporation shall have all the rights that he or she would have had under any previous By-laws, and the adoption of these By-laws shall not diminish those indemnification rights, it being the intent that every officer, director, employee or agent shall also have the rights to indemnification conferred by these By-laws.

**ARTICLE VI**

**RECORDS AND REPORTS**

Section 1. *Maintenance and Inspection of Corporate Records.* The share register, account books and records and minutes of proceedings of the shareholders and the Board of Directors and the committees of the Board of Directors shall be open to inspection upon written demand on the Corporation by a shareholder or holder of a voting trust certificate at any reasonable time, for a purpose reasonably related to such shareholder's interests as a shareholder or such holder's interests as the holder of such voting trust certificate.

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Section 2. *Inspection of Share Register.* A shareholder or shareholders holding at least five percent (5%) in the aggregate of the outstanding voting shares of the Corporation or who hold at least one percent (1%) of such voting shares and have filed a Schedule 14B with the United States Securities and Exchange Commission relating to the election of directors of the Corporation, shall have the right to do either or both of the following:

(a) Inspect and copy the share register during usual business hours upon five (5) business days prior written demand upon the Corporation; or

(b) Obtain from the transfer agent for the Corporation, upon written demand and upon the tender of its usual charges for such a list (the amount of which charges shall be stated to the shareholder by the transfer agent upon request), a list of the shareholders names and addresses who are entitled to vote for the election of directors, and their shareholdings, as of the most recent record date for which it has been compiled or as of a date specified by the shareholder subsequent to the date of demand. The list shall be made available on or before the later of five (5) business days after the demand is received or the date specified therein as the date as of which the list is to be compiled.

Section 3. *Maintenance and Inspection of By-laws.* The Corporation shall keep at the principal office of the Corporation the original or a copy of these By-laws as amended or otherwise altered to date, certified by the Secretary, which shall be open to inspection by the shareholders at all reasonable times during office hours.

Section 4. *Scope of Right to Inspect.* The right to inspection created by this Article shall extend to the records of each subsidiary of the Corporation. Any inspection authorized by this Article may be made in person by the shareholder or holder of a voting trust certificate or by agent or attorney, and the right of inspection includes the right to copy and make extracts.

Section 5. *Reports to Shareholders.* The Board of Directors shall cause an annual report to be sent to the shareholders not later than one hundred twenty (120) days after the close of the fiscal year adopted by the Board of Directors. The annual report shall contain a balance sheet as of the end of such fiscal year and an income statement and statement of changes in financial position of such fiscal year, accompanied by a report thereon of an independent certified accountant. A manually signed copy of the accountant's report shall be filed with the Board of Directors.

At least semi-annually, the Board of Directors shall send interim reports to the shareholders, having such form and content as the Board of Directors deems proper.

**ARTICLE VII**

**STOCK AND CERTIFICATES**

Section 1. *Stock Certificates.* Except as may be otherwise provided by the Board of Directors, shareholders of the Corporation are not entitled to certificates representing the shares of stock held by them. In the event that the Corporation issues shares of stock represented by certificates, such certificates shall be signed by the officers of the Corporation in the manner permitted by the NJBCA and contain the statements and information required by the NJBCA. In the event that the Corporation issues shares of stock without certificates, the Corporation shall provide to record holders of such shares, to the extent required by applicable law, a written statement of the information required by the NJBCA to be included in such notices.

Except as otherwise provided by law or these By-laws, shares of stock of the Corporation shall be issued, listed and transferred in accordance with procedures established by the Board of Directors.

Section 2. *Share Register.* A share register shall be kept by or on behalf of and under the direction of the Board of Directors containing the names and addresses of the shareholders, the number of shares held by them respectively, the numbers of the certificates, if any, representing the shares, and a record of all transfers of shares.

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The persons in whose name shares of stock of the Corporation are registered on the records of the Corporation shall be deemed the absolute owners of such shares, but nothing herein shall be deemed to preclude the Board of Directors or officers, or their agents or representatives, from inquiring as to the actual ownership of shares. The receipt of dividends or distributions by the person in whose name any shares are registered on the records of the Corporation or of the duly authorized agent of such person, or if such shares are so registered in the names of more than one person, the receipt of any one of such persons, or of the duly authorized agent of such person, shall be a sufficient discharge for all dividends or distributions payable or deliverable in respect of such shares and from all liability to see to the application thereof.

Section 3. *Transfer of Shares.* Until a transfer is duly effected on the records of the Corporation, the Board of Directors shall not be affected by any notice of such transfer, either actual or constructive. Shares shall be transferable on the records of the Corporation only by the recordholder thereof or by such holder's agent thereunto duly authorized in writing upon delivery to the Board of Directors or a transfer agent of the certificate or certificates, if any, properly endorsed and duly executed instruments of transfer. Such delivery shall be accompanied by all necessary documentary stamps together with such evidence of the genuineness of each such endorsement, execution or authorization and of other matters as may reasonably be required by the Board of Directors or such transfer agent. Upon such delivery, the transfer shall be recorded in the records of the Corporation and, to the extent such shares were represented by one or more certificates, a new certificate for the shares so transferred shall be issued to the transferee. In case of a transfer of only a part of the shares represented by any certificate, a new certificate for the balance shall be issued to the transferor.

Any person becoming entitled to any shares in consequence of the death of a shareholder or otherwise by operation of law shall be recorded as the holder of such shares and, to the extent such shares were represented by one or more certificates, such holder shall receive a new certificate therefor but only upon delivery to the Board of Directors or a transfer agent of instruments and other evidence required by the Board of Directors or the transfer agent to demonstrate such entitlement, any existing certificate for such shares and any necessary releases from applicable governmental authorities.

Nothing herein shall impose upon the Board of Directors or a transfer agent a duty or limit their rights to inquire into adverse claims.

Section 4. *Lost Certificates.* Except as provided in this Section, no new certificate for shares shall be issued in lieu of an old certificate unless the latter is surrendered to the Corporation and cancelled at the same time. The Board of Directors may, in case any share certificate is lost, stolen or destroyed, authorize the issuance of a new certificate in lieu thereof, upon such terms and conditions as the Board of Directors, in its sole discretion, may require, including provision for indemnification of the Corporation and/or a bond sufficient to protect the Corporation from any claim or liability on account of the alleged loss, theft or destruction of such certificate or the issuance of such new certificate.

Section 5. *Transfer Agent, Dividend Disbursing Agent and Registrar.* The Board of Directors shall have power to employ one or more transfer agents, dividend disbursing agents and registrars and to authorize them on behalf of the Corporation to keep records, to hold and disburse any dividends and distributions and to have and perform in respect of all original issues and transfers of shares, dividends and distributions and reports and communications to shareholders, the powers and duties usually had and performed by transfer agents, dividend disbursing agents and registrars of a New Jersey corporation.

Section 6. *Pre-emptive Rights.* The pre-emptive rights on all authorized shares are waived and no holder of the Corporation's stock is entitled to pre-emptive rights under these By-laws or By-laws previously adopted.

## **ARTICLE VII**

### **GENERAL CORPORATE MATTERS**

Section 1. *Record Date.* For purposes of determining the shareholders entitled to notice of or to vote at any meeting of shareholders or any adjournment thereof, or to receive payment of any dividend or other distribution

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or allotment of any rights, to exercise any rights in respect of any change, conversion or exchange of stock or for the purpose of any other lawful action, the Board of Directors may fix, in advance, a record date which shall not be more than sixty (60) nor less than ten (10) days prior to the date of any such meeting, nor more than sixty (60) days prior to any other action. A determination of shareholders of record entitled to notice of or to vote at a meeting of shareholders shall apply to any adjournment of the meeting; provided, however, that the Board of Directors may fix a new record date for the adjournment meeting.

If the Board of Directors does not so fix a record date, then:

(a) The record date for determining shareholders entitled to notice of or to vote at a meeting of shareholders shall be at the close of business on the day next preceding the day on which notice is given, or, if notice is waived, at the close of business on the day next preceding the day on which the meeting is held.

(b) The record date for determining shareholders for any other purpose shall be at the close of business on the day on which the Board of Directors adopts the resolution relating thereto.

Section 2. *Notice to Shareholders.* Any notice of meeting or other notice, communication or report to any shareholder shall be deemed duly delivered to such shareholder when such notice, communication or report is delivered in person to such shareholder or deposited, with postage thereon prepaid, in the United States mail, addressed to such shareholder at such shareholder's address as it appears on the share register or theretofore given by the shareholder to the Corporation for purpose of notice.

Section 3. *Checks, Drafts, Evidences of Indebtedness.* All checks, drafts or other orders for payment of money, notes or other evidence of indebtedness, issued in the name of or payable to the Corporation, shall be signed or endorsed by such person or persons and in such manner as, from time to time, shall be determined by resolution of the Board of Directors.

Section 4. *Corporate Contracts and Instruments; How Executed.* Except as otherwise provided by law, the Certificate or these By-laws, the Board of Directors may authorize any officer or officers, agent or agents, to enter into any contract or execute any instrument in the name of and on behalf of the Corporation, and such authority may be general or confined to specific instances; and, unless so authorized or ratified by the Board of Directors or within the agency power of any officer, no officer, agent or employee shall have any power or authority to bind the Corporation by any contract or engagement or to pledge its credit or to render it liable for any purpose or to any amount.

