

Invesco Mortgage Capital Inc.
Form 424B5
March 21, 2011

Table of Contents

Filed Pursuant to Rule 424(b)(5)
Registration No: 333-169104

The information in this preliminary prospectus supplement is not complete and may be changed. This preliminary prospectus supplement and the accompanying prospectus are not an offer to sell these securities and are not soliciting an offer to buy these securities in any state where the offer or sale thereof is not permitted.

SUBJECT TO COMPLETION, DATED MARCH 21, 2011

**PRELIMINARY PROSPECTUS SUPPLEMENT TO PROSPECTUS DATED SEPTEMBER 10, 2010
19,000,000 Shares
Invesco Mortgage Capital Inc.
Common Stock**

We are offering 19,000,000 shares of our common stock as described in this prospectus supplement and the accompanying prospectus.

Our common stock is traded on the New York Stock Exchange, or NYSE, under the symbol IVR. The closing price of our common stock on the NYSE on March 18, 2011 was \$22.16 per share.

The underwriters have agreed to purchase our common stock from us at a price of \$ per share, which will result in \$ of net proceeds, after deducting estimated offering expenses, to us. The underwriters propose to offer the common stock from time to time in one or more transactions in the over-the-counter market or through negotiated transactions at market prices or at negotiated prices. See Underwriting.

The underwriters may also purchase up to an additional 2,850,000 shares of our common stock from us at the price set forth above within 30 days after the date of this prospectus supplement.

To assist us in maintaining our qualification as a real estate investment trust, or REIT, for federal income tax purposes, no person may own more than 9.8% by value or number of shares, whichever is more restrictive, of our outstanding shares of common stock, unless our board of directors waives this limitation.

Investing in our common stock involves risk. See the risks set forth under the heading Item 1A. Risk Factors beginning on page 14 of our Annual Report on Form 10-K for the year ended December 31, 2010.

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

The shares will be ready for delivery on or about March , 2011.

Credit Suisse

Morgan Stanley

The date of this prospectus supplement is March , 2011.

**TABLE OF CONTENTS
PROSPECTUS SUPPLEMENT**

	Page
<u>About this Prospectus Supplement</u>	S-ii
<u>Special Note Regarding Forward-Looking Statements</u>	S-iii
<u>Prospectus Supplement Summary</u>	S-1
<u>Additional U.S. Federal Income Tax Considerations</u>	S-4
<u>Use of Proceeds</u>	S-5
<u>Underwriting</u>	S-7
<u>Legal Matters</u>	S-10
<u>Experts</u>	S-10

PROSPECTUS

	Page
<u>About this Prospectus</u>	1
<u>Special Note Regarding Forward-Looking Statements</u>	2
<u>Where You Can Find More Information</u>	3
<u>Incorporation of Certain Documents by Reference</u>	3
<u>Invesco Mortgage Capital Inc.</u>	4
<u>Risk Factors</u>	4
<u>Use of Proceeds</u>	4
<u>Ratio of Earnings to Fixed Charges</u>	4
<u>Description of Capital Stock</u>	5
<u>Description of Depositary Shares</u>	7
<u>Description of Warrants</u>	10
<u>Description of Shareholder Rights</u>	11
<u>Description of Debt Securities</u>	11
<u>Description of Units</u>	20
<u>Restrictions on Ownership and Transfer</u>	21
<u>Certain Provisions of the Maryland General Corporation Law and Our Charter and Bylaws</u>	24
<u>U.S. Federal Income Tax Considerations</u>	29
<u>Selling Securityholders</u>	50
<u>Plan of Distribution</u>	50
<u>Legal Matters</u>	54
<u>Experts</u>	54

You should rely only on the information contained in this document or to which we have referred you. We have not authorized anyone to provide you with information that is different. This document may only be used where it is legal to sell these securities. The information in this document may only be accurate on the date of this document.

Table of Contents

ABOUT THIS PROSPECTUS SUPPLEMENT

This prospectus supplement is a supplement to the accompanying prospectus that is also a part of this document. This prospectus supplement and the accompanying prospectus are part of a registration statement on Form S-3 that we filed with the Securities and Exchange Commission, or SEC or Commission, using a shelf registration process. This prospectus supplement contains specific information about us and the terms on which we are offering and selling shares of our common stock. To the extent that any statement made in this prospectus supplement is inconsistent with statements made in the prospectus, the statements made in the prospectus will be deemed modified or superseded by those made in this prospectus supplement. To the extent any information or data in any documents filed by the Company and incorporated by reference herein is inconsistent with prior information or data previously provided by the Company, the information or data in the previously filed document shall be deemed modified or superseded by the subsequent information or data. Before you purchase shares of our common stock, you should carefully read this prospectus supplement, the accompanying prospectus and the registration statement, together with the documents incorporated by reference in this prospectus supplement and the accompanying prospectus.

When used in this prospectus, the terms company, issuer, we, our, and us refer to Invesco Mortgage Capital Inc. and its consolidated subsidiaries, unless otherwise specified. Our Manager refers to Invesco Advisers, Inc., a Delaware corporation, our external manager. Invesco refers to Invesco Ltd., together with its consolidated subsidiaries (other than us), which is the indirect parent company of our Manager.

S-ii

Table of Contents

SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

We make forward-looking statements in this prospectus supplement, the accompanying prospectus and other filings we make with the SEC within the meaning of Section 27A of the Securities Act of 1933, as amended, or the Securities Act, and Section 21E of the Securities Exchange Act of 1934, as amended, or the Exchange Act, and such statements are intended to be covered by the safe harbor provided by the same. Forward-looking statements are subject to substantial risks and uncertainties, many of which are difficult to predict and are generally beyond our control. These forward-looking statements include information about possible or assumed future results of our business, financial condition, liquidity, results of operations, plans and objectives. When we use the words believe, expect, anticipate, estimate, plan, continue, intend, should, may or similar expressions, we intend to identify forward-looking statements. Statements regarding the following subjects, among others, may be forward-looking:

use of proceeds of this offering;

our business and investment strategy;

our investment portfolio;

our projected operating results;

the impact of any deficiencies in foreclosure practices of third parties and related delays in the foreclosure process;

actions and initiatives of the U.S. government and changes to U.S. government policies, including the recently enacted Dodd-Frank Wall Street Reform and Consumer Protection Act and our ability to respond to and comply with such actions, initiatives and changes;

our ability to obtain additional financing arrangements and the terms of such arrangements;

financing and advance rates for our target assets;

our expected leverage;

general volatility of the securities markets in which we invest;

our expected investments;

interest rate mismatches between our target assets and our borrowings used to fund such investments;

changes in interest rates and the market value of our target assets;

changes in prepayment rates on our target assets;

effects of hedging instruments on our target assets;

rates of default or decreased recovery rates on our target assets;

modifications to whole loans or loans underlying securities;

the degree to which our hedging strategies may or may not protect us from interest rate volatility;

changes in governmental regulations, tax law and rates, and similar matters and our ability to respond to such changes;

our ability to maintain our qualification as a REIT for U.S. federal income tax purposes;

our ability to maintain our exemption from registration under the Investment Company Act of 1940, as amended;

availability of investment opportunities in mortgage-related, real estate-related and other securities;

availability of qualified personnel;

estimates relating to our ability to continue to make distributions to our shareholders in the future;

changes to accounting principles generally accepted in the U.S.;

our understanding of our competition; and

market trends in our industry, interest rates, real estate values, the debt securities markets or the general economy.

