

PG&E Corp  
Form 424B2  
August 17, 2016  
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**Filed Pursuant to Rule 424(b)(2)**  
**Registration No. 333-193880**

**CALCULATION OF REGISTRATION FEE**

	<b>Title of Each Class of Securities to be Registered</b>	<b>Maximum Aggregate Offering Price</b>	<b>Amount of Registration Fee(1)(2)</b>
	Common Stock, no par value	\$309,925,000	\$31,210

(1) Calculated in accordance with Rule 457(r) under the Securities Act of 1933, as amended.

(2) This Calculation of Registration Fee table shall be deemed to update the Calculation of Registration Fee table in PG&E Corporation's Registration Statement on Form S-3 (Registration No. 333-193880).

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**PROSPECTUS SUPPLEMENT**

(To Prospectus dated February 11, 2014)

**4,900,000 Shares**

**Common Stock**

We are offering 4,900,000 shares of our common stock. Our shares of common stock are listed on the New York Stock Exchange under the symbol PCG. On August 15, 2016, the last reported sale price of our common stock on the New York Stock Exchange was \$63.45 per share.

The underwriters have agreed to purchase our common stock from us at a price of \$63.15 per share, which will result in approximately \$309.4 million of total proceeds to us before expenses. The underwriters may offer the shares of common stock from time to time for sale in one or more transactions on the New York Stock Exchange, in the over-the-counter market, through negotiated transactions or otherwise at market prices prevailing at the time of sale, at prices related to prevailing market prices or at negotiated prices.

**Investing in our common stock involves risks. For a description of these risks, see Risk Factors on page S-6 of this prospectus supplement.**

**None of the Securities and Exchange Commission, any state securities commission or any other regulatory body has approved or disapproved of these securities or passed upon the adequacy or accuracy of this prospectus supplement or the accompanying prospectus. Any representation to the contrary is a criminal offense.**

Delivery of the shares will be made on or about August 19, 2016 through the book-entry facilities of The Depository Trust Company.

**BofA Merrill Lynch**

**Morgan Stanley**

August 15, 2016

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This prospectus supplement should be read in conjunction with the accompanying prospectus. You should rely only on the information contained in this prospectus supplement, the accompanying prospectus and the information incorporated by reference. Neither we nor any underwriter has authorized any other person to provide you with different or additional information. If anyone provides you with different or additional information, you should not rely on it. Neither we nor any underwriter is making an offer to sell our common stock in any jurisdiction where the offer or sale is not permitted. You should assume that the information contained in this prospectus supplement and the accompanying prospectus is accurate only as of the date hereof.

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Unless otherwise indicated, when used in this prospectus supplement and the accompanying prospectus, the terms we, our and us refer to PG&E Corporation and its subsidiaries.



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**FORWARD-LOOKING STATEMENTS**

This prospectus supplement, the accompanying prospectus and any documents incorporated by reference into this prospectus supplement and the accompanying prospectus contain forward-looking statements that are necessarily subject to various risks and uncertainties. These statements reflect management's judgment and opinions which are based on current estimates, expectations, and projections about future events and assumptions regarding these events and management's knowledge of facts as of the date of this prospectus supplement. These forward-looking statements relate to, among other matters, estimated losses, including penalties and fines, associated with various investigations and proceedings; forecasts of pipeline-related expenses that Pacific Gas and Electric Company (the Utility) will not recover through rates; forecasts of capital expenditures; estimates and assumptions used in critical accounting policies, including those relating to regulatory assets and liabilities, environmental remediation, litigation, third-party claims, and other liabilities; and the level of future equity or debt issuances. These statements are also identified by words such as assume, expect, intend, forecast, plan, project, believe, estimate, predict, anticipate, may, could, potential and similar expressions. We and the Utility are not able to predict all the factors that may affect future results. Some of the factors that could cause future results to differ materially from those expressed or implied by the forward-looking statements, or from historical results, include, but are not limited to:

the timing and outcomes of the final phase two California Public Utilities Commission ( CPUC ) decision in the 2015 gas transmission and storage rate case, the transmission owner rate cases, and other ratemaking and regulatory proceedings and whether the CPUC approves the settlement agreement relating to the 2017 General Rate Case and its resolution of the remaining issues in the proceeding;