Section 5. *Representation of Shareholdings.* The President, Vice President, Treasurer and Secretary or Assistant Secretary, or any person authorized by resolution of the Board of Directors, is authorized to vote, represent and exercise on behalf of the Corporation all rights incident to any and all shares of any other corporation, business trust or other entities, foreign or domestic, standing in the name of the Corporation. The authority herein granted may be exercised in person or by proxy.

Section 6. *Construction and Definitions.* Unless the context requires otherwise, the general provisions, rules of construction and definitions in the NJBCA shall govern the construction of these By-laws.

Section 7. *Seal.* The Corporation's seal shall be in such form as is required by law and as shall be approved by the Board of Directors.

## **ARTICLE IX**

### **AMENDMENTS**

Section 1. *Amendments.* The Board of Directors is expressly empowered to adopt, amend or repeal By-laws of the Corporation. The shareholders shall also have power to adopt, amend or repeal By-laws of the Corporation.

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**EXHIBIT C**

**Company and Surviving Company Directors and Officers**

*Directors:*

Eugene W. Landy, Chairman

Anna T. Chew

Daniel D. Cronheim

Neal Herstik

Matthew I. Hirsch

Joshua Kahr

Michael P. Landy

Samuel A. Landy

Cynthia J. Morgenstern

Scott L. Robinson

Eugene D. Rothenberg

Peter J. Weidhorn

Stephen B. Wolgin

*Officers:*

Eugene W. Landy, President

Cynthia J. Morgenstern, Executive Vice President

Michael P. Landy, Vice President Investments

Anna T. Chew, Vice President and Chief Financial Officer

Maureen E. Vecere, Controller and Treasurer

Elizabeth Chiarella, Secretary

Mary Anne Dawson, Assistant Treasurer

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**ANNEX B**

**MONMOUTH REAL ESTATE INVESTMENT CORPORATION**

**2007 STOCK OPTION PLAN**

**SECTION 1**

**EFFECTIVE DATE AND PURPOSE**

1.1 *Effective Date.* The Board of Directors of the Company has adopted the Plan on March 26, 2007, subject to the approval of the stockholders of the Company within twelve (12) months of such date.

1.2 *Purpose of the Plan.* The Plan is designed to provide a means to attract, motivate and retain eligible Participants and to further the growth and financial success of the Company by aligning the interests of Participants through the ownership of Shares and other incentives with the interests of the Company's stockholders.

**SECTION 2**

**DEFINITIONS**

2.1 The following words and phrases shall have the following meanings unless a different meaning is plainly required by the context:

2.2 *1934 Act* means the Securities Exchange Act of 1934, as amended. Reference to a specific section of the 1934 Act or regulation thereunder shall include such section or regulation, any valid regulation promulgated under such section, and any comparable provision of any future legislation or regulation amending, supplementing or superseding such section or regulation.

2.3 *Award* means, individually or collectively, a grant under the Plan of Nonqualified Stock Options or Incentive Stock Options.

2.4 *Award Agreement* means the written agreement setting forth the terms and provisions applicable to each Award granted under the Plan.

2.5 *Board* or *Board of Directors* means the Board of Directors of the Company.

2.6 *Cause* means (i) Participant's conviction of a felony or any crime involving moral turpitude, (ii) any public disparagement by the Participant of the Company, or (iii) the willful engaging by the Participant in conduct materially injurious to the Company, monetarily or otherwise.

2.7 *Change in Control* shall have the meaning assigned to such term in Section 10.

2.8 *Code* means the Internal Revenue Code of 1986, as amended. Reference to a specific section of the Code or regulation thereunder shall include such section or regulation, any valid regulation promulgated under such section, and any comparable provision of any future legislation or regulation amending, supplementing or superseding such section or regulation.

2.9 *Committee* means the committee appointed by the Board pursuant to Section 4.1 to administer the Plan.

2.10 *Company* means Monmouth Real Estate Investment Corporation, a Maryland corporation, or any successor thereto.

2.11 *Disability* means a permanent and total disability that qualifies a Participant for disability benefits under the Company's long term disability plan; or if no such plan is maintained, a permanent and total disability

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that renders the Participant unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or which has lasted or can be expected to last for a continuous period of not less than twelve (12) months.

2.12 *Employee* means any employee of the Company or its Subsidiaries, whether such employee is so employed at the time the Plan is adopted or becomes so employed subsequent to the adoption of the Plan.

2.13 *Exercise Price* means the price at which a Share may be purchased by a Participant pursuant to the exercise of an Option.

2.14 *Fair Market Value* means, as of any given date, (i) the closing sales price of the Shares on any national securities exchange on which the Shares are listed; or (ii) if there is no regular public trading market for such Shares, the fair market value of the Shares as determined by the Committee.

2.15 *Fiscal Year* means the fiscal year of the Company.

2.16 *Grant Date* means, with respect to an Award, the date such Award is granted to a Participant.

2.17 *Incentive Stock Option* means an Option to purchase Shares which is designated as an Incentive Stock Option and is intended to meet the requirements of Section 422 of the Code.

2.18 *Nonqualified Stock Option* means an Option to purchase Shares which is not an Incentive Stock Option.

2.19 *Option* means an Incentive Stock Option or a Nonqualified Stock Option.

2.20 *Participant* means an Employee who has an outstanding Award under the Plan.

2.21 *Plan* means the Monmouth Real Estate Investment Corporation 2007 Stock Option Plan, as set forth in this instrument and as hereafter amended from time to time.

2.22 *Retirement* means a Termination of Service by reason of individual's retirement on or after attaining age 65 (or any earlier normal retirement age specified in a Company-sponsored qualified retirement plan).

2.23 *Shares* means the shares of common stock, \$.01 par value, of the Company.

2.24 *Subsidiary* means, consistent with Section 424(f) of the Code, any corporation (other than the Company) in an unbroken chain of entities beginning with the Company if, at the time of the granting of an Award, each of the entities other than the last entity in the unbroken chain owns fifty percent (50%) or more of the total combined voting power in one of the other entities in such chain.

2.25 *Termination of Service* means, a cessation of the employee-employer relationship between such person and the Company or a Subsidiary for any reason unless there is a simultaneous reengagement of the person by the Company or a Subsidiary.

SECTION 3

ELIGIBILITY

3.1 *Participants*. Awards may be granted in the discretion of the Committee among key employees and officers of the Company and its Subsidiaries.

3.2 *Non-Uniformity*. Awards granted hereunder need not be uniform among eligible Participants and may reflect distinctions based on title, compensation, responsibility or any other factor the Committee deems appropriate.

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SECTION 4

ADMINISTRATION

4.1 *The Committee.* The Plan shall be administered by the Compensation Committee comprised of two or more directors of the Company, none of whom shall be officers or employees of the Company and all of whom shall be non-employee directors (within the meaning of Rule 16b-3 promulgated under the 1934 Act) and outside directors (as required by Section 162(m) of the Code). The members of the Committee shall be appointed from time to time by, and shall serve at the pleasure of, the Board of Directors. In the absence of such appointment, the Board of Directors shall serve as the Committee and shall have all of the responsibilities, duties, and authority of the Committee set forth herein.

4.2 *Authority of the Committee.* The Committee shall have the exclusive authority to administer and construe the Plan in accordance with its provisions. The Committee's authority shall include, without limitation, the power to (a) determine persons eligible for Awards, (b) prescribe the terms and conditions of the Awards, (c) accelerate the time at which all or any part of an Option may be exercised, (d) amend or modify the terms and conditions of an Award with the consent of the Participant, (e) interpret the Plan and the Awards, (f) adopt rules for the administration, interpretation and application of the Plan as are consistent therewith, (g) interpret, amend or revoke any such rules, and (h) make all other determinations necessary or advisable for the administration of the Plan, subject to the exclusive authority of the Board under Section 8.1 to amend or terminate the Plan.

4.3 *Delegation by the Committee.* The Committee, in its sole discretion and on such terms and conditions as it may provide, may delegate all or any part of its authority and powers under the Plan to one or more officers of the Company; provided, however, that the Committee may not delegate its authority and powers in any way which would jeopardize the Plan's qualification under Rule 16b-3 or the deductibility of Awards under Section 162(m) of the Code.

4.4 *Factors to Consider for Granting Awards.* In making the determination as to the persons to whom an Award shall be granted, the Committee or any delegate may take into account such individual's salary and tenure, duties and responsibilities, their present and potential contributions to the success of the Company, the recommendation of supervisors, and such other factors as the Committee or any delegate may deem important in connection with accomplishing the purposes of the Plan.

4.5 *Decisions Binding.* All determinations and decisions made by the Committee and any of its delegates pursuant to Section 4.3 shall be final, conclusive, and binding on all persons, and shall be given the maximum deference permitted by law.

4.6 *Committee Governance.* The Committee shall select one of its members as its Chairman and shall hold its meetings at such times and places as it may determine. A majority of its members shall constitute a quorum. All determinations of the Committee shall be made by not less than a majority of its members. Any decision or determination reduced to writing and signed by all of the members of the Committee shall be fully effective as if it had been made by a majority vote at a meeting duly called and held. The grant of an Award shall be effective only if a written agreement is duly executed and delivered by and on behalf of the Company following such grant. The Committee may appoint a Secretary and may make such rules and regulations for the conduct of its business as it shall deem advisable.