The forward-looking statements are based on our beliefs, assumptions and expectations of our future performance, taking into account all information currently available to us. You should not place undue reliance on these forward-looking statements. These beliefs, assumptions and expectations can change as a result of many possible events or factors, not all of which are known to us. Some of these factors are described in our Annual Report on Form 10-K for the year ended December 31, 2010 which is incorporated by reference in this prospectus supplement and the accompanying prospectus, under the headings Risk Factors, Management's Discussion and Analysis of Financial Condition and Results of Operations and Business. If a change occurs, our business, financial condition, liquidity and results of operations may vary materially from those expressed in our forward-looking statements. Any forward-looking statement speaks only as of the date on which it is made. New risks and uncertainties arise over time, and it is not possible for us to predict those events or how they may affect us. Except as required by law, we are not obligated to, and do not intend to, update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

S-iii

Table of Contents

PROSPECTUS SUPPLEMENT SUMMARY

This summary highlights selected information about us. It may not contain all the information that may be important to you in deciding whether to invest in our common stock. You should read this entire prospectus supplement and the accompanying prospectus, together with the information incorporated by reference, including the risk factors, financial data and related notes, before making an investment decision.

Our Company

Invesco Mortgage Capital Inc. is a Maryland corporation primarily focused on investing in, financing and managing residential and commercial mortgage-backed securities and mortgage loans. We invest in residential mortgage-backed securities for which a U.S. government agency or a federally chartered corporation guarantees payments of principal and interest on the securities, or Agency RMBS. In addition, we invest in residential mortgage-backed securities that are not issued or guaranteed by a U.S. government agency, or non-Agency RMBS, commercial mortgage-backed securities, or CMBS, and residential and commercial mortgage loans. We generally finance our Agency RMBS, non-Agency RMBS and CMBS through repurchase agreement financing. In addition, we had historically financed our CMBS portfolio with financings under the U.S. government's Term Asset-Backed Securities Loan Facility, which was repaid and replaced by repurchase agreements during 2010. We have also financed our investments in certain non-Agency RMBS, CMBS and residential and commercial mortgage loans by contributing capital to one of the legacy securities public-private investment funds that receive financing under the U.S. government's Public-Private Investment Program established and managed by our Manager or one of its affiliates, or the Invesco PPIP Fund, which, in turn, invests in our target assets. We are externally managed and advised by Invesco Advisers, Inc., a Delaware corporation and an indirect, wholly-owned subsidiary of Invesco Ltd., an independent global investment company listed on the New York Stock Exchange (NYSE: IVZ).

We have elected to be taxed as a REIT for federal income tax purposes beginning with our taxable year ended December 31, 2009 and we intend to continue to be taxed as a REIT. To assist us in maintaining our qualification as a REIT, shareholders are generally restricted from owning more than 9.8% by value or number of shares, whichever is more restrictive, of our outstanding shares of common stock. Different ownership limits apply to Invesco Ltd. and its direct and indirect subsidiaries, including but not limited to Invesco Advisers, Inc. and Invesco Investments (Bermuda) Ltd. In addition, our charter contains various other restrictions on the ownership and transfer of our common stock. See "Restrictions on Ownership and Transfer" in the accompanying prospectus.

Our principal offices are located at 1555 Peachtree Street, NE, Atlanta, Georgia 30309, and our telephone number at that address is (404) 892-0896. Our website is located at <http://www.invescomortgagecapital.com>. The information contained on our website is not part of this prospectus supplement or the accompanying prospectus.

Recent Developments

On March 14, 2011, our board of directors declared a dividend of \$1.00 per share for the first quarter of 2011. The dividend represents our estimate of undistributed taxable earnings. The dividend will be paid on April 27, 2011 to shareholders of record on March 22, 2011 and, therefore, investors in this offering will not be entitled to receive this dividend.

Table of Contents

The Offering

Common stock offered by us ⁽¹⁾ 19,000,000 shares

Common stock outstanding after this offering ⁽¹⁾⁽²⁾ 68,854,196 shares

Use of Proceeds

We will receive net proceeds from the sale of the common stock of approximately \$ million, after deducting estimated offering expenses. If the underwriters over-allotment option is exercised in full, our net proceeds from the offering will be approximately \$ million, after deducting estimated offering expenses. We plan to use all of the net proceeds from this offering to purchase Agency RMBS, non-Agency RMBS, CMBS and certain residential and commercial mortgage loans and to invest in the Invesco PPIP Fund, in each case subject to our investment guidelines and to the extent consistent with maintaining our REIT qualification and other general corporate purposes. Our Manager will make the final determinations as to the percentage of our equity that will be invested in, as well as the appropriate amounts of leverage that we maintain in respect of, each of our target assets and asset classes. Our Manager's determinations will depend upon then prevailing market conditions and may change over time in response to opportunities available in different interest rate, economic and credit environments. Until appropriate assets can be identified, our Manager may decide to use the net proceeds to pay off our short-term debt or invest the net proceeds in interest-bearing short-term investments, including funds which are consistent with our REIT election. These investments are expected to provide a lower net return than we seek to achieve from our target assets. Prior to the time we have fully used the net proceeds of this offering to acquire our target assets, we may fund our quarterly distributions out of such net proceeds.

Table of Contents

Distribution Policy

We intend to continue to make regular quarterly distributions to holders of our common stock in an amount equal to at least 90% of our taxable income. United States federal income tax law generally requires that a REIT distribute annually at least 90% of its REIT taxable income, determined without regard to the deduction for dividends paid and excluding net capital gains, and that it pay tax at regular corporate rates on its undistributed taxable income.

Any distributions we make are at the discretion of our board of directors and depend upon, among other things, our actual results of operations. These results and our ability to continue to pay distributions will be affected by various factors, including the net interest and other income from our portfolio, our operating expenses and any other expenditures.

New York Stock Exchange symbol

IVR

Risk Factors

Investing in our common stock involves a high degree of risk. You should carefully read and consider the information set forth under the headings Item 1A. Risk Factors beginning on page 14 of our Annual Report on Form 10-K for the year ended December 31, 2010 and all other information in this prospectus supplement and the accompanying prospectus before investing in our common stock.

- (1) We have granted the underwriters a 30-day option to purchase up to 2,850,000 additional shares of our common stock. Unless otherwise indicated, all amounts in this prospectus supplement assume no exercise of the underwriters option.
- (2) Excludes 447,388 shares from our Dividend Reinvestment and Share Purchase Plan issued in February 2011 and 1,428 shares issued to our non-executive directors under our director compensation plan in March 2011.