the timing and outcomes of the CPUC decision in the Utility's natural gas distribution record-keeping practices investigation, the CPUC Safety and Enforcement Division's unresolved enforcement matters relating to the Utility's compliance with natural gas-related laws and regulations, and the other investigations that have been or may be commenced relating to the Utility's compliance with natural gas-related laws and regulations, and the ultimate amount of fines, penalties, and remedial costs that the Utility may incur in connection with the outcomes;

the timing and outcomes of the CPUC's investigation of communications between the Utility and the CPUC that may have violated the CPUC's rules regarding ex parte communications or are otherwise alleged to be improper, and of the U.S. Attorney's Office in San Francisco and the California Attorney General's office investigations in connection with communications between the Utility's personnel and CPUC officials, whether additional criminal or regulatory investigations or enforcement actions are commenced with respect to allegedly improper communications, and the extent to which such matters negatively affect the final decisions to be issued in the Utility's ratemaking proceedings;

the timing and outcomes of the sentencing phase of the federal criminal prosecution of the Utility and any post-trial motions; whether the jury's verdict in the federal criminal prosecution of the Utility could harm its relationships with regulators, legislators, communities, business partners, or other constituencies and make it more difficult to recruit qualified personnel and senior management; whether the verdict could negatively affect the outcome of future ratemaking and regulatory proceedings, for example, by enabling parties to argue that the Utility should not be allowed to recover costs that the parties allege are somehow related to the criminal charges on which the Utility was found guilty or causes parties to seek any additional fines, remedies or disallowances; and whether the jury verdict could result in increased regulatory or legislative scrutiny with respect to various aspects of how the Utility's business is conducted or organized;

the outcome of the Butte fire litigation, and whether the Utility's insurance is sufficient to cover the Utility's liability resulting therefrom or if insurance is otherwise available; and whether additional investigations and proceedings will be opened;

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whether we and the Utility are able to repair the harm to our reputations caused by the jury verdict in the federal criminal prosecution of the Utility, the state and federal investigations of natural gas incidents, matters relating to the indicted case, improper communications between the CPUC and the Utility; and the Utility's ongoing work to remove encroachments from transmission pipeline rights-of-way;

whether the Utility can control its costs within the authorized levels of spending, the extent to which the Utility incurs unrecoverable costs that are higher than the forecasts of such costs, and changes in cost forecasts or the scope and timing of planned work resulting from changes in customer demand for electricity and natural gas or other reasons;

the amount and timing of additional common stock and debt issuances by us, including the dilutive impact of common stock issuances to fund our equity contributions to the Utility as the Utility incurs charges and costs, including fines, that it cannot recover through rates;

the outcome of the CPUC's investigation into the Utility's safety culture, and future legislative or regulatory actions that may be taken to require the Utility to separate its electric and natural gas businesses, restructure into separate entities, undertake some other corporate restructuring, or implement corporate governance changes;

the outcomes of future investigations or other enforcement proceedings that may be commenced relating to the Utility's compliance with laws, rules, regulations, or orders applicable to its operations, including the construction, expansion or replacement of its electric and gas facilities; inspection and maintenance practices, customer billing and privacy, and physical and cyber security;

the impact of environmental remediation laws, regulations, and orders; the ultimate amount of costs incurred to discharge the Utility's known and unknown remediation obligations; and the extent to which the Utility is able to recover environmental costs in rates or from other sources;

the ultimate amount of unrecoverable environmental costs the Utility incurs associated with the Utility's natural gas compressor station site located near Hinkley, California;

the impact of new legislation or Nuclear Regulatory Commission (NRC) regulations, recommendations, policies, decisions, or orders relating to the nuclear industry, including operations, seismic design, security, safety, relicensing, the storage of spent nuclear fuel, decommissioning, cooling water intake, or other issues; the impact of actions taken by state agencies, that may affect the Utility's ability to continue operating Diablo Canyon; whether the CPUC approves the joint proposal that will phase out the Utility's Diablo Canyon nuclear units at the expiration of their licenses in 2024 and 2025; whether the Utility obtains the approvals required to withdraw its NRC application to renew the two Diablo Canyon operating licenses; and whether the Utility will be able to successfully implement its retention and retraining and development programs for Diablo Canyon employees, and whether these programs will be recovered in rates;