SECTION 5

SHARES SUBJECT TO THE PLAN

5.1 *Number of Shares.* Subject to adjustment as provided in Section 5.3, the total number of Shares available for grant under the Plan shall not exceed one million five hundred thousand (1,500,000) Shares. Shares granted under the Plan may be either authorized but unissued Shares or treasury Shares, or any combination thereof.

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5.2 *Lapsed Awards*. Unless determined otherwise by the Committee, Shares related to Awards that are forfeited, terminated, expire unexercised, tendered by a Participant to the Company in connection with the exercise of an Award, withheld from issuance in connection with a Participant's payment of tax withholding liability, settled in cash in lieu of Shares, or settled in such other manner so that a portion or all of the Shares included in an Award are not issued to a Participant shall be available for grant under the Plan.

5.3 *Adjustments in Awards and Authorized Shares*. In the event of a merger, reorganization, consolidation, recapitalization, separation, liquidation, stock dividend, stock split, combination, or other similar change in the corporate structure of the Company affecting the Shares, the Committee shall, consistent with Section 409A of the Code, adjust the number and class of Shares which may be delivered under the Plan, the number, class and price of Shares subject to outstanding Awards, and the numerical limits of Section 5.1 in such manner as the Committee shall determine to be advisable or appropriate to prevent the dilution or diminution of such Awards.

5.4 *Repurchase Option*. The Board may include in the terms of any Award Agreement that the Company shall have the option to repurchase Shares of any Participant acquired pursuant to any Award granted under the Plan upon a Participant's Termination of Service. The terms of such repurchase right shall be set forth in the Award Agreement.

5.5 *Buy-Out Provision*. The Board may at any time offer on behalf of the Company to buy-out, for a payment in cash or Shares, an Award previously granted, based on such terms and conditions as the Board shall establish and communicate to the Participants at the time such offer is made; provided, however, to the extent Sections 13(e) and/or 14(e) of the 1934 Act and the rules and regulations thereunder are applicable to any such offer, the Company shall comply with the requirements of such sections.

## SECTION 6

### STOCK OPTIONS

6.1 *Grant of Options*. Subject to the terms and provisions of the Plan, Options may be granted to Participants at any time and from time to time as determined by the Committee. The Committee shall determine the number of Shares subject to each Option. The Committee may grant Incentive Stock Options, Nonqualified Stock Options, or any combination thereof. The maximum number of Shares that may be granted as Options in any one Fiscal Year to a Participant shall be Two Hundred Thousand (200,000). Each Option may be exercised only after one (1) year of continued employment by the Company or one of its Subsidiaries immediately following the date the Option is granted.

6.2 *Award Agreement*. Each Option shall be evidenced by an Award Agreement that shall specify the Exercise Price, the expiration date of the Option, the number of Shares to which the Option pertains, any conditions to exercise of the Option and such other terms and conditions as the Committee shall determine. The Award Agreement shall also specify whether the Option is intended to be an Incentive Stock Option or a Nonqualified Stock Option.

6.3 *Exercise Price*. Subject to the provisions of this Section 6.3, the Exercise Price for each Option shall be determined by the Committee and shall be provided in each Award Agreement.

6.3.1 *Nonqualified Stock Options*. In the case of a Nonqualified Stock Option, the Exercise Price shall not be less than one hundred percent (100%) of the Fair Market Value of a Share on the Grant Date; provided, however, in no case shall the Exercise Price be less than the par value of such Share.

6.3.2 *Incentive Stock Options*. In the case of an Incentive Stock Option, the Exercise Price shall be not less than one hundred percent (100%) of the Fair Market Value of a Share on the Grant Date; or, consistent with Section 422(c)(5) of the Code, one hundred ten percent (110%) of the Fair Market Value of a Share if the Participant (together with persons whose stock ownership is attributed to the Participant pursuant to

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Section 424(d) of the Code) owns on the Grant Date stock possessing more than 10% of the total combined voting power of all classes of stock of the Company or any of its Subsidiaries; provided, however, in no case shall the Exercise Price be less than the par value of such Share.

6.3.3 *Substitute Options.* Notwithstanding the provisions of Sections 6.3.1 and 6.3.2, in the event that the Company consummates a transaction described in Sections 424(a) and 409A of the Code, persons who become Participants on account of such transaction may be granted Options in substitution for options granted by such former employer. If such substitute Options are granted, the Committee, consistent with Section 424(a) of the Code, may determine that such substitute Options shall have an exercise price less than one hundred (100%) of the Fair Market Value of the Shares on the Grant Date.

### 6.4 *Expiration of Options.*

6.4.1 *Expiration Dates.* Except as provided in Section 6.7.3 regarding Incentive Stock Options, each Option shall terminate upon the earlier of the first to occur of the following events:

- (a) The date(s) for termination of the Option set forth in the Award Agreement;
- (b) The date determined under Section 6.8 regarding Termination of Service; or
- (c) The expiration of ten (10) years from the Grant Date.

6.4.2 *Committee Discretion.* Subject to the limits of Section 6.4.1, the Committee shall provide in each Award Agreement when each Option expires and becomes unexercisable, and may, after an Option is granted, extend the maximum term of the Option (subject to Section 6.7 regarding Incentive Stock Options). Notwithstanding the foregoing, however, in no event shall an option term be extended so as to subject such option to Section 409A of the Code.

### 6.5 *Exercisability of Options.*

6.5.1 *Timing of Exercise.* Options granted under the Plan shall be exercisable at such times and be subject to such restrictions and conditions as the Committee shall determine. After an Option is granted, the Committee may accelerate the exercisability of the Option. If the Committee provides that any Option is exercisable only in installments, the Committee may at any time waive such installment exercise provisions, in whole or in part, based on such factors as the Committee may determine.

6.5.2 *Restrictions on Exercise.* The Committee may postpone any exercise of an Option for such period as the Committee in its discretion may deem necessary in order to permit the Company (i) to effect or maintain registration of the Plan or the Shares issuable upon the exercise of an Option under the Securities Act of 1933, as amended, or the securities laws of any applicable jurisdiction, (ii) to permit any action to be taken in order to comply with restrictions or regulations incident to the maintenance of a public market for its Shares or to list the Shares thereon; or (iii) to determine that such Shares and the Plan are exempt from such registration or that no action of the kind referred to in (ii) above need be taken; and the Company shall not be obligated by virtue of any terms and conditions of any Award or any provision of the Plan to permit the exercise of an Option to sell or deliver Shares in violation of any federal or state securities or other law. Any such postponement shall not extend the term of an Option as set forth in Section 6.4.1; and neither the Company nor its directors or officers or any of them shall have any obligation or liability to the Participant, to any successor of a Participant or to any other person with respect to any Shares as to which an Option shall lapse because of such postponement.

### 6.6 *Payment.*

6.6.1 *Notice.* Options shall be exercised by a Participant's delivery of a written notice of exercise to the Secretary of the Company (or its designee), setting forth the number of Shares with respect to which the Option is to be exercised, accompanied by full payment for the Shares.

6.6.2 *Form of Payment.* Upon the exercise of an Option, the Exercise Price shall be payable to the Company in full in cash or its equivalent. The Committee may also permit exercise (a) by tendering

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previously acquired Shares having an aggregate Fair Market Value at the time of exercise equal to the total Exercise Price or (b) by any other means which the Committee determines to provide legal consideration for the Shares, and to be consistent with the purposes of the Plan and with all applicable laws and regulations, provided that such other means shall be set forth in the Award Agreement.

6.6.3 *Delivery of Certificates.* As soon as practicable after receipt of a written notification of exercise and full payment for the Shares purchased, the Company shall deliver to the Participant, Share certificates (which may be in book entry form) representing such Shares.

6.7 *Certain Additional Provisions for Incentive Stock Options.*

6.7.1 *Exercisability.* The aggregate Fair Market Value (determined on the Grant Date(s)) of the Shares with respect to which Incentive Stock Options are exercisable for the first time by any Participant during any calendar year (under all plans of the Company and its Subsidiaries) shall not exceed \$100,000.

6.7.2 *Company and Subsidiaries Only.* Incentive Stock Options may be granted only to Participants who are employees of the Company or its Subsidiaries on the Grant Date.

6.7.3 *Expiration.* No Incentive Stock Option may be exercised after the expiration of ten (10) years from the Grant Date; provided, however, that if the Option is granted to an employee who, together with persons whose stock ownership is attributed to the employee pursuant to Section 424(d) of the Code, owns stock possessing more than ten percent (10%) of the total combined voting power of all classes of stock of the Company or any of its Subsidiaries, consistent with Section 422(c)(5) of the Code, the Option may not be exercised after the expiration of five (5) years from the Grant Date.

6.8 *Termination of Service.*

6.8.1 *Termination for Cause.* Unless otherwise specifically provided in the Award Agreement, an Option may not be exercised after a Participant's Termination of Service by the Company or a Subsidiary for Cause

6.8.2 *Termination Due To Death or Disability.* Unless otherwise specifically provided in the Award Agreement, an Option may not be exercised more than three (3) months after a Participant's Termination of Service due to death or Disability.

6.8.3 *Termination For Other Reasons.* Unless otherwise specifically provided in the Award Agreement, an Option may not be exercised more than three (3) months after a Participant's Termination of Service for any reason other than described in Section 6.8.1 or 6.8.2.