Table of Contents

ADDITIONAL U.S. FEDERAL INCOME TAX CONSIDERATIONS

This summary supplements the discussion contained under the caption U.S. Federal Income Tax Considerations in the accompanying prospectus, and is for general information only and is not tax advice. This discussion does not purport to deal with all aspects of taxation that may be important to a particular shareholder in light of their investment or tax circumstances.

THE U.S. FEDERAL INCOME TAX TREATMENT OF HOLDERS OF OUR COMMON STOCK DEPENDS IN SOME INSTANCES ON DETERMINATIONS OF FACT AND INTERPRETATIONS OF COMPLEX PROVISIONS OF U.S. FEDERAL INCOME TAX LAW FOR WHICH NO CLEAR PRECEDENT OR AUTHORITY MAY BE AVAILABLE. IN ADDITION, THE TAX CONSEQUENCES OF HOLDING OUR COMMON STOCK TO ANY PARTICULAR SHAREHOLDER WILL DEPEND ON THE SHAREHOLDER'S PARTICULAR TAX CIRCUMSTANCES. YOU ARE URGED TO CONSULT YOUR TAX ADVISOR REGARDING THE U.S. FEDERAL, STATE, LOCAL, AND NON-U.S. INCOME AND OTHER TAX CONSEQUENCES TO YOU, IN LIGHT OF YOUR PARTICULAR INVESTMENT OR TAX CIRCUMSTANCES, OF ACQUIRING, HOLDING, AND DISPOSING OF OUR COMMON STOCK.

Legislative or Other Actions Affecting REITs and Shareholders

The rules dealing with Federal income taxation are constantly under review by persons involved in the legislative process, and by the Internal Revenue Service and the U.S. Treasury Department. The recently enacted Tax Relief, Unemployment Insurance Reauthorization and Job Creation Act of 2010 extends the 2001 and 2003 tax rates for taxpayers that are taxable as individuals, trusts and estates through 2012, including the maximum 35% tax rate on ordinary income and the maximum 15% tax rate for long-term capital gains and qualified dividend income. As noted in the prospectus, dividends paid by REITs will generally not constitute qualified dividend income eligible for the 15% tax rate for shareholders that are taxable as individuals, trusts and estates and will generally be taxable at the higher ordinary income tax rates.

S-4

Table of Contents

USE OF PROCEEDS

We will receive net proceeds from the sale of the common stock of approximately \$ million, after deducting estimated offering expenses. If the underwriters' over-allotment option is exercised in full, our net proceeds from the offering will be approximately \$ million, after deducting estimated offering expenses.

We plan to use all of the net proceeds from this offering to purchase Agency RMBS, non-Agency RMBS, CMBS and certain residential and commercial mortgage loans and to invest in the Invesco PPIP Fund, in each case subject to our investment guidelines and to the extent consistent with maintaining our REIT qualification and other general corporate purposes. Our Manager will make the final determinations as to the percentage of our equity that will be invested in, as well as the appropriate amounts of leverage that we maintain in respect of, each of our target assets and asset classes. Our Manager's determinations will depend upon then prevailing market conditions and may change over time in response to opportunities available in different interest rate, economic and credit environments. Until appropriate assets can be identified, our Manager may decide to use the net proceeds to pay off our short-term debt or invest the net proceeds in interest-bearing short-term investments, including funds which are consistent with our REIT election. These investments are expected to provide a lower net return than we seek to achieve from our target assets. Prior to the time we have fully used the net proceeds of this offering to acquire our target assets, we may fund our quarterly distributions out of such net proceeds.

S-5

Table of Contents

UNDERWRITING

Subject to the terms and conditions of the underwriting agreement, the underwriters named below, through their representatives Credit Suisse Securities (USA) LLC and Morgan Stanley & Co. Incorporated, have severally agreed to purchase from us the following respective number of shares of common stock at the price set forth on the cover page of this prospectus supplement:

Underwriter	Number of Shares
Credit Suisse Securities (USA) LLC	
Morgan Stanley & Co. Incorporated	

Total	19,000,000
--------------	-------------------

The underwriting agreement provides that the obligations of the several underwriters to purchase the shares of common stock offered hereby are subject to certain conditions precedent and that the underwriters will purchase all of the shares of common stock offered by this prospectus supplement, other than those covered by the over-allotment option described below, if any of these shares are purchased.

We have granted to the underwriters an option, exercisable not later than 30 days after the date of this prospectus supplement, to purchase up to 2,850,000 additional shares of common stock at the price set forth on the cover page of this prospectus supplement. To the extent that the underwriters exercise this option, each of the underwriters will become obligated, subject to conditions, to purchase approximately the same percentage of these additional shares of common stock as the number of shares of common stock to be purchased by it in the above table bears to the total number of shares of common stock offered by this prospectus supplement. We will be obligated to sell these additional shares of common stock to the underwriters to the extent the option is exercised. If any additional shares of common stock are purchased, the underwriters will offer the additional shares on the same terms as those on which the shares are being offered.

The underwriters propose to offer the shares of common stock from time to time for sale in one or more transactions in the over-the-counter market, through negotiated transactions or otherwise at market prices prevailing at the time of sale, prices related to prevailing market prices or negotiated prices, subject to receipt and acceptance by them and subject to their right to reject any order in whole or in part. In connection with the sale of the shares of common stock offered hereby, the underwriters may be deemed to have received compensation in the form of underwriting discounts. The underwriters may effect such transactions by selling 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 agent or to whom they may sell as principal.

We estimate that our share of the total expenses of this offering will be approximately \$150,000.

Table of Contents

We and our operating partnership have agreed to indemnify the underwriters against some specified types of liabilities, including liabilities under the Securities Act, and to contribute to payments the underwriters may be required to make in respect of any of these liabilities.

We, each of our directors and executive officers, our Manager and certain officers of our Manager and Invesco Investments (Bermuda) Ltd. have agreed not to offer, sell, contract to sell or otherwise dispose of or hedge, or enter into any transaction that is designed to, or could be expected to, result in the disposition of any shares of our common stock or other securities convertible into or exchangeable or exercisable for shares of our common stock or derivatives of our common stock owned by us or any of these persons prior to this offering for a period of 60 days after the date of this prospectus supplement without the prior written consent of Credit Suisse Securities (USA) LLC and Morgan Stanley & Co. Incorporated. However, each of our directors and executive officers and certain officers of our Manager may transfer or dispose of our shares during this 60-day lock-up period in the case of gifts or for estate planning purposes where the donee agrees to a similar lock-up agreement for the remainder of the 60-day lock-up period. In addition, we may issue shares pursuant to our Dividend Reinvestment and Share Purchase Plan during this 60-day lock-up period.