whether the Utility's information technology, operating systems and networks, including the advanced metering system infrastructure, customer billing, financial, records management, and other systems, can continue to function accurately while meeting regulatory requirements; whether the Utility and its third party vendors and contractors (who host, maintain, modify and update some of the Utility's systems) are able to protect the Utility's operating systems and networks from damage, disruption, or failure caused by cyber-attacks, computer viruses, or other hazards; whether the Utility's security measures are sufficient to protect against unauthorized or inadvertent disclosure of information contained in such systems and networks, including confidential proprietary information and the personal information of customers; and whether the Utility can continue to rely on third-party vendors and contractors that maintain and support some of the Utility's information technology and operating systems;

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the impact of droughts or other weather-related conditions or events, wildfires (such as the Butte fire), climate change, natural disasters, acts of terrorism, war, or vandalism (including cyber-attacks), and

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other events, that can cause unplanned outages, reduce generating output, disrupt the Utility's service to customers, or damage or disrupt the facilities, operations, or information technology and systems owned by the Utility, its customers, or third parties on which the Utility relies; whether the Utility incurs liability to third parties for property damage or personal injury caused by such events; and whether the Utility is subject to civil, criminal, or regulatory penalties in connection with such events; and whether the Utility's insurance coverage is available for these types of claims and whether the amount of insurance is sufficient to cover the Utility's liability;

how the CPUC and the California Air Resources Board implement state environmental laws relating to greenhouse gas, renewable energy targets, energy efficiency standards, distributed energy resources, electric vehicles, and similar matters, including whether the Utility is able to continue recovering associated compliance costs, such as the cost of emission allowances and offsets under cap-and-trade regulations, and whether the Utility is able to timely recover its associated investment costs;

whether the Utility's climate change adaptation strategies are successful;

the impact that reductions in customer demand for electricity and natural gas have on the Utility's ability to make and recover its investments through rates and earn its authorized return on equity, and whether the Utility is successful in addressing the impact of growing distributed and renewable generation resources and changing customer demand for natural gas and electric services;

the supply and price of electricity, natural gas, and nuclear fuel; the extent to which the Utility can manage and respond to the volatility of energy commodity prices; the ability of the Utility and its counterparties to post or return collateral in connection with price risk management activities; and whether the Utility is able to recover timely its electric generation and energy commodity costs through rates, including its renewable energy procurement costs;

the amount and timing of charges reflecting probable liabilities for third-party claims; the extent to which costs incurred in connection with third-party claims or litigation can be recovered through insurance, rates, or from other third parties; and whether the Utility can continue to obtain adequate insurance coverage for future losses or claims, especially following a major event that causes widespread third-party losses;

our and the Utility's ability to access capital markets and other sources of debt and equity financing in a timely manner on acceptable terms;

changes in credit ratings which could result in increased borrowing costs especially if we or the Utility were to lose our or its investment grade credit ratings;

the impact of federal or state laws or regulations, or their interpretation, on energy policy and the regulation of utilities and their holding companies, including how the CPUC interprets and enforces the financial and other conditions imposed on us when we became the Utility's holding company, and whether the ultimate outcomes of the CPUC's pending investigations, the criminal prosecution, and other enforcement matters affect the Utility's ability to make distributions to us, and, in turn, our ability to pay dividends;

the outcome of federal or state tax audits and the impact of any changes in federal or state tax laws, policies, regulations, or their interpretation; and

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the impact of changes in U.S. generally accepted accounting principles, standards, rules, or policies, including those related to regulatory accounting, and the impact of changes in their interpretation or application.

For more information about the significant risks that could affect the outcome of these forward-looking statements and our and the Utility's future financial condition, results of operations and cash flows, you should read the sections titled "Risk Factors" in the documents incorporated by reference in this prospectus supplement and the accompanying prospectus, together with "Risk Factors" in this prospectus supplement.