6.9 *Restriction on Option Transfer.* Except as otherwise determined by the Committee and set forth in the Award Agreement, no Option may be transferred, gifted, bequeathed, pledged, assigned, or otherwise alienated or hypothecated, voluntarily or involuntarily, except that the Committee may permit a transfer, upon the Participant's death, to beneficiaries designated by the Participant as provided in Section 7.5.

SECTION 7

MISCELLANEOUS

7.1 *No Effect on Employment or Service.* Nothing in the Plan shall interfere with or limit in any way the right of the Company or any Subsidiary to terminate any Participant's employment or service at any time, with or without Cause. Employment with the Company or any Subsidiary is on an at-will basis only, unless otherwise provided by an applicable employment or service agreement between the Participant and the Company or any Subsidiary, as the case may be.

7.2 *Participation.* No Participant shall have the right to be selected to receive an Award under the Plan, or, having been so selected, to be selected to receive a future Award.

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*7.3 Indemnification.* Each person who is or shall have been a member of the Committee, or of the Board, shall be indemnified and held harmless by the Company against and from (a) any loss, cost, liability or expense (including attorneys' fees) that may be imposed upon or reasonably incurred by him or her in connection with or resulting from any claim, action, suit or proceeding to which he or she may be a party or in which he or she may be involved by reason of any action taken or failure to act under the Plan or any Award Agreement, and (b) from any and all amounts paid by him or her in settlement thereof, with the Company's prior written approval, or paid by him or her in satisfaction of any judgment in any such claim, action, suit or proceeding against him or her; provided, however, that he or she shall give the Company an opportunity, at its own expense, to handle and defend the same before he or she undertakes to handle and defend it on his or her own behalf. The foregoing right of indemnification shall not be exclusive of any other rights of indemnification to which such persons may be entitled under the Company's Certificate of Incorporation or Bylaws, by contract, as a matter of law or otherwise, or under any power that the Company may have to indemnify them or hold them harmless.

*7.4 Successors.* All obligations of the Company under the Plan, with respect to Awards granted hereunder, shall be binding on any successor to the Company, whether the existence of such successor is the result of a direct or indirect purchase, merger, consolidation or otherwise, of all or substantially all of the business or assets of the Company.

*7.5 Beneficiary Designations.* If permitted by the Committee, a Participant under the Plan may name a beneficiary or beneficiaries to whom any vested but unexercised Award shall be transferred in the event of the Participant's death. Each such designation shall revoke all prior designations by the Participant and shall be effective only if given in a form and manner acceptable to the Committee. In the absence of any such designation, any vested benefits remaining at the Participant's death shall be transferred to the Participant's estate and, subject to the terms of the Plan and of the applicable Award Agreement, any unexercised vested Award may be exercised by the administrator or executor of the Participant's estate.

*7.6 No Rights as Stockholder.* No Participant (nor any beneficiary thereof) shall have any of the rights or privileges of a stockholder of the Company with respect to any Shares issuable pursuant to an Award (or the exercise thereof), unless and until certificates representing such Shares shall have been issued, recorded on the records of the Company or its transfer agents or registrars, and delivered to the Participant (or his or her beneficiary).

*7.7 Uncertificated Shares.* To the extent that the Plan provides for issuance of certificates to reflect the transfer of Shares, the transfer of such Shares may be effected on a noncertificated basis, to the extent not prohibited by applicable law or the rules of any stock exchange.

*7.8 Fractional Shares.* No fractional Shares shall be issued or delivered pursuant to the Plan or any Award. The Committee shall determine whether cash, or Awards, or other property shall be issued or paid in lieu of fractional Shares or whether such fractional Shares or any rights thereto shall be forfeited or otherwise eliminated.

*7.9 Investment Representation.* As a condition to the exercise of an Award, the Company may require the person exercising such Award to represent and warrant at the time of any such exercise that the Shares are being purchased only for investment and without any present intention to sell or distribute such Shares.

*7.10* In the event any Participant is deemed to be a Specified Employee, as described in Section 409A of the Code, and Section 409A would require a six-month delay in any payment hereunder, the payment subject to such delay shall be paid at the earliest date permitted under section 409A, taking into account all of the exceptions to the six-month delay rule thereunder.

SECTION 8

AMENDMENT, TERMINATION, AND DURATION

*8.1 Amendment, Suspension, or Termination.* The Board, in its sole discretion, may amend or terminate the Plan, or any part thereof, at any time and for any reason; provided, however, that if and to the extent required by

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law or to maintain the Plan's qualification under the Code, the rules of any national securities exchange (if applicable), or any other applicable law, any such amendment shall be subject to stockholder approval. The amendment, suspension or termination of the Plan shall not, without the consent of the Participant, alter or impair any rights or obligations under any Award theretofore granted to such Participant. No Award may be granted during any period of suspension or after termination of the Plan.

8.2 *Duration of the Plan.* The Plan shall become effective in accordance with Section 1.1, and subject to Section 8.1 shall remain in effect thereafter; provided, however, that without further stockholder approval, no Incentive Stock Option may be granted under the Plan after the tenth (10th) anniversary of the effective date of the Plan.

SECTION 9

TAX WITHHOLDING AND TAX BONUSES

9.1 *Withholding Requirements.* Prior to the delivery of any Shares or cash pursuant to an Award (or the exercise thereof), the Company shall have the power and the right to deduct or withhold from any amounts due to the Participant from the Company, or require a Participant to remit to the Company, an amount sufficient to satisfy federal, state and local taxes (including the Participant's FICA obligation) required to be withheld with respect to such Award (or the exercise thereof).

9.2 *Withholding Arrangements.* The Committee, pursuant to such procedures as it may specify from time to time, may permit a Participant to satisfy such tax withholding obligation, in whole or in part, by (a) electing to have the Company withhold otherwise deliverable Shares, or (b) delivering to the Company Shares then owned by the Participant having a Fair Market Value equal to the amount required to be withheld. The amount of the withholding requirement shall be deemed to include any amount that the Committee agrees may be withheld at the time any such election is made, not to exceed the amount determined by using the maximum federal, state or local marginal income tax rates applicable to the Participant with respect to the Award on the date that the amount of tax to be withheld is to be determined. The Fair Market Value of the Shares to be withheld or delivered shall be determined as of the date that the taxes are required to be withheld.

9.3 *Tax Bonuses.* The Committee shall have the authority, at the time of grant of an Option or at any time thereafter, to approve tax bonuses to designated Participants to be paid upon their exercise of Options granted hereunder. The amount of any such payments shall be determined by the Committee. The Committee shall have full authority in its absolute discretion to determine the amount of any such tax bonus and the terms and conditions affecting the vesting and payment thereafter; provided, however, that any tax bonus awarded by the Committee shall be paid to the affected Participant no later than the last day of the Participant's taxable year next following the Participant's taxable year in which the related taxes are remitted to the taxing authority.

SECTION 10

CHANGE IN CONTROL

10.1 *Change in Control.* Notwithstanding Section 6.1, if provided under the terms of an Award Agreement, Awards granted under the Plan that are outstanding and not then exercisable or are subject to restrictions at the time of a Change in Control shall become immediately exercisable, and all restrictions shall be removed, as of such Change in Control, and shall remain as such for the remaining life of the Award as provided herein and within the provisions of the related Award Agreements.

10.2 *Definition.* For purposes of the Plan, a Change in Control shall be deemed to have occurred at any of the following times:

(a) Upon the acquisition (other than from the Company) by any person, entity or group, within the meaning of Section 13(d)(3) or 14(d)(2) of the 1934 Act (excluding, for this purpose, the Company or its

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affiliates, or any person, entity, or group that has beneficial ownership at the date of the adoption of this Plan of 20% or more of the outstanding shares of common stock of the Company, or any employee benefit plan of the Company or its affiliates which acquires beneficial ownership of voting securities of the Company) of beneficial ownership (within the meaning of Rule 13d-3 promulgated under the 1934 Act) of 20% or more of either the then outstanding shares of common stock of the Company or the Combined Voting Power of the Company's then outstanding voting securities. Combined Voting Power means, as to any corporation or other entity, the combined voting power of such corporation's or entity's then outstanding voting securities generally entitled to vote in the election of directors, or comparable governing body, or the combined voting power of any other entity's voting securities which directly or indirectly has the power to elect a majority of such directors or members of a comparable governing body of such other entity.

(b) At the time individuals who, as of the date hereof, constitute the Board (as of the date hereof, the Incumbent Board) cease for any reason to constitute at least a majority of the Board, provided that any person becoming a director subsequent to the date hereof whose election, or nomination for election by the Company's shareholders, was approved by a vote of at least a majority of the directors then comprising the Incumbent Board (other than an election or nomination of an individual whose initial assumption of office is in connection with an actual or threatened election contest relating to the election of the directors of the Company, as such terms are used in Rule 14a-11 of Regulation 14A promulgated under the 1934 Act) shall be, for purposes of this Subsection (c)(ii), considered as though such person were a member of the Incumbent Board; or

(c) Upon the consummation of a merger, consolidation or other similar reorganization involving the Company and one or more other entities (in each case, with respect to which persons who were the shareholders of the Company immediately prior to such merger, consolidation or reorganization do not, immediately thereafter, own more than 50% of the Combined Voting Power of the merged, consolidated or reorganized entity's then outstanding voting securities) or the consummation of a sale of all or substantially all of the assets of the Company (other than a transaction in which persons who were shareholders of the Company immediately prior to such sale immediately after the consummation thereof own more than 50% of the Combined Voting Power of the entity acquiring such assets) or the approval by the shareholders of the Company of a plan of liquidation or dissolution of the Company; or

(d) The occurrence of any other event which the Incumbent Board in its sole discretion determines constitutes a Change of Control.