In the event that either (1) during the last 17 days of the 60-day lock-up period described in the preceding paragraph, we release earnings results or material news or a material event relating to us occurs, or (2) prior to the expiration of the 60-day lock-up period, we announce that we will release earnings results during the 16-day period beginning on the last day of the 60-day lock-up period, then, in either case, the expiration of the 60-day lock-up period will be extended to the expiration of the 18-day period beginning on the date of the release of the earnings results or the occurrence of the material news or event, as applicable, unless Credit Suisse Securities (USA) LLC and Morgan Stanley & Co. Incorporated waive, in writing, such an extension.

There are no agreements between Credit Suisse Securities (USA) LLC or Morgan Stanley & Co. Incorporated and any of our shareholders or affiliates releasing them from these lock-up agreements prior to the expiration of the 60-day lock-up period.

In connection with the offering, the underwriters may purchase and sell shares of our common stock in the open market. These transactions may include short sales, purchases to cover positions created by short sales and stabilizing transactions.

Short sales involve the sale by the underwriters of a greater number of shares than they are required to purchase in the offering. Covered short sales are sales made in an amount not greater than the underwriters' option to purchase additional shares of common stock from us in the offering. The underwriters may close out any covered short position by either exercising their option to purchase additional shares or purchasing shares in the open market. In determining the source of shares to close out the covered short position, the underwriters will consider, among other things, the price of shares available for purchase in the open market as compared to the price at which they may purchase shares through the over-allotment option.

Naked short sales are any sales in excess of the over-allotment option. The underwriters must close out any naked short position by purchasing shares in the open market. A naked short position is more likely to be created if underwriters are concerned that there may be downward pressure on the price of the shares in the open market prior to the completion of the offering.

Stabilizing transactions consist of various bids for or purchases of our common stock made by the underwriters in the open market prior to the completion of the offering.

The underwriters may impose a penalty bid. This occurs when a particular underwriter repays to the other underwriters a portion of the underwriting discount received by it because the representatives of the underwriters have repurchased shares sold by or for the account of that underwriter in stabilizing or short covering transactions.

Purchases to cover a short position and stabilizing transactions may have the effect of preventing or slowing a decline in the market price of our common stock. Additionally, these purchases, along with the imposition of the penalty bid, may stabilize, maintain or otherwise affect the market price of our common stock. As a result, the price of our common stock may be higher than the price that might otherwise exist in the open market. These transactions may be effected on the NYSE or otherwise.

Table of Contents

A prospectus in electronic format may be made available on web sites maintained by one or more underwriters. Other than the prospectus in electronic format, the information on any underwriter's web site and any information contained in any other web site maintained by an underwriter is not part of this prospectus supplement or the accompanying prospectus.

In the ordinary course of their businesses, the underwriters and their respective affiliates may engage in financial transactions with, and perform investment banking, lending, asset management and/or financial advisory services for us and/or our affiliates (including, but not limited to Invesco and our Manager). They receive customary fees and reimbursements of expenses for these transactions and services.

In addition, in the ordinary course of their various business activities, the underwriters and their respective affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers and such investment and securities activities may involve our securities and/or instruments.

We have entered into master repurchase agreements and/or interest rate swap agreements with Credit Suisse Securities (USA) LLC and/or its affiliates and Morgan Stanley & Co. Incorporated and/or its affiliates, in each case for the financing of our acquisitions of Agency, non-Agency RMBS and CMBS and hedging of interest rate volatility.

Selling Restrictions – European Economic Area

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a Relevant Member State), each underwriter has represented and agreed that it has not made and will not make an offer to the public of shares which are the subject of the offering (the Shares) in that Relevant Member State prior to the publication of a prospectus in relation to the Shares which has been approved by the competent authority in that Relevant Member State or, where appropriate, approved by the competent authority in another Relevant Member State and published and passported in accordance with the Prospectus Directive as implemented in that Relevant Member State, except that it may, make an offer to the public in that Relevant Member State of any Shares at any time following exemptions under the Prospectus Directive if they have been implemented in that Relevant Member State:

1. to legal entities which are authorized or regulated to operate in the financial markets or, if not so authorized or regulated, whose corporate purpose is solely to invest in securities;
2. to any legal entity which has two or more of (1) an average of at least 250 employees during the last financial year; (2) a total balance sheet of more than 43,000,000 and (3) an annual net turnover of more than 50,000,000, as shown in its last annual or consolidated accounts;
3. to fewer than 100 natural or legal persons (other than qualified investors as defined in the Prospectus Directive) subject to obtaining the prior consent of Credit Suisse Securities (USA) LLC for any such offer; or
4. in any other circumstances falling within Article 3(2) of the Prospectus Directive, provided that no such offer of shares shall result in a requirement for the publication by us or any underwriter of a prospectus pursuant to Article 3 of the Prospectus Directive.

For the purposes of this provision, the expression an offer of shares to the public in relation to any shares in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the shares to be offered so as to enable an investor to decide to purchase or subscribe the shares, as the same may be varied in that Relevant Member State by any measure implementing the Prospectus Directive in that Relevant Member State and the expression Prospectus Directive means Directive 2003/71/EC and includes any relevant implementing measure in each Relevant Member State.

In the case of any shares being offered to a financial intermediary as that term is used in Article 3(2) of the Prospectus Directive, such financial intermediary will also be deemed to have represented, acknowledged and agreed that the shares acquired by it in the offering have not been acquired on a non-discretionary basis on behalf of, nor have they been acquired with a view to their offer or resale to persons in circumstances which may give rise to an offer of any shares to the public other than their offer of resale in a Relevant Member State to qualified investors as so defined or in circumstances in which the prior consent of the underwriters has been obtained to each such proposed offer or

resale. We, and the underwriters and their affiliates, and others will rely upon the truth and accuracy of the foregoing representation, acknowledgement and agreement. Notwithstanding the above, a person who is not a qualified investor and who has notified the underwriters of such fact in writing may, with the consent of the underwriters, be permitted to purchase shares in the offering.

S-8

Table of Contents

LEGAL MATTERS

Certain legal matters relating to this offering will be passed upon for us by Alston & Bird LLP, Atlanta, Georgia. Certain legal matters relating to this offering will be passed upon for the underwriters by Skadden, Arps, Slate, Meagher & Flom LLP, New York, New York. As to certain matters of Maryland law, Alston & Bird LLP may rely on the opinion of Venable LLP, Baltimore, Maryland.

EXPERTS

The audited financial statements and management's assessment of the effectiveness of internal control over financial reporting incorporated by reference in this prospectus and elsewhere in the registration statement have been so incorporated by reference in reliance upon the reports of Grant Thornton LLP, independent registered public accountants, upon the authority of said firm as experts in accounting and auditing, in giving said reports.

S-9

Table of Contents

PROSPECTUS

Invesco Mortgage Capital Inc.