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You should read this prospectus supplement, the accompanying prospectus and the documents that we incorporate by reference into this prospectus supplement and the accompanying prospectus, the documents that we have included as exhibits to the registration statement of which this prospectus supplement and the accompanying prospectus are a part and the documents that we refer to under the section of the accompanying prospectus titled "Where You Can Find More Information" completely and with the understanding that our actual future results could be materially different from what we expect when making the forward-looking statements. We qualify all our forward-looking statements by these cautionary statements. These forward-looking statements speak only as of the date of this prospectus supplement or the date of the document incorporated by reference. Except as required by applicable laws or regulations, we do not undertake any obligation to update or revise any forward-looking statement, whether as a result of new information, future events or otherwise.

**OUR COMPANY**

PG&E Corporation, incorporated in California in 1995, is a holding company whose primary purpose is to hold interests in energy-based businesses. PG&E Corporation conducts its business principally through the Utility, a public utility serving approximately 16 million people throughout a 70,000 square mile service area in northern and central California. The Utility generates revenues mainly through the sale and delivery of electricity and natural gas to customers. The Utility was incorporated in California in 1905. PG&E Corporation became the holding company of the Utility and its subsidiaries on January 1, 1997.

The Utility had approximately \$65.7 billion of assets at June 30, 2016 and generated operating revenues of approximately \$16.8 billion in 2015. The Utility is regulated primarily by the CPUC and the Federal Energy Regulatory Commission. In addition, the NRC oversees the licensing, construction, operation, and decommissioning of the Utility's nuclear generation facilities.

The principal executive offices of PG&E Corporation and the Utility are located at 77 Beale Street, P.O. Box 770000, San Francisco, California 94177. The telephone number of PG&E Corporation is (415) 973-1000, and the telephone number of the Utility is (415) 973-7000.

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**THE OFFERING**

Shares of common stock offered	4,900,000 shares.
Shares of common stock to be outstanding after this offering (based on 499,112,691 shares of common stock issued and outstanding as of August 12, 2016)	504,012,691 shares.
Use of proceeds	The net proceeds from the sale of the common stock in this offering are estimated to be approximately \$309.3 million, after deducting estimated offering expenses payable by us. We intend to contribute all of the net proceeds from this offering to the Utility to be used by the Utility for general corporate purposes.
New York Stock Exchange symbol	PCG

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**RISK FACTORS**

Investing in our common stock involves risk. These risks are described below and under "Risk Factors" in Item 1A of Part I of our annual report on Form 10-K for the fiscal year ended December 31, 2015 and in Item 1A of Part II of our quarterly reports on Form 10-Q for the three months ended March 31, 2016 and the six months ended June 30, 2016, each of which is incorporated by reference in this prospectus supplement and the accompanying prospectus. See "Where You Can Find More Information" in the accompanying prospectus. Before making a decision to invest in our common stock, you should carefully consider these risks, as well as other information contained or incorporated by reference in this prospectus supplement and the accompanying prospectus.

**Risks Relating to our Common Stock**

*The price of our common stock may fluctuate significantly, which could negatively affect us and holders of our common stock.*

The market price of our common stock may fluctuate significantly from time to time as a result of many factors, including:

investors' perceptions of us and the Utility's prospects;

investors' perceptions of us and/or the industry's risk and return characteristics relative to other investment alternatives;

investors' perceptions of the prospects of the energy and commodities markets;

differences between actual financial and operating results and those expected by investors and analysts;

changes in analyst reports, recommendations or earnings estimates regarding us, the Utility, other comparable companies or the industry generally, and our and the Utility's ability to meet those estimates;

actual or anticipated fluctuations in quarterly financial and operating results;

volatility in the equity securities market;

sales, or anticipated sales, of large blocks of our common stock;

the timing and amount of fines, penalties and remedial costs that the Utility may incur in connection with, and the timing and outcome of, the investigations and enforcement matters described in Note 9 to our unaudited condensed consolidated financial statements for the three and six month periods ended June 30, 2016 and in "Management's Discussion and Analysis of Financial Condition and Results of Operations - Enforcement and Litigation Matters" in our quarterly report on Form 10-Q for the six months ended June 30, 2016, the amount of charges and costs the Utility incurs that it cannot recover through rates, and the impact of such amounts on our dividend level; and

other factors described under "Forward-Looking Statements" in this prospectus supplement.