SECTION 11

LEGAL CONSTRUCTION

11.1 *Gender and Number.* Except where otherwise indicated by the context, any masculine term used herein also shall include the feminine, the plural shall include the singular, and the singular shall include the plural.

11.2 *Severability.* In the event any provision of the Plan shall be held illegal or invalid for any reason, the illegality or invalidity shall not affect the remaining parts of the Plan, and the Plan shall be construed and enforced as if the illegal or invalid provision had not been included.

11.3 *Requirements of Law.* The grant of Awards and the issuance of Shares under the Plan shall be subject to all applicable laws, rules and regulations, and to such approvals by any governmental agencies or national securities exchanges as may be required from time to time.

11.4 *Securities Law Compliance.* To the extent any provision of the Plan, Award Agreement or action by the Committee fails to comply with any applicable federal or state securities law, it shall be deemed null and void, to the extent permitted by law and deemed advisable or appropriate by the Committee.

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11.5 *Governing Law*. The Plan and all Award Agreements shall be construed in accordance with and governed by the laws of the State of Maryland.

11.6 *Captions*. Captions are provided herein for convenience of reference only, and shall not serve as a basis for interpretation or construction of the Plan.

11.7 *Section 409A*. It is intended that the Plan shall be and shall remain largely exempt from Section 409A of the Code. However, if Section 409A is deemed to apply to the Plan or any payments or awards hereunder, then the Plan, payments or Awards shall be structured, interpreted and administered by the Committee to be consistent with the requirements of Section 409A. Any provisions of Section 409A (or any guidance thereunder) which are required to be in the Plan, and which are not already contained herein, are hereby incorporated by reference.

**MONMOUTH REAL ESTATE INVESTMENT  
CORPORATION**

By:

Title:

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**APPENDIX A**

**NON-QUALIFIED STOCK OPTION AGREEMENT**

This NON-QUALIFIED STOCK OPTION AGREEMENT, dated as of this      day of      , 200      , by and between Monmouth Real Estate Investment Corporation, a      corporation (the      Company      ), and      (the      Optionee      ).

Pursuant to the Monmouth Real Estate Investment Corporation 2007 Stock Option Plan (the      Plan      ), the Compensation Committee has determined that the Optionee is to be granted a Non-Qualified Stock Option (the      Option      ) to purchase shares of the Company      s common stock, on the terms and conditions set forth herein. It is intended that the Option shall not constitute an Incentive Stock Option within the meaning of Section 422 of the Internal Revenue Code of 1986, as amended (the      Code      ). Any capitalized terms not defined herein shall have the meaning set forth in the Plan.

1. *Number of Shares and Option Price.* The Option entitles the Optionee to purchase [      ] shares of the Company      s common stock, par value \$.01 per share (the      Option Shares      ), at a price of [      ] per share (the      Option Price      ).

2. *Period of Option.* The term of the Option and of this Option Agreement shall commence on the date hereof (the      Grant Date      ) and terminate upon the *earlier of* (i) the expiration of      years from the Grant Date, or (ii) the occurrence of one of the events set forth under Section 6.4.1 of the Plan. Upon termination of the Option, all rights of the Optionee hereunder shall cease.

3. *Vesting of Options.*

***Option 1: One Year Vesting***

The Option Shares granted hereunder shall be fully vested and nonforfeitable on      (one year from grant date), except as otherwise provided herein.

The right of the Optionee to purchase Shares may be exercised in whole or in part at any time or from time to time following such date up to the expiration of the stated term of such Option as set forth under Section 2 above.

***Option 2: Graduated Vesting***

For so long as the Optionee is employed by the Company or a Subsidiary, the Option Shares granted hereunder shall vest as follows:

- (a)      percent (      %) of the Option Shares (rounded down to the nearest whole number of shares) on      ;
- (b) An additional      percent (      %) of the Option Shares (rounded down to the nearest whole number of shares) on      ; and
- (c) The remainder of the Option Shares on      .

Notwithstanding the foregoing, the Option Shares shall immediately vest, to the extent not already vested, in the event of a Change in Control (subject to the limitations set forth in the Plan).

The right of the Optionee to purchase shares with respect to which this Option has become vested as herein provided may be exercised in whole or in part at any time or from time to time up to the expiration of the stated term of such Option as set forth under Section 2 above.

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***Option 3: Cliff Vesting***

**For so long as the Optionee is employed by or provides services to the Company or a Subsidiary, the Option Shares granted hereunder shall vest on . Notwithstanding the foregoing, the Option Shares shall immediately vest, to the extent not already vested, in the event of a Change in Control (subject to the limitations set forth in the Plan).**

**The right of the Optionee to purchase shares with respect to which this Option has become vested as herein provided may be exercised in whole or in part at any time or from time to time up to the expiration of the stated term of such Option as set forth under Section 2 above.**

4. *Non-transferability of Option.* The Option and this Option Agreement shall not be transferable otherwise than by will or by laws of descent and distribution; and the Option may be exercised, during the lifetime of the Optionee, only by the Optionee or by the Optionee's legal representative.

4. *Exercise of Option.* The Option shall be exercised in the following manner: the Optionee, or the person or persons having the right to exercise the Option upon the death or Disability of the Optionee, shall deliver to the Company written notice specifying the number of vested Option Shares which the Optionee elects to purchase, together with either (i) cash, (ii) shares of Company common stock having Fair Market Value determined as of the date of exercise, or (iii) any combination of the above, the sum of which equals the total price to be paid upon the exercise of the Option, and the stock purchased shall thereupon be promptly delivered. The Optionee will not be deemed to be a holder of any shares pursuant to exercise of the Option until the date of issuance to the Optionee of a stock certificate for such shares and until the shares are paid in full.

5. *Termination of Service.*

If the Optionee incurs a Termination of Service by the Company or a Subsidiary for Cause, the Optionee's unexercised Option Shares, irrespective of whether or not vested, shall be immediately forfeited.

If the Optionee incurs a Termination of Service due to death or Disability, the Optionee may exercise his or her unexercised and vested Option Shares for a period of up to three months following the Optionee's Termination of Service.

If the Optionee incurs a Termination of Service for any reason other than described in (a) or (b) above, the Optionee may exercise his or her unexercised and vested Option Shares for a period of up to three months after the Optionee's Termination of Service.

6. *Notices.* Any notice required or permitted under this Option Agreement shall be deemed given when delivered personally, or when deposited in a United States Post Office, postage prepaid, addressed, as appropriate, to the Optionee either at the Optionee's address set forth below or such other address as the Optionee may designate in writing to the Company, or the Company: Attention: Board of Directors/Corporate Secretary, at the Company's address or such other address as the Company may designate in writing to the Optionee.

7. *Withholding of Taxes.* As a condition to the issuance of the Option Shares, the Optionee shall (a) remit to the Company at the time of any exercise of the Option any taxes required to be withheld by the Company under federal, state or local laws as a result of the exercise of the Option; or (b) instruct the Company to withhold in accordance with applicable law from any compensation payable to the Optionee the taxes required to be held by the Company under federal, state or local laws as a result of the exercise of the Option; or (c) instruct the Company to withhold such number of shares as are necessary for the fair market value of such shares to equal the amount of taxes required to be withheld by the Company, under federal, state, or local laws as a result of the exercise of the Option. The determination of the amount of any such withholding shall be made by the Company.

8. *Failure to Enforce Not a Waiver.* The failure of the Company to enforce at any time any provision of this Option Agreement shall in no way be construed to be a waiver of such provision or of any other provision hereof.

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9. *Incorporation of Plan.* The Plan is hereby incorporated by reference and made a part hereof, and the Option and this Option Agreement are subject to all terms and conditions of the Plan.

10. *Amendments.* This Option Agreement may be amended or modified at any time by an instrument in writing signed by the parties hereto.

11. *Successors and Assigns.* This Option Agreement shall inure to the benefit of and be binding upon the heirs, legatees, legal representatives, successors and assigns of the parties hereto.

IN WITNESS WHEREOF, the parties have executed this Option Agreement on the day and year first above written.

**COMPANY:                      MONMOUTH REAL ESTATE INVESTMENT CORPORATION**

By:

Title:

The undersigned hereby accepts and agrees to all the terms and provisions of the foregoing Option Agreement and to all the terms and provisions of the Plan herein incorporated by reference.

OPTIONEE:

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**APPENDIX B**

**INCENTIVE STOCK OPTION AGREEMENT**

This INCENTIVE STOCK OPTION AGREEMENT, dated as of this      day of      , 200      , by and between Monmouth Real Estate Investment Corporation, a      corporation (the Company ), and      (the Optionee ).

Pursuant to the Monmouth Real estate Investment Corporation 2007 Stock Option Plan (the Plan ), the Compensation Committee has determined that the Optionee is to be granted an Incentive Stock Option (the Option ) to purchase shares of the Company s common stock, on the terms and conditions set forth herein. It is intended that the Option shall constitute an Incentive Stock Option within the meaning of Section 422 of the Internal Revenue Code of 1986, as amended (the Code ). Any capitalized terms not defined herein shall have the meaning set forth in the Plan.