\$1,000,000,000

**Common Stock, Preferred Stock, Depositary Shares, Warrants,
Shareholder Rights, Debt Securities and Units**

By this prospectus, we may offer, from time to time:

shares of our common stock,

shares of our preferred stock,

depositary shares representing shares of our preferred stock,

warrants to purchase shares of our common stock, preferred stock or depositary shares,

rights issuable to our shareholders to purchase shares of our common stock or preferred stock, to purchase warrants exercisable for shares of our common stock or preferred stock, or to purchase units consisting of two or more of the foregoing,

debt securities, which may consist of debentures, notes, or other types of debt, and

units consisting of two or more of the foregoing.

We will provide specific terms of each issuance of these securities in supplements to this prospectus. We may offer and sell these securities to or through one or more underwriters, dealers and agents, or directly to purchasers, on a continuous or delayed basis. In addition, selling securityholders may sell these securities, from time to time, on terms described in the applicable prospectus supplement. You should read this prospectus and any supplement carefully before you decide to invest. This prospectus may not be used to consummate sales of these securities unless it is accompanied by a prospectus supplement.

The New York Stock Exchange, or NYSE, lists our common stock under the symbol **IVR**.

To assist us in qualifying as a real estate investment trust, or REIT, for federal income tax purposes, no person may own more than 9.8% by value or number of shares, whichever is more restrictive, of our outstanding shares of common stock, unless our board of directors waives this limitation.

Our principal office is located at Two Peachtree Pointe, 1555 Peachtree Street N.E., Atlanta, Georgia 30309. Our telephone number is (404) 892-0896.

Investing in our securities involves risk. You should carefully consider the information referred to under the heading **Risk Factors beginning on page 4 before you invest.**

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or passed upon the adequacy or accuracy of this prospectus. Any representation to the contrary is a criminal offense.

The date of this prospectus is September 10, 2010.

Table of Contents

TABLE OF CONTENTS

T THIS PROSPECTUS

AL NOTE REGARDING FORWARD-LOOKING STATEMENTS

E YOU CAN FIND MORE INFORMATION

OPORATION OF CERTAIN DOCUMENTS BY REFERENCE

CO MORTGAGE CAPITAL INC.

FACTORS

F PROCEEDS

OF EARNINGS TO FIXED CHARGES

RIPTION OF CAPITAL STOCK

RIPTION OF DEPOSITARY SHARES

RIPTION OF WARRANTS

RIPTION OF SHAREHOLDER RIGHTS

RIPTION OF DEBT SECURITIES

RIPTION OF UNITS

CTIONS ON OWNERSHIP AND TRANSFER

AIN PROVISIONS OF THE MARYLAND GENERAL CORPORATION LAW AND OUR CHARTER AND BYLAWS

FEDERAL INCOME TAX CONSIDERATIONS

NG SECURITYHOLDERS

OF DISTRIBUTION

L MATTERS

RTS

Table of Contents

ABOUT THIS PROSPECTUS

This prospectus is part of a registration statement that we filed with the Securities and Exchange Commission, or SEC or Commission, using a shelf registration process. Under this shelf registration process, we may sell the securities described in this prospectus in one or more offerings. This prospectus provides you with a general description of the securities we may offer. Each time we offer to sell securities, we will provide a supplement to this prospectus that will contain specific information about the terms of that offering. The prospectus supplement may also add, update or change information contained in this prospectus. It is important for you to consider the information contained in this prospectus and any prospectus supplement together with additional information described under the heading **Where You Can Find More Information**.

You should rely only on the information incorporated by reference or set forth in this prospectus or the applicable prospectus supplement. We have not authorized anyone else to provide you with additional or different information. You should not assume that the information in this prospectus, the applicable prospectus supplement or any other offering material is accurate as of any date other than the dates on the front of those documents.

When used in this prospectus, the terms **company**, **issuer**, **we**, **our**, and **us** refer to Invesco Mortgage Capital and its consolidated subsidiaries, unless otherwise specified. **Invesco** refers to Invesco Ltd., together with its consolidated subsidiaries (other than us), which is the indirect parent company of Invesco Advisers, Inc. (formerly Invesco Institutional (N.A.), Inc.), our external manager.

Table of Contents

SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

We make forward-looking statements in this prospectus and other filings we make with the SEC within the meaning of Section 27A of the Securities Act of 1933, as amended, or the Securities Act, and Section 21E of the Securities Exchange Act of 1934, as amended, or the Exchange Act, and such statements are intended to be covered by the safe harbor provided by the same. Forward-looking statements are subject to substantial risks and uncertainties, many of which are difficult to predict and are generally beyond our control. These forward-looking statements include information about possible or assumed future results of our business, financial condition, liquidity, results of operations, plans and objectives. When we use the words believe, expect, anticipate, estimate, plan, continue, should, may or similar expressions, we intend to identify forward-looking statements. Statements regarding the following subjects, among others, may be forward-looking:

use of proceeds of this offering;

our business and investment strategy;

our investment portfolio;

our projected operating results;

actions and initiatives of the U.S. government and changes to U.S. government policies;

our ability to obtain additional financing arrangements;

financing and advance rates for our target assets;

our expected leverage;

general volatility of the securities markets in which we invest;

our expected investments;

interest rate mismatches between our target assets and our borrowings used to fund such investments;

changes in interest rates and the market value of our target assets;

changes in prepayment rates on our target assets;

effects of hedging instruments on our target assets;

rates of default or decreased recovery rates on our target assets;

modifications to whole loans or loans underlying securities;

the degree to which our hedging strategies may or may not protect us from interest rate volatility;

changes in governmental regulations, tax law and rates, and similar matters;

our ability to qualify as a REIT for U.S. federal income tax purposes;

our ability to maintain our exclusion from the definition of investment company under the Investment Company Act of 1940, as amended;

availability of investment opportunities in mortgage-related, real estate-related and other securities;

availability of qualified personnel;

estimates relating to our ability to continue to make distributions to our shareholders in the future;

our understanding of our competition; and

market trends in our industry, interest rates, real estate values, the debt securities markets or the general economy.

The forward-looking statements are based on our beliefs, assumptions and expectations of our future performance, taking into account all information currently available to us. You should not place undue reliance on these forward-looking statements. These beliefs, assumptions and expectations can change as a result of many possible events or factors, not all of which are known to us. Some of these factors are described in this prospectus in the information referred to under the heading Risk Factors. If a change occurs, our business, financial condition, liquidity and results of operations may vary materially from those expressed in our forward-looking statements. Any forward-looking statement speaks only as of the date on which it is made. New risks and uncertainties arise over time, and it is not possible for us to predict those events or how they may affect us. Except as required by law, we are not obligated to, and do not intend to, update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

Table of Contents

WHERE YOU CAN FIND MORE INFORMATION

We file annual, quarterly and current reports, proxy statements and other information with the SEC. The public may read and copy any materials we file with the SEC at the SEC's Public Reference Room at 100 F Street, N.E., Washington, D.C. 20549. The public may obtain information on the operation of the Public Reference Room by calling the SEC at 1-800-SEC-0330. The SEC maintains an Internet site that contains reports, proxy and information statements, and other information regarding issuers that file electronically with the SEC. The address of that site is <http://www.sec.gov>. Our common stock is listed on the NYSE under the symbol IVR, and all such reports, proxy statements and other information filed by us with the NYSE may be inspected at the NYSE's offices at 20 Broad Street, New York, New York 10005. Finally, we maintain an Internet site where you can find additional information. The address of our Internet site is <http://www.invescomortgagecapital.com>. All internet addresses provided in this prospectus or in any accompanying prospectus supplement are for informational purposes only and are not intended to be hyperlinks. In addition, the information on our Internet site, or any other Internet site described herein, is not a part of, and is not incorporated or deemed to be incorporated by reference in, this prospectus or any accompanying prospectus supplement or other offering materials.