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We estimate that the net proceeds to us from this offering will be approximately \$309.3 million, after deducting estimated offering expenses payable by us.

We intend to contribute all of the net proceeds from this offering to the Utility to be used by the Utility for general corporate purposes.

**COMMON STOCK PRICE RANGE AND DIVIDENDS**

Our common stock is listed on the New York Stock Exchange under the symbol PCG. The following table sets forth the range of intra-day high and low sale prices, as reported on the New York Stock Exchange and the cash dividends per share paid on the common stock for the periods indicated:

	Price Range of Common Stock		Dividend Paid per Share
	High	Low	
<b>2014</b>			
First Quarter	\$ 44.97	\$ 39.42	\$ 0.455
Second Quarter	48.64	42.30	0.455
Third Quarter	48.24	42.92	0.455
Fourth Quarter	55.24	44.17	0.455
<b>2015</b>			
First Quarter	\$ 60.21	\$ 51.11	\$ 0.455
Second Quarter	54.69	48.765	0.455
Third Quarter	54.46	47.33	0.455
Fourth Quarter	54.99	51.05	0.455
<b>2016</b>			
First Quarter	\$ 59.88	\$ 50.65	\$ 0.455
Second Quarter	63.95	56.39	0.455
Third Quarter (through August 15, 2016)	65.43	62.90	0.490

We are a holding company with no revenue generating operations of our own. The Utility must use its resources to satisfy its own obligations, including its obligation to serve customers, to pay principal and interest on outstanding debt, to pay preferred stock dividends, and meet its obligations to employees and creditors, before it can distribute cash to us. Under the CPUC's rules applicable to utility holding companies, the Utility's dividend policy must be established by the Utility's Board of Directors as though the Utility were a stand-alone utility company and our Board of Directors give first priority to the Utility's capital requirements, as determined to be necessary and prudent to meet the Utility's obligation to serve or to operate the Utility in a prudent and efficient manner. The CPUC has interpreted this first priority obligation to include the requirement that we infuse the Utility with all types of capital necessary for the Utility to fulfill its obligation to serve. In addition, before the Utility can pay common stock dividends to us, the Utility must maintain its CPUC-authorized capital structure with an average 52% equity component.

Effective May 23, 2016, our board of directors and the Utility's board of directors adopted a new target dividend payout ratio range (the proportion of earnings paid out as dividends) of 55% to 65%, with a target to reach a payout ratio of approximately 60% by 2019.

Also effective May 23, 2016, our board of directors adopted a new annual common stock cash dividend of \$1.96 per share (\$0.49 per share quarterly), an increase from the annual cash dividend of \$1.82 per share (\$0.455 per share quarterly), and the Utility's board of directors adopted a new annual common stock cash dividend of \$976 million (\$244 million quarterly), an increase from the annual cash dividend of \$716 million (\$179 million quarterly).

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Our board of directors and the Utility's board of directors, respectively, retain authority to change our or the Utility's respective target dividend payout ratio and annual dividend at any time, especially if unexpected events occur that would change the applicable board's views as to the prudent level of cash conservation. No dividends are payable until declared by the applicable board of directors.

**DESCRIPTION OF COMMON STOCK**

See "Description of Common Stock and Preferred Stock" in the accompanying Prospectus for a summary description of our common stock.

The transfer agent and registrar for our common stock is American Stock Transfer & Trust Company, LLC.

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**CERTAIN U.S. FEDERAL INCOME TAX AND ESTATE**

**TAX CONSEQUENCES TO NON-U.S. HOLDERS**

The following is a summary of certain material U.S. federal income tax and estate tax consequences to non-U.S. holders relating to the ownership and disposition of our common stock, but does not purport to be a complete analysis of all the potential tax considerations relating thereto. This summary is based upon the provisions of the Internal Revenue Code of 1986, as amended, Treasury regulations promulgated thereunder, administrative rulings and judicial decisions, all as in effect on the date hereof. These authorities may be changed, possibly retroactively, so as to result in U.S. federal income or estate tax consequences different from those set forth below. We have not sought any ruling from the Internal Revenue Service, or the IRS, with respect to the statements made and the conclusions reached in the following summary, and there can be no assurance that the IRS will agree with such statements and conclusions.