1. *Number of Shares and Option Price.* The Option entitles the Optionee to purchase [      ] shares of the Company s common stock, par value \$.01 per share (the Option Shares ), at a price of [      ] per share (the Option Price ).

2. *Period of Option.* The term of the Option and of this Option Agreement shall commence on the date hereof (the Grant Date ) and terminate upon the *earlier of* (i) the expiration of      years from the Grant Date, or (ii) the occurrence of one of the events set forth under Section 6.4.1 of the Plan. Upon termination of the Option, all rights of the Optionee hereunder shall cease.

3. *Vesting of Options.*

***Option 1: Immediate Vesting***

The Option Shares granted hereunder shall be fully vested and nonforfeitable at all times on and after      (at least one year following the Grant Date).

The right of the Optionee to purchase Shares may be exercised in whole or in part at any time or from time to time up to the expiration of the stated term of such Option as set forth under Section 2 above.

***Option 2: Graduated Vesting***

For so long as the Optionee is employed by the Company or a Subsidiary, the Option Shares granted hereunder shall vest as follows:

- (a)      percent (      %) of the Option Shares (rounded down to the nearest whole number of shares) on      ;
- (b) An additional      percent (      %) of the Option Shares (rounded down to the nearest whole number of shares) on      ; and
- (c) The remainder of the Option Shares on      .

Notwithstanding the foregoing, the Option Shares shall immediately vest, to the extent not already vested, in the event of a Change in Control (subject to the limitations set forth in the Plan).

The right of the Optionee to purchase shares with respect to which this Option has become vested as herein provided may be exercised in whole or in part at any time or from time to time up to the expiration of the stated term of such Option as set forth under Section 2 above.

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***Option 3: Cliff Vesting***

**For so long as the Optionee is employed by the Company or a Subsidiary, the Option Shares granted hereunder shall vest on . Notwithstanding the foregoing, the Option Shares shall immediately vest, to the extent not already vested, in the event of a Change in Control (subject to the limitations set forth in the Plan).**

**The right of the Optionee to purchase shares with respect to which this Option has become vested as herein provided may be exercised in whole or in part at any time or from time to time up to the expiration of the stated term of such Option as set forth under Section 2 above.**

4. *Non-transferability of Option.* The Option and this Option Agreement shall not be transferable otherwise than by will or by laws of descent and distribution; and the Option may be exercised, during the lifetime of the Optionee, only by the Optionee or by the Optionee's legal representative.

5. *Exercise of Option.* The Option shall be exercised in the following manner: the Optionee, or the person or persons having the right to exercise the Option upon the death or Disability of the Optionee, shall deliver to the Company written notice specifying the number of vested Option Shares which the Optionee elects to purchase, together with either (i) cash, (ii) shares of Company common stock having Fair Market Value determined as of the date of exercise, or (iii) any combination of the above, the sum of which equals the total price to be paid upon the exercise of the Option, and the stock purchased shall thereupon be promptly delivered. The Optionee will not be deemed to be a holder of any shares pursuant to exercise of the Option until the date of issuance to the Optionee of a stock certificate for such shares and until the shares are paid in full.

6. *Termination of Service.*

If the Optionee incurs a Termination of Service by the Company or a Subsidiary for Cause, the Optionee's unexercised Option Shares, irrespective of whether or not vested, shall be immediately forfeited.

If the Optionee incurs a Termination of Service due to death or Disability, the Optionee may exercise his or her unexercised and vested Option Shares for a period of up to three months following the Optionee's Termination of Service.

If the Optionee incurs a Termination of Service for any reason other than described in (a) or (b) above, the Optionee may exercise his or her unexercised and vested Option Shares for a period of up to three months after the Optionee's Termination of Service.

7. *Notices.* Any notice required or permitted under this Option Agreement shall be deemed given when delivered personally, or when deposited in a United States Post Office, postage prepaid, addressed, as appropriate, to the Optionee either at the Optionee's address set forth below or such other address as the Optionee may designate in writing to the Company, or the Company: Attention: Board of Directors/Corporate Secretary, at the Company's address or such other address as the Company may designate in writing to the Optionee.

8. *Withholding of Taxes.* As a condition to the issuance of the Option Shares, the Optionee shall (a) remit to the Company at the time of any exercise of the Option any taxes required to be withheld by the Company under federal, state or local laws as a result of the exercise of the Option; or (b) instruct the Company to withhold in accordance with applicable law from any compensation payable to the Optionee the taxes required to be held by the Company under federal, state or local laws as a result of the exercise of the Option; or (c) instruct the Company to withhold such number of shares as are necessary for the fair market value of such shares to equal the amount of taxes required to be withheld by the Company, under federal, state, or local laws as a result of the exercise of the Option. The determination of the amount of any such withholding shall be made by the Company.

9. *Disposition of Option Shares.* It is understood that this Option is intended to qualify as an Incentive Stock Option as defined in Section 422 of the Code. Accordingly, the Optionee understands that in order to

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obtain the benefits of an incentive stock option under Section 421 of the Code, no sale or other disposition may be made of any Shares acquired upon exercise of the Option within one (1) year after the day of the transfer of such Shares to the Optionee, nor within two (2) years after the Grant Date of the Option. If the Optionee disposes (whether by sale, exchange, gift, transfer or otherwise), of any such Shares within said periods, the Optionee will notify the Company in writing within ten (10) days after such disposition.

10. *Failure to Enforce Not a Waiver.* The failure of the Company to enforce at any time any provision of this Option Agreement shall in no way be construed to be a waiver of such provision or of any other provision hereof.

11. *Incorporation of Plan.* The Plan is hereby incorporated by reference and made a part hereof, and the Option and this Option Agreement are subject to all terms and conditions of the Plan.

12. *Amendments.* This Option Agreement may be amended or modified at any time by an instrument in writing signed by the parties hereto.

13. *Successors and Assigns.* This Option Agreement shall inure to the benefit of and be binding upon the heirs, legatees, legal representatives, successors and assigns of the parties hereto.

IN WITNESS WHEREOF, the parties have executed this Option Agreement on the day and year first above written.

**COMPANY: MONMOUTH REAL ESTATE INVESTMENT CORPORATION**

By:

Title:

The undersigned hereby accepts and agrees to all the terms and provisions of the foregoing Option Agreement and to all the terms and provisions of the Plan herein incorporated by reference.

OPTIONEE:

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**APPENDIX C**

**MONMOUTH REAL ESTATE INVESTMENT CORPORATION**

**OPTION EXERCISE CERTIFICATE**

The undersigned Optionee and Monmouth Real Estate Investment Corporation (the Company ), are parties to an Incentive Stock Option Agreement (the Agreement ). The Optionee hereby notifies the Company that the Optionee wishes to exercise Options for the number of Shares(s) specified below as of the exercise date indicated. All Capitalized terms in this Certificate have the meanings given to them in the Monmouth Real Estate Investment Corporation 2007 Stock Option Plan (the Plan ) and the Agreement.

Number of Shares with respect to which Options are Exercised:

Exercise Price per Share:

Aggregate Exercise Price:

Form of Payment: Cash (check attached)

Exercise Date:

IN WITNESS WHEREOF the undersigned has executed this certificate as of the Exercise Date.

**OPTIONEE:** (Signature)

(Typed or printed name)

**MONMOUTH REAL ESTATE**

**INVESTMENT CORPORATION:**

By:

Title:

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ANNEX C

March 26, 2007

The Special Committee of the Board of Directors

Monmouth Real Estate Investment Corporation

3499 Route 9 N, Suite 3-C

Juniper Business Plaza

Freehold, NJ 07728

Gentlemen:

Cohen & Steers Capital Advisors, LLC ( Cohen & Steers ) understands that Monmouth Real Estate Investment Corporation (the Company or MREIC ), a Maryland Corporation, Monmouth Capital Corporation ( MCC ), a New Jersey corporation and Route 9 Acquisition, Inc. ( MergerCo ), a New Jersey corporation and a wholly-owned subsidiary of the Company have entered into an Agreement and Plan of Merger (the Merger Agreement ). Pursuant to the Merger Agreement and at the Effective Time (as such term is defined in the Merger Agreement), (a) MergerCo shall be merged with and into MCC and the separate corporate existence of MergerCo shall thereupon cease and (b) MCC shall thereafter be a wholly-owned subsidiary of the Company (the Merger ). At the Effective Time and as consideration for the Merger, each outstanding share of common stock of MCC ( MCC Common Stock ) will be converted into the right to receive 0.655 shares (the Exchange Ratio ) of the Common Stock of the Company ( MREIC Common Stock ).

In accordance with the terms of our engagement letter dated January 10, 2007 (the Engagement Letter ), you have requested that Cohen & Steers render an opinion as to the fairness, from a financial point of view, of the Exchange Ratio in the Merger to the holders of MREIC Common Stock.