We have filed a registration statement, of which this prospectus is a part, covering the securities offered hereby. As allowed by SEC rules, this prospectus does not contain all of the information set forth in the registration statement and the exhibits thereto. We refer you to the registration statement and the exhibits thereto for further information. This prospectus is qualified in its entirety by such other information.

INCORPORATION OF CERTAIN DOCUMENTS BY REFERENCE

The SEC's rules allow us to incorporate by reference information into this prospectus, which means that we can disclose important information to you by referring you to another document filed separately with the SEC. The information incorporated by reference is deemed to be part of this prospectus from the date of filing those documents. Any reports filed by us with the SEC on or after the date of this prospectus will automatically update and, where applicable, supersede any information contained in this prospectus or incorporated by reference in this prospectus. We have filed the documents listed below with the SEC under the Exchange Act, and these documents are incorporated herein by reference (other than information in such documents that is furnished and not deemed to be filed):

Our Annual Report on Form 10-K for the year ended December 31, 2009, filed on March 24, 2010, and Amendment No. 1 thereto on Form 10-K/A, filed on April 29, 2010;

Our Quarterly Reports on Form 10-Q for the quarter ended March 31, 2010, filed on May 14, 2010, and for the quarter ended June 30, 2010, filed on August 13, 2010;

Our Current Report on Form 8-K filed on May 12, 2010; and

The description of our common stock included in our Registration Statement on Form 8-A dated June 18, 2009. All documents we file pursuant to Sections 13(a), 13(c), 14 or 15(d) of the Exchange Act on or after the date of this prospectus and prior to the termination of the offering of the securities to which this prospectus relates (other than information in such documents that is furnished and not deemed to be filed) shall be deemed to be incorporated by reference into this prospectus and to be part hereof from the date of filing of those documents. All documents we file pursuant to Sections 13(a), 13(c), 14 or 15(d) of the Exchange Act after the date of the initial registration statement that contains this prospectus and prior to the effectiveness of the registration statement shall be deemed to be incorporated by reference into this prospectus and to be part hereof from the date of filing those documents.

We will provide to each person, including any beneficial owner, to whom a copy of this prospectus is delivered, a copy of any or all of the information that has been incorporated by reference in this prospectus but not delivered with this prospectus (other than the exhibits to such documents which are not specifically incorporated by reference therein); we will provide this information at no cost to the requester upon written or oral request to Office of the Secretary, Invesco Mortgage Capital Inc., Two Peachtree Pointe, 1555 Peachtree Street N.E., Atlanta, Georgia 30309; Tel.: (404) 892-0896; E-mail: company.secretary@invescomortgagecapital.com.

Table of Contents**INVESCO MORTGAGE CAPITAL INC.**

Invesco Mortgage Capital Inc. is a Maryland corporation focused on investing in, financing and managing residential and commercial mortgage-backed securities and mortgage loans. We invest in residential mortgage-backed securities for which a U.S. government agency or a federally chartered corporation guarantees payments of principal and interest on the securities. In addition, we invest in residential mortgage-backed securities that are not issued or guaranteed by a U.S. government agency, commercial mortgage-backed securities and mortgage loans. We generally finance our agency and non-agency residential mortgage-backed securities through repurchase agreement financing. We have financed our investments in commercial mortgage-backed securities with financings under the U.S. government's Term Asset-Backed Securities Loan Facility. We have also financed, and may do so again in the future, our investments in commercial mortgage-backed securities with private financing sources. We have also financed our investments in certain non-agency residential mortgage-backed securities, commercial mortgage-backed securities and residential and commercial mortgage loans by contributing capital to one or more of the legacy securities public-private investment funds that receive financing under the U.S. government's Public-Private Investment Program. We are externally managed and advised by Invesco Advisers, Inc., a Delaware corporation and an indirect, wholly-owned subsidiary of Invesco Ltd., an independent global investment company listed on the New York Stock Exchange (NYSE: IVZ).

We intend to elect and qualify to be taxed as a real estate investment trust for U.S. federal income tax purposes, commencing with our taxable year ended December 31, 2009. To assist us in qualifying as a real estate investment trust, among other purposes, shareholders are generally restricted from owning more than 9.8% by value or number of shares, whichever is more restrictive, of our outstanding shares of common stock. Different ownership limits apply to Invesco Ltd. and its direct and indirect subsidiaries, including but not limited to Invesco Advisers, Inc. and Invesco Investments (Bermuda) Ltd. In addition, our charter contains various other restrictions on the ownership and transfer of our common stock. See [Restrictions on Ownership and Transfer](#).

RISK FACTORS

Investing in our securities involves risks. You should carefully consider the risks described under [Risk Factors](#) in our most recent Annual Report on Form 10-K and any subsequent Quarterly Reports on Form 10-Q (which descriptions are incorporated by reference herein), as well as the other information contained or incorporated by reference in this prospectus or in any prospectus supplement hereto before making a decision to invest in our securities. See [Where You Can Find More Information](#), [above](#).

USE OF PROCEEDS

Unless otherwise indicated in an accompanying prospectus supplement, we intend to use the net proceeds from the sale of the securities offered by this prospectus and the related accompanying prospectus supplement for the purchase of mortgage-backed securities and for general corporate purposes. Unless otherwise indicated in an accompanying prospectus supplement, we will not receive any proceeds from the sale of securities by selling securityholders.

RATIO OF EARNINGS TO FIXED CHARGES

Our ratio of earnings to fixed charges for each of the periods indicated is as follows:

	Six Months Ended June 30, 2010	2009	Year Ended December 31,		
			2008	2007	2006
Ratio of earnings to fixed charges	4.3x	4.3x	N/A	N/A	N/A

Table of Contents

DESCRIPTION OF CAPITAL STOCK

*The following is a summary of the rights and preferences of our capital stock. While we believe that the following description covers the material terms of our capital stock, the description may not contain all of the information that is important to you. We encourage you to read carefully this entire prospectus, our charter and bylaws and the other documents we refer to for a more complete understanding of our capital stock. Copies of our charter and bylaws are listed as exhibits to the registration statement of which this prospectus is a part. See *Where You Can Find More Information*.*

General

Our charter provides that we may issue up to 450,000,000 shares of common stock, \$0.01 par value per share, and 50,000,000 shares of preferred stock, \$0.01 par value per share. Our charter authorizes our board of directors to amend our charter to increase or decrease the aggregate number of authorized shares of stock or the number of shares of stock of any class or series without shareholder approval. Under Maryland law, shareholders are not generally liable for our debts or obligations.