This summary also does not address the tax considerations arising under the laws of any non-U.S., state or local jurisdiction or under U.S. federal gift and estate tax laws, except to the limited extent set forth below. In addition, this discussion does not address tax considerations applicable to a non-U.S. holder's particular circumstances or to non-U.S. holders that may be subject to special tax rules, including, without limitation:

banks, insurance companies or other financial institutions;

persons subject to the alternative minimum tax or the Medicare contribution tax on net investment income;

tax-exempt organizations;

controlled foreign corporations, passive foreign investment companies and corporations that accumulate earnings to avoid U.S. federal income tax;

partnerships or other entities treated as partnerships for U.S. federal income tax purposes;

dealers in securities or currencies;

traders in securities that elect to use a mark-to-market method of accounting for their securities holdings;

persons that own, or are deemed to own, more than five percent of our common stock, except to the extent specifically set forth below;

real estate investment trusts or regulated investment companies;

certain former citizens or long-term residents of the U.S.;

persons who hold our common stock as part of a straddle, hedge, conversion, constructive sale, or other integrated security transaction; or

persons who do not hold our common stock as a capital asset (within the meaning of Section 1221 of the Internal Revenue Code). If a partnership or entity classified as a partnership for U.S. federal income tax purposes holds our common stock, the tax treatment of a partner or such partnership generally will depend on the status of the partner and upon the activities of the partnership. Accordingly, partnerships that hold our common stock, and partners in such partnerships, should consult their tax advisors.

**You are urged to consult your tax advisor with respect to the application of the U.S. federal income tax laws to your particular situation, as well as any tax consequences of the purchase, ownership and disposition of our common stock arising under the U.S. federal estate or gift tax rules or under the laws of any state, local, non-U.S. or other taxing jurisdiction or under any applicable tax treaty.**

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### **Non-U.S. Holder Defined**

For purposes of this discussion, a non-U.S. holder is a beneficial owner of shares of our common stock (other than a partnership or other entity treated as a partnership for U.S. federal income tax purposes) that is not, for U.S. federal income tax purposes:

an individual citizen or resident of the U.S.;

a corporation (or other entity treated as a corporation for U.S. federal income tax purposes) created or organized in or under the laws of the U.S., any state thereof, or the District of Columbia;

an estate whose income is subject to U.S. federal income tax regardless of its source; or

a trust (x) whose administration is subject to the primary supervision of a U.S. court and which has one or more U.S. persons who have the authority to control all substantial decisions of the trust or (y) which has made an election to be treated as a U.S. person.

### **Distributions**

If we make a distribution of cash or other property (other than certain pro rata distributions of our common stock) in respect of our common stock, the distribution will be treated as a dividend to the extent it is paid from our current or accumulated earnings and profits (as determined under U.S. federal income tax principles). If the amount of a distribution exceeds our current and accumulated earnings and profits, such excess first will be treated as a tax-free return of capital to the extent of the non-U.S. holder's adjusted tax basis in our common stock, and thereafter will be treated as capital gain. Such determination may be required to be made on a share-by-share basis. Distributions treated as dividends on our common stock held by a non-U.S. holder generally will be subject to U.S. federal withholding tax at a rate of 30%, or at a lower rate if provided by an applicable income tax treaty and the non-U.S. holder has provided the documentation required to claim benefits under such treaty. Generally, to claim the benefits of an income tax treaty, a non-U.S. holder will be required to provide a properly executed IRS Form W-8BEN or IRS Form W-8BEN-E.

If, however, a dividend is effectively connected with the conduct of a trade or business in the U.S. by the non-U.S. holder (and, if an applicable tax treaty so provides, is attributable to a permanent establishment or fixed base maintained by the non-U.S. holder in the U.S.), the dividend will not be subject to the 30% U.S. federal withholding tax (provided the non-U.S. holder has provided the appropriate documentation, generally an IRS Form W-8ECI, to the withholding agent), but the non-U.S. holder generally will be subject to U.S. federal income tax in respect of the dividend on a net income basis, and at graduated rates, in substantially the same manner as U.S. persons. Dividends received by a non-U.S. holder that is a corporation for U.S. federal income tax purposes and which are effectively connected with the conduct of a U.S. trade or business may also be subject to a branch profits tax at the rate of 30% (or a lower rate if provided by an applicable tax treaty).