In connection with this opinion, Cohen & Steers has reviewed and considered such financial and other matters as Cohen & Steers has deemed relevant, including, among other things:

- (i) Reviewed certain publicly available financial statements and other publicly available business and financial information relating to the Company and MCC;
- (ii) Reviewed certain internal non-public financial due diligence information and operating data, including historical and projected financial information relating to the business, earnings, cash flow, assets, liabilities, capitalization and future results of the Company and MCC, as prepared by management of the Company and MCC, as the case may be;
- (iii) Reviewed a draft of the Merger Agreement distributed on March 19, 2007, provided to us by management and the legal advisors of the Company;
- (iv) Conducted discussions with the management and Special Committees of the Company and MCC concerning the matters described herein, as well as the business and prospects of the Company and MCC;
- (v) Reviewed terms of certain agreements of the Company and MCC that Cohen & Steers deemed relevant to its analysis;
- (vi) Reviewed the historical trading prices and volumes of the Company's and MCC's common stock;
- (vii) Reviewed the financial terms, to the extent available, of certain unrelated acquisition transactions that Cohen & Steers deemed relevant to its analysis;
- (viii) Reviewed financial and stock market data for publicly traded companies that Cohen & Steers deemed relevant to its analysis;

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(ix) Performed various financial analyses as Cohen & Steers deemed appropriate, using generally accepted analytical valuation methodologies; and

(x) Performed such other analyses and considered such other factors as Cohen & Steers deemed appropriate.

Cohen & Steers also has considered such other information, financial studies and analyses, investigations and financial, economic, market and trading criteria which it deemed relevant, including its knowledge of the real estate industry, as well as its experience in connection with similar transactions and securities valuation generally.

In arriving at its opinion, Cohen & Steers has assumed, at the direction of the Company, that the Merger will conform in all material respects with the draft Merger Agreement distributed on March 19, 2007 as reviewed by it. Cohen & Steers has also assumed that all of the agreements provided to it in draft form are ultimately executed in final form consistent with the drafts provided and that the Merger and all related transactions described in or contemplated by the Merger Agreement occur as described in and contemplated by such agreements.

In preparing its opinion, Cohen & Steers has assumed and relied upon, without independent verification, the accuracy and completeness of all financial and other information publicly available, furnished to, or otherwise made available to or discussed with Cohen & Steers including, without limitation, the items listed above as reviewed by Cohen & Steers, financial statements and financial projections, as provided by the management and/or representatives of the Company or MCC. With respect to financial information, financial projections (including the realization of projected cost savings) and other information provided to or otherwise discussed with Cohen & Steers, Cohen & Steers has assumed and was advised by the management of the Company, that such financial information, projections and other information were reasonably prepared on a basis that reflects the best currently available estimates and judgments of the management of the Company, as to the historical and expected future financial performance of the Company or MCC and that there has been no material adverse change in the assets, financial condition, business or prospects of the Company or MCC.

Cohen & Steers was not engaged to, and therefore did not, independently verify the accuracy or completeness of any of such information, nor does it express any opinion with respect thereto. Cohen & Steers has relied upon the assurances of the management of the Company that they are not aware of any information or facts that would make the information provided or otherwise made available to Cohen & Steers materially inaccurate or misleading with regard to the Company or MCC. Cohen & Steers has not independently verified such information, performed no audit of assets or liabilities, no physical inspection of any properties, did not attempt to assess or value any of the intangible assets of the Company or MCC (including goodwill) and made no appraisal of assets or liabilities, contingent or otherwise, including contractual rights or obligations, of the Company or MCC, or been furnished with any such appraisals.

In performing its analyses, Cohen & Steers made numerous assumptions with respect to the real estate industry and general business and economic conditions that are beyond the control of those managing and operating the Company or MCC. While we believe these assumptions to be reasonable, the analyses performed by Cohen & Steers are not necessarily indicative of actual values or actual future results, which may be significantly more or less favorable than suggested by such analyses.

For the purposes of rendering its opinion, Cohen & Steers has assumed in all respects material to its analyses that the representations and warranties of the Company and each other party to any agreement entered into in connection with the Merger will be true and correct, that the Company and each other party to such agreements will perform all of the covenants and agreements required to be performed by it under such agreements and that all conditions to the consummation of the Merger will be satisfied without any modification or waiver thereof. Cohen & Steers has also assumed that all legal, governmental, regulatory, third party and other consents and approvals contemplated by the Merger will be obtained and that in the course of obtaining any of

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those consents, no restrictions will be imposed or waivers made that would have an adverse effect on the contemplated Merger. Additionally, Cohen & Steers assumed that the Merger will be accounted for in accordance with U.S. Generally Accepted Accounting Principles.

Cohen & Steers was not engaged to and did not review, nor is it expressing any opinion with respect to, any alternative merger, financing transaction or other strategic alternatives that may be available to the Company. Cohen & Steers' opinion also does not address the merits of the underlying decision by the Company to engage in the Merger. Further, Cohen & Steers was not engaged to, and did not, assess or consider the tax, legal and accounting implications of the Merger to the Company or any shareholder of the Company.

Cohen & Steers' opinion is necessarily based on economic, market, financial and other conditions and circumstances as in effect on, and the information made available to it, as of the date hereof. It should be understood that subsequent developments may affect Cohen & Steers' opinion, and Cohen & Steers does not have any obligation to update, revise or reaffirm its opinion and it expressly disclaims any responsibility to do so.

Per the terms of the Engagement Letter, Cohen & Steers is acting as financial advisor to the Special Committee of the Board of Directors of the Company in connection with certain matters, including the Merger. The Company has agreed to pay Cohen & Steers a fee (the "Opinion Fee") equal to \$150,000 in cash due at the time we render the opinion expressed herein. Cohen & Steers shall also have the opportunity to earn a success fee (the "Success Fee") from the Company in connection with the consummation of the Merger. The Company has agreed to pay a Success Fee of the greater of (i) \$300,000 or (ii) 1.0% of the Transaction Value (as defined in the Engagement Letter). The Opinion Fee is creditable against the Success Fee and the Company may, at its option, elect to pay up to 75% of the Success Fee due to Cohen & Steers in registered and freely tradable shares of common stock of the Company. In addition, the Company has agreed to indemnify us for certain liabilities arising out of our engagement. Cohen & Steers has in the past provided, and may provide in the future, financial advisory and financing services to the Company. For such services, we have received and expect to receive customary fees, indemnification and expense reimbursement. In addition, our affiliate, Cohen & Steers Capital Management, Inc. ("CSCM"), is an investment advisor to certain entities that own or may own shares of the common stock or other securities of the Company or MCC. In the ordinary course of business, CSCM may engage in trading of equity securities issued by the Company or MCC for its own account and/or for the accounts of others. Accordingly, CSCM may at any time or from time to time hold a position in such securities.

It is understood that this letter is solely for the limited use of the Company's Special Committee of the Board of Directors in connection with its consideration of the Merger and its recommendation of the Merger to the holders of the Company's common stock. However, this opinion does not constitute a recommendation as to whether any member of the Board of Directors should recommend the Merger to the stockholders of the Company or how any holder of Company common stock should vote with respect to the Merger. We have not been asked to, nor have we undertaken, valuing or opining on the fairness of the Exchange Ratio to any particular individual or party.

Neither this letter nor Cohen & Steers' opinion expressed herein may be reproduced, summarized, excerpted, quoted from, referred to or disclosed in any filing, report, document, release or other communication, whether written or oral, made, prepared, issued or transmitted by the Company without our prior written consent. Notwithstanding the foregoing, Cohen & Steers consents to the disclosure of this opinion in connection with the Company's proxy statement relating to the Merger to the extent required by law.

Based upon and subject to all of the foregoing, Cohen & Steers is of the opinion that, as of the date hereof, the Exchange Ratio in the Merger is fair, from a financial point of view, to the shareholders of MREIC Common Stock.

Very truly yours,

COHEN & STEERS CAPITAL ADVISORS, LLC

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ANNEX D

Ferris, Baker Watts, Inc.

Corporate Finance

Member NYSE, SIPC

100 Light Street

Baltimore, MD 21202

(410) 685-2600

March 26, 2007

The Board of Directors

Monmouth Capital Corporation

Juniper Business Plaza

3499 Route 9 North, Suite 3-C

Freehold, New Jersey 07728

Ladies and Gentlemen:

The Board of Directors (the **Directors**) of Monmouth Capital Corporation ( **MONM** or the **Company** ) has requested a review of the proposed transaction (the **Merger** ) involving the business combination through a merger of a wholly owned subsidiary of Monmouth Real Estate Investment Corporation ( **MNRTA** or **Monmouth REIC** ) with the Company. Specifically, the Directors have requested our opinion as to the fairness, from a financial point of view, to the Company's shareholders other than MNRTA and those shareholders that are significant shareholders of MNRTA, of the exchange ratio (the **Exchange Ratio** ) of 0.655 shares of common stock of Monmouth REIC to be issued in exchange for each share of common stock of the Company, other than MONM stock owned by MNRTA, pursuant to the Agreement and Plan of Merger (the **Agreement** ), among the Company, Monmouth REIC, and a wholly owned subsidiary of Monmouth REIC.

In connection with the opinion, we have reviewed, among other things, (i) the proposed Merger, (ii) the proposed draft of the Agreement, (iii) selected public and internal information of the Company and Monmouth REIC, and (iv) the historical stock price performance of the Company and Monmouth REIC. We have held discussions with the members of management of the Company and Monmouth REIC regarding the past and current business operations as well as the future prospects of both companies.