Shares of Common Stock

All shares of common stock offered by this prospectus will be duly authorized, validly issued, fully paid and nonassessable. Subject to the preferential rights of any other class or series of shares of stock and to the provisions of our charter regarding the restrictions on ownership and transfer of shares of stock, holders of shares of common stock are entitled to receive dividends on such shares of common stock out of assets legally available therefor if, as and when authorized by our board of directors and declared by us, and the holders of our shares of common stock are entitled to share ratably in our assets legally available for distribution to our shareholders in the event of our liquidation, dissolution or winding up after payment of or adequate provision for all our known debts and liabilities.

The shares of common stock that we are offering will be issued by us and do not represent any interest in or obligation of Invesco or any of its affiliates. Further, the shares are not a deposit or other obligation of any bank, are not an insurance policy of any insurance company and are not insured or guaranteed by the Federal Deposit Insurance Corporation, or FDIC, any other governmental agency or any insurance company. The shares of common stock will not benefit from any insurance guarantee association coverage or any similar protection.

Subject to the provisions of our charter regarding the restrictions on ownership and transfer of shares of stock and except as may otherwise be specified in the terms of any class or series of shares of common stock, each outstanding share of common stock entitles the holder to one vote on all matters submitted to a vote of shareholders, including the election of directors, and, except as provided with respect to any other class or series of shares of stock, the holders of such shares of common stock will possess the exclusive voting power. There is no cumulative voting in the election of our board of directors, which means that the holders of a majority of the outstanding shares of common stock can elect all of the directors then standing for election, and the holders of the remaining shares will not be able to elect any directors.

Holders of shares of common stock have no preference, conversion, exchange, sinking fund or redemption rights, have no preemptive rights to subscribe for any securities of our company and generally have no appraisal rights unless our board of directors determines that appraisal rights apply, with respect to all or any classes or series of stock, to one or more transactions occurring after the date of such determination in connection with which holders of such shares would otherwise be entitled to exercise appraisal rights. Subject to the provisions of our charter regarding the restrictions on ownership and transfer of shares of stock, shares of common stock will have equal dividend, liquidation and other rights.

Under the Maryland General Corporation Law, or MGCL, a Maryland corporation generally cannot dissolve, amend its charter, merge with another entity, sell or transfer all or substantially all of its assets or engage in similar transactions outside the ordinary course of business unless approved by the affirmative vote of shareholders entitled to cast at least two-thirds of the votes entitled to be cast on the matter unless a lesser percentage (but not less than a majority of all of the votes entitled to be cast on the matter) is set forth in the corporation's charter. Our charter provides that these matters (other than certain amendments to the provisions of our charter related to the removal of directors and the restrictions on ownership and transfer of our shares of stock) may be approved by a majority of all of the votes entitled to be cast on the matter.

Table of Contents

Power to Reclassify Our Unissued Shares of Stock

Our charter authorizes our board of directors to classify and reclassify any unissued shares of common or preferred stock into other classes or series of shares of stock. Prior to issuance of shares of each class or series, our board of directors is required by Maryland law and by our charter to set, subject to our charter restrictions on ownership and transfer of shares of stock, the terms, preferences, conversion or other rights, voting powers, restrictions, limitations as to dividends or other distributions, qualifications and terms or conditions of redemption for each class or series. Therefore, our board of directors could authorize the issuance of shares of common or preferred stock with terms and conditions that could have the effect of delaying, deferring or preventing a change in control or other transaction that might involve a premium price for our shares of common stock or otherwise be in the best interest of our shareholders. No shares of preferred stock are presently outstanding, and we have no present plans to issue any shares of preferred stock.

Power to Increase or Decrease Authorized Shares of Stock and Issue Additional Shares of Common and Preferred Stock

We believe that the power of our board of directors to amend our charter to increase or decrease the number of authorized shares of stock or the number of shares of stock of any class or series that we have authority to issue, to issue additional authorized but unissued shares of common or preferred stock and to classify or reclassify unissued shares of common or preferred stock and thereafter to issue such classified or reclassified shares of stock will provide us with increased flexibility in structuring possible future financings and acquisitions and in meeting other needs that might arise. The additional classes or series, as well as the shares of common stock, will be available for issuance without further action by our shareholders, unless such action is required by applicable law or the rules of any stock exchange or automated quotation system on which our securities may be listed or traded. Although our board of directors does not intend to do so, it could authorize us to issue a class or series that could, depending upon the terms of the particular class or series, delay, defer or prevent a change in control or other transaction that might involve a premium price for our shares of common stock or otherwise be in the best interest of our shareholders.

Transfer Agent and Registrar

The transfer agent and registrar for our shares of common stock is Mellon Investor Services LLC.

Shares of Preferred Stock

The following description sets forth general terms and provisions of the preferred stock to which any prospectus supplement may relate. The statements below describing the preferred stock are in all respects subject to and qualified in their entirety by reference to our charter, as amended and restated, bylaws, as amended and restated, and any articles supplementary to our charter, designating terms of a series of preferred stock. The preferred stock, when issued, will be validly issued, fully paid, and non-assessable. Because our board of directors has the power to establish the preferences, powers and rights of each series of preferred stock, our board of directors may afford the holders of any series of preferred stock preferences, powers and rights, voting or otherwise, senior to the rights of common shareholders.

The rights, preferences, privileges and restrictions of each series of preferred stock will be fixed by the articles supplementary to our charter relating to the series. A prospectus supplement, relating to each series, will specify the terms of the preferred stock, as follows:

the title and stated value of the preferred stock;

the voting rights of the preferred stock, if applicable;

the preemptive rights of the preferred stock, if applicable;

the restrictions on alienability of the preferred stock, if applicable;

the number of shares offered, the liquidation preference per share and the offering price of the shares;

liability to further calls or assessment of the preferred stock, if applicable;

Table of Contents

- the dividend rate(s), period(s) and payment date(s) or method(s) of calculation applicable to the preferred stock;
- the date from which dividends on the preferred stock will accumulate, if applicable;
- the procedures for any auction and remarketing for the preferred stock;
- the provision for a sinking fund, if any, for the preferred stock;
- the provision for and any restriction on redemption, if applicable, of the preferred stock;
- the provision for and any restriction on repurchase, if applicable, of the preferred stock;
- any listing of the preferred stock on any securities exchange;
- the terms and provisions, if any, upon which the preferred stock will be convertible into common stock, including the conversion price (or manner of calculation) and conversion period;
- the terms under which the rights of the preferred stock may be modified, if applicable;
- any other specific terms, preferences, rights, limitations or restrictions of the preferred stock; **(b)** **(c)**

Equity compensation plans approved by security holders	10,996,893	\$ 23.78	590,435(1)
Equity compensation plans not approved by security holders	0	0	0
Total	10,996,893	\$ 23.78	590,435

(1) Of the 590,435 securities listed in column (c), 52,801 were reserved at September 30, 2005 for issuance pursuant to the Company's Retainer Policy for Non-Employee Directors.