A non-U.S. holder that is eligible for a reduced rate of U.S. federal withholding tax under an income tax treaty may obtain a refund or credit of any excess amounts withheld by timely filing an appropriate claim for a refund together with the required information with the IRS.

### **Gain on Disposition of Common Stock**

Subject to the discussion below of the Foreign Account Tax Compliance Act ( FATCA ) and backup withholding, a non-U.S. holder generally will not be subject to U.S. federal income or withholding tax on any gain realized on the sale or other disposition of our common stock unless:

such non-U.S. holder is an individual who is present in the U.S. for 183 days or more in the taxable year of such sale or disposition, and certain other conditions are met;

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such gain is effectively connected with the conduct by the non-U.S. holder of a trade or business in the U.S. (and, if an applicable tax treaty so provides, is attributable to a permanent establishment or a fixed base maintained by the non-U.S. holder in the U.S.); or

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our common stock constitutes a U.S. real property interest by reason of our status as a United States real property holding corporation for U.S. federal income tax purposes (a USRPHC) at any time within the shorter of the five-year period preceding the disposition or the non-U.S. holder's holding period for our common stock.

A non-U.S. holder that is an individual and who is present in the U.S. for 183 days or more in the taxable year of such sale or disposition, if certain other conditions are met, will be subject to tax at a gross rate of 30% on the amount by which such non-U.S. holder's taxable capital gains allocable to U.S. sources, including gain from the sale or other disposition of our common stock, exceed capital losses allocable to U.S. sources, except as otherwise provided in an applicable income tax treaty.

Gain realized by a non-U.S. holder that is effectively connected with such non-U.S. holder's conduct of a trade or business in the U.S. generally will be subject to U.S. federal income tax on a net income basis, and at graduated rates, in substantially the same manner as a U.S. person (except as provided by an applicable tax treaty). In addition, if such non-U.S. holder is a corporation for U.S. federal income tax purposes, it may also be subject to a branch profits tax at the rate of 30% (or a lower rate if provided by an applicable tax treaty).

Generally, a corporation is a USRPHC if the fair market value of its U.S. real property interests equals or exceeds 50% of the sum of the fair market value of its worldwide real property interests and its other assets used or held for use in a trade or business (all as determined for U.S. federal income tax purposes). There can be no assurances that we are not or will not become a USRPHC. If, however, we were a USRPHC during the applicable testing period, as long as our common stock is regularly traded on an established securities market (such as the New York Stock Exchange), our common stock will be treated as U.S. real property interests only for a non-U.S. holder who actually or constructively holds (at any time within the shorter of the five-year period preceding the disposition or the non-U.S. holder's holding period) more than 5% of such regularly traded stock. Please note, though, that we can provide no assurance that our common stock will remain regularly traded.

### **Federal Estate Tax**

Our common stock beneficially owned by an individual who is not a citizen or resident of the U.S. (as defined for U.S. federal estate tax purposes) at the time of death will generally be includable in the decedent's gross estate for U.S. federal estate tax purposes, unless an applicable estate tax treaty provides otherwise.

### **Legislation Affecting Taxation of Our Common Stock Held By or Through Foreign Entities**

Sections 1471 through 1474 of the Internal Revenue Code, the FATCA provisions, impose U.S. withholding taxes on certain types of payments made to foreign entities. Failure to comply with the additional certification, information reporting and other specified requirements imposed under FATCA could result in U.S. withholding tax being imposed on payments of dividend distributions and sales proceeds of common stock held by or through a foreign entity. Treasury Regulations and current guidance provide that FATCA withholding generally applies to (i) payments of dividend distributions, (ii) gross proceeds from the sale, exchange or retirement of common stock paid after December 31, 2018 and (iii) certain pass-thru payments received with respect to instruments held through foreign financial institutions after the later of December 31, 2018 and the date that final regulations are issued. Prospective investors should consult their own tax advisors regarding FATCA and its effect on them.