In rendering our opinion, we have assumed and relied upon the accuracy and completeness of all financial and other information reviewed by us for purposes of this opinion whether publicly available or provided to us by the Company and Monmouth REIC or representatives of the Company or Monmouth REIC, and we have not assumed any responsibility for independent verification of such information. FBW has further assumed that the financial budgets and projections provided to FBW have been reasonably determined reflecting the best currently available estimates and judgements of the managements of the Company and Monmouth REIC as to the future financial performance of both companies. Our opinion considered herein is provided for the information and assistance of the Board of Directors of the Company in connection with its consideration of the Merger contemplated by the draft Agreement and such opinion does not constitute a recommendation as to how any Board Member or stockholder of the Company should vote with respect to the Merger.

In the past we have provided services to Monmouth REIC unrelated to the proposed merger, for which services we have received compensation, including having acted as an underwriter for Monmouth REIC's preferred stock offering in 2006. Ferris, Baker Watts, Incorporated, its clients, its officers or its employees, in the ordinary course of business, may have a position in the securities of the Company or Monmouth REIC.



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The Board of Directors

March 26, 2007

Monmouth Capital Corporation

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Based upon the foregoing and based upon other such matters that we considered relevant, it is our opinion, as of the date hereof, that the Exchange Ratio pursuant to the Agreement is fair, from a financial point of view, to the Company's shareholders other than MNRTA and those shareholders that are significant shareholders of MNRTA. Our opinion is necessarily based upon economic, market and other conditions as in effect on, and the information made available to us as of the date hereof. It is understood that subsequent developments may affect the conclusions reached in this opinion and that we do not have any obligation to update, revise or reaffirm this opinion.

Very truly yours,

Ferris, Baker Watts, Incorporated

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**PART II**

**INFORMATION NOT REQUIRED IN PROSPECTUS**

**Item 20. Indemnification of Directors and Officers**

Maryland law permits a Maryland corporation to include in its charter a provision limiting the liability of its directors and officers to the corporation and its stockholders for money damages, except for liability resulting from (a) actual receipt of an improper benefit or profit in money, property or services or (b) active and deliberate dishonesty established by a final judgment and which is material to the cause of action. Monmouth REIT's charter contains a provision which eliminates its directors' and officers' liability to the maximum extent permitted by Maryland law.

Maryland law requires a Maryland corporation (unless its charter provides otherwise, which Monmouth REIT's charter does not) to indemnify a director or officer who has been successful, on the merits or otherwise, in the defense of any proceeding to which he or she is made a party by reason of his service in that capacity. Maryland law permits a Maryland corporation to indemnify its present and former directors and officers, among others, against judgments, penalties, fines, settlements and reasonable expenses actually incurred by them in connection with any proceeding to which they may be made a party by reason of their service in those or other capacities unless it is established that (a) the act or omission of the director or officer was material to the matter giving rise to the proceeding and (i) was committed in bad faith or (ii) was the result of active and deliberate dishonesty, (b) the director or officer actually received an improper personal benefit in money, property or services or (c) in the case of any criminal proceeding, the director or officer had reasonable cause to believe that the act or omission was unlawful. A court may order indemnification if it determines that the director or officer is fairly and reasonably entitled to indemnification, even though the director or officer did not meet the prescribed standard of conduct or was adjudged liable on the basis that personal benefit was improperly received. However, indemnification for an adverse judgment in a suit by the corporation or in its right, or for a judgment of liability on the basis that personal benefit was improperly received, is limited to expenses.

In addition, Maryland law permits a Maryland corporation to advance reasonable expenses to a director or officer upon receipt of (a) a written affirmation by the director or officer of his or her good faith belief that he or she has met the standard of conduct necessary for indemnification and (b) a written undertaking by him or her or on his or her behalf to repay the amount paid or reimbursed if it is ultimately determined that the standard of conduct was not met.

Monmouth REIT's charter requires it, to the fullest extent permitted by Maryland law as in effect from time to time, to indemnify and advance expenses to its directors and officers, whether serving Monmouth REIT or, at its request, any other entity, who were or are parties or are threatened to be made parties to any threatened or actual suit, investigation or other proceeding, including administrative actions, as a result of their status or actions as directors or officers of Monmouth REIT. Monmouth REIT's charter authorizes it to provide the same indemnification and advancement of expenses to employees and agents of Monmouth REIT.

Insofar as indemnification for liabilities arising under the Securities Act may be permitted to directors, officers or persons controlling Monmouth REIT pursuant to the foregoing provisions, Monmouth REIT has been informed that, in the opinion of the Securities and Exchange Commission, such indemnification is against public policy as expressed in the Securities Act and is therefore unenforceable.

Monmouth REIT has entered into indemnification agreements with its directors and certain officers which generally provide that Monmouth REIT must indemnify any director or officer who was, is or becomes a party to or witness or other participant in: (i) any threatened, pending or completed action, suit or proceeding in which such director or officer may be or may have been involved, as a party or otherwise, by reason of the fact that the director or officer was acting in his or her capacity as a director or officer of Monmouth REIT; or (ii) any inquiry, hearing or investigation that such director or officer in good faith believes might lead to the institution of any such action, suit or proceeding against any and all expenses, to the fullest extent permitted by law.

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**Item 21. Exhibits and Financial Statement Schedules**

**Exhibit**

<b>Number</b>	<b>Description of Exhibit</b>
2.1	Agreement and Plan of Merger between the Registrant and Monmouth Capital Corporation, dated March 26, 2007, filed herewith as Annex A to the joint proxy statement/prospectus
3.1	Composite copy of the Registrant's charter, filed herewith
3.2	Articles Supplementary effective December 1, 2006, incorporated by reference to Exhibit 3.3 to the Registrant's Form 8A12B, filed with the Securities and Exchange Commission on December 1, 2006, Commission File No. 001-33177
3.3	Bylaws, as amended, previously filed
5.1	Opinion of Venable LLP regarding the legality of securities being registered, filed herewith
8.1	Opinion of Blackwell Sanders Peper Martin LLP as to certain United States federal income tax matters regarding the status of the Registrant as a real estate investment trust, filed herewith
8.2	Opinion of Stroock & Stroock & Lavan LLP as to certain United States federal income tax matters regarding the status of Monmouth Capital Corporation as a real estate investment trust, filed herewith
8.3	Opinion of Venable LLP regarding certain United States federal income tax aspects of the merger of Route 9 Acquisition, Inc. with and into Monmouth Capital Corporation, filed herewith
10.1	Employment Agreement with Cynthia J. Morgenstern, dated January 1, 2007, previously filed
21.1	Subsidiaries of the Registrant, previously filed
23.1	Consent of KPMG LLP, filed herewith
23.2	Consent of Reznick Group, P.C., filed herewith
23.3	Consent of Cowan Guteski & Co., P.A., filed herewith
23.4	Consent of Venable LLP, included in Exhibit 5.1
23.5	Consent of Blackwell Sanders Peper Martin LLP, included in Exhibit 8.1
23.6	Consent of Stroock & Stroock & Lavan LLP, included in Exhibit 8.2
24.1	Power of Attorney, previously filed
99.1	Opinion of Cohen & Steers Capital Advisors, LLC, provided as Annex C to the joint proxy statement/prospectus
99.2	Opinion of Ferris, Baker Watts, Incorporated, provided as Annex D to the joint proxy statement/prospectus
99.3	Form of Proxy Card for Annual Meeting of Stockholders of the Registrant, filed herewith
99.4	Form of Proxy Card for Special Meeting of Stockholders of Monmouth Capital Corporation, filed herewith

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**Item 22. Undertakings**

The undersigned registrant hereby undertakes to respond to requests for information that is incorporated by reference into this prospectus pursuant to Items 4, 10(b), 11, or 13 of this Form, within one business day of receipt of such request, and to send the incorporated documents by first class mail or other equally prompt means. This includes information contained in documents filed subsequent to the effective date of this registration statement through the date of responding to the request.

The undersigned registrant hereby undertakes to supply by means of a post-effective amendment all information concerning a transaction, and the company being acquired involved therein, that was not the subject of and included in this registration statement when it became effective.

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**SIGNATURES**

Pursuant to the requirements of the Securities Act of 1933, the registrant has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Freehold, State of New Jersey, on June 4, 2007.

MONMOUTH REAL ESTATE INVESTMENT CORPORATION

By: /s/ ANNA T. CHEW  
 Name: **Anna T. Chew**  
 Title: **Chief Financial Officer and Principal**

**Accounting Officer**

Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed by the following persons in the capacities indicated on June 4, 2007.

Signature	Title
/s/ EUGENE W. LANDY	Chairman of the Board and
<b>Eugene W. Landy</b>	President
/s/ ANNA T. CHEW	Chief Financial Officer and
<b>Anna T. Chew</b>	Principal Accounting Officer
*	Director
<b>Daniel D. Cronheim</b>	
*	Director
<b>Neal Herstik</b>	
*	Director
<b>Matthew I. Hirsch</b>	
*	Director
<b>Eugene W. Landy</b>	
*	Director
<b>Samuel A. Landy</b>	
*	Director
<b>Cynthia J. Morgenstern</b>	

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\* Director

**Scott L. Robinson**

\* Director

**Peter J. Weidhorn**

\* Director

**Stephen B. Wolgin**

\*By: /s/ EUGENE W. LANDY  
**Eugene W. Landy**

**Attorney-in-Fact**

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**EXHIBIT INDEX**

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