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

Generally, we must report annually to the IRS the amount of dividends paid to a non-U.S. holder, the non-U.S. holder's name and address, and the amount of tax withheld, if any. A similar report is sent to the non-U.S. holder. Pursuant to applicable income tax treaties or other agreements, the IRS may make these reports available to tax authorities in the non-U.S. holder country of residence.

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Payments of dividends or of proceeds on the disposition of stock made to a non-U.S. holder may be subject to information reporting and backup withholding unless the non-U.S. holder establishes an exemption, for example by properly certifying the non-U.S. holder's status on an IRS Form W-8BEN, IRS Form W-8BEN-E or another appropriate version of IRS Form W-8. Notwithstanding the foregoing, backup withholding and information reporting may apply if either we or our paying agent has actual knowledge, or reason to know, that the non-U.S. holder is a U.S. person.

Backup withholding is not an additional tax; rather, the U.S. income tax liability of persons subject to backup withholding will be reduced by the amount of tax withheld. If withholding results in an overpayment of taxes, a refund or credit may generally be obtained from the IRS, provided that the required information is furnished to the IRS in a timely manner.

**The preceding discussion of U.S. federal tax considerations is for general information only. It is not tax advice. Each prospective investor should consult its own tax advisor regarding the particular U.S. federal, state and local and non-U.S. tax consequences of purchasing, holding and disposing of our common stock, including the consequences of any proposed change in applicable laws.**

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Merrill Lynch, Pierce, Fenner & Smith Incorporated and Morgan Stanley & Co. LLC are acting as the underwriters in connection with this offering. Subject to the terms and conditions of the underwriting agreement, the underwriters have agreed to purchase from us 4,900,000 shares of common stock at a price of \$63.15 per share.

<b>Underwriter</b>	<b>Number of Shares</b>
Merrill Lynch, Pierce, Fenner & Smith Incorporated	2,450,000
Morgan Stanley & Co. LLC	2,450,000
<b>Total</b>	<b>4,900,000</b>

The underwriters have agreed to purchase all of the shares of common stock sold under the underwriting agreement if they purchase any of these shares. The underwriting agreement provides that the obligations of the underwriters to purchase the shares included in this offering are subject to approval of legal matters by counsel and to other conditions.

In connection with this offering, the underwriters or securities dealers may distribute prospectus supplements and the accompanying prospectus electronically.

The underwriters have agreed to purchase the shares of common stock from us at a price of \$63.15 per share, which will result in net proceeds to us, after deducting estimated expenses relating to this offering, of approximately \$309.3 million.

The underwriters propose to offer the shares of common stock offered hereby from time to time for sale in one or more transactions on the New York Stock Exchange, in the over-the-counter market, through negotiated transactions or otherwise at market prices prevailing at the time of sale, at prices related to prevailing market prices or at negotiated prices, subject to receipt of acceptance by them and subject to their right to reject any order in whole or in part. The underwriters may effect such transactions by selling the shares of common stock to or through dealers and such dealers may receive compensation in the form of discounts, concessions or commissions from the underwriters and/or purchasers of shares of common stock for whom they may act as agents or to whom they may sell as principal.

The difference between the price at which the underwriters purchase shares and the price at which the underwriters resell such shares may be deemed underwriting compensation.

We have agreed that, subject to certain exceptions, without the prior written consent of the underwriters, we will not, during the 60-day period beginning on the date of the underwriting agreement, directly or indirectly, offer, sell, contract to sell, or otherwise dispose of, our common shares or publicly announce any intention to effect any such transaction. This agreement does not apply to issuances pursuant to the underwriting agreement and sales of our common stock pursuant to our equity distribution program after the closing date of this offering, or shares of our common stock and options to purchase shares that we issue, in either case, pursuant to any employer or director stock option benefit plan, stock purchase or ownership plan (whether currently existing or adopted hereafter), dividend reinvestment plan or direct purchase plan, including, without limitation, those plans disclosed in our filings with the Securities and Exchange Commission.

Our shares of common stock are listed on the New York Stock Exchange under the symbol PCG.