EXECUTIVE COMPENSATION

Report of the Compensation Committee

General

The Compensation Committee of the Board of Directors (the Committee) sets the base salaries and bonuses of the Company's executive officers. It also exercises authority delegated to it by the shareholders or the Board with respect to compensation plans. Plans under which shareholders have delegated authority to the Committee include the National Fuel Gas Company 1997 Award and Option Plan, as amended (the 1997 Award and Option Plan), and the Administrative Rules with respect to At Risk Awards under the 1997 Award and Option Plan (the At Risk Program). In addition, the Committee makes recommendations to the Board with respect to the development of incentive compensation plans and equity-based plans and administers the National Fuel Gas Company Performance Incentive Program (the Performance Program). The Committee is comprised of the three directors named below, all of whom have been determined by the Board to be independent. No member of the Committee is permitted to receive any award under any plan administered by the Committee.

The Committee's objective is to set executive compensation at levels which (i) are fair and reasonable to the stockholders, (ii) link executive compensation to long-term and short-term interests of the stockholders, and (iii) are sufficient to attract, motivate, and retain outstanding individuals for executive positions. The executive officers' compensation is linked to the interests of the stockholders by making a part of each executive officer's potential compensation depend on the price of the Company's Common Stock on the open market and the officer's own performance. The retention of officers is encouraged by making a portion of the compensation package in the form of awards which either increase in value, or only have value, if the executive officer remains with the Company for specified periods of time.

The Committee retains an independent compensation consulting firm to assist it in evaluating officer compensation. That firm annually compares compensation practices to both utility and general industry practices. It also compares the compensation of the top three officers to ten energy companies in its peer group. The companies in that peer group range in size from \$9.2 billion in revenues to \$0.9 billion in revenues. The median size of the peer group is \$2.4 billion in revenues.

Specific components of executive officers' compensation earned or paid in fiscal 2005 are discussed below. The Company's five most highly compensated executive officers, as well as Mr. Hale who retired in August 2005, are identified on the Summary Compensation Table on page 18, and are sometimes referred to as the named executive officers.

Base Salary

The Committee annually reviews base salaries for the Company's executive officers and adjusts them as it deems appropriate on a calendar year basis and as promotions occur. The Committee generally targets a range of the 50th percentile to the 75th percentile of the survey data provided by its outside compensation consultant. The Committee also takes into account an individual's specific responsibilities, experience and effectiveness in setting base salary.

The fiscal 2005 base salaries of the named executive officers are shown on the Summary Compensation Table on page 18 in the Base Salary column.

Annual At Risk Incentive and Bonus

Under the At Risk Program, the Committee may make At Risk Awards which grant an executive officer the opportunity to earn cash payments depending on the achievement of goals set within the first quarter of each fiscal year. Performance goals can be both financial (for example, Company earnings per share or subsidiary earnings) and non-financial (for example, customer service).

The Committee reviews and approves corporate goals for Mr. Ackerman under the At Risk Program and evaluates his performance in light of these goals. It approves his compensation based upon that evaluation. For fiscal 2005 Mr. Ackerman was the only participant in the At Risk Program. At Risk Program goals for Mr. Ackerman, as Chief Executive Officer, were a specified level of Company earnings per share (weighted as 60% of the formula), a long-term strategy goal (weighted as 15% of the formula), a goal related to oil and gas reserves (weighted at 15% of the formula) and customer service and safety goals (weighted as 10% of the formula). Company diluted earnings per share must reach a pre-determined target in each of two consecutive fiscal years to trigger the maximum annual incentive award to Mr. Ackerman. In fiscal 2005, Mr. Ackerman achieved performance of 160% on the goals set under the At Risk Program.

The Summary Compensation Table on page 18 includes in the LTIP (Long-Term Incentive Plan) Payouts column the amounts earned by Mr. Ackerman in fiscal 2005 under the At Risk Program. The At Risk Award is considered by the SEC to be a long-term incentive because payment is based on a rolling average of performance during the two fiscal years most recently completed. Mr. Ackerman's target award was set at 100% of base salary with a maximum potential award level of 200% of base salary. The range of potential At Risk Program awards for fiscal 2005 for Mr. Ackerman is set out in the Long-Term Incentive Plan Table on page 20.

In furtherance of the Committee's goal of emphasizing incentive-based compensation for the Company's other executive officers, most of the executive officers, including Messrs. Beck, Seeley, Smith and Tanski were paid amounts as bonuses in December 2005 (for performance in fiscal 2005). In December 2005, the Compensation Committee reviewed with Mr. Ackerman the performance of Messrs. Beck, Seeley and Smith with respect to individual goals set earlier in fiscal 2005. Mr. Seeley and Mr. Smith, as parent company officers, had been given a corporate earnings per share goal (weighted at 50% of the formula), as well as goals relevant to the operations of subsidiary companies (including customer service and safety goals). Mr. Beck's goals all related to the performance of Seneca Resources Corporation, the Company's exploration and production subsidiary. The target awards for Messrs. Seeley, Smith and Beck were each set at 65% of base salary with a maximum potential award level of 130% of base salary.

For fiscal 2005, Messrs. Seeley, Smith and Beck achieved performance of 142%, 154% and 30%, respectively, on their goals. Certain of Mr. Seeley's and Mr. Beck's goals extended into fiscal 2006 and will be evaluated in that fiscal year. These latter goals could result in a maximum potential additional award level of 9.75% of fiscal 2005 base salary for Mr. Seeley and 13.0% of fiscal 2005 base salary for Mr. Beck. In addition, the Committee approved a special bonus of \$25,000 for Mr. Beck in recognition of his extraordinary efforts following Hurricane Rita.

Mr. Ackerman made recommendations for fiscal 2005 bonuses for the other officers, including Mr. Tanski, which were accepted by the Committee. The Summary Compensation Table on page 18 includes in the Bonus column the amount earned by Messrs. Beck, Seeley, Smith and Tanski in fiscal 2005 as bonuses. These awards are considered by the SEC to be bonuses because they are based on performance during a single fiscal year.

Mr. Hale, as the executive officer responsible for the Company's International business segment from its inception, negotiated and closed the sale of the Company's principal overseas asset, United Energy, a.s., for approximately \$116.3 million in a transaction that closed July 18, 2005. That sale yielded a net gain to the Company of approximately \$25 million, or approximately \$0.30 per diluted share. In recognition of the success of the International business segment, the Committee recommended that the Company enter into retirement arrangements with Mr. Hale as described at pages 22-23 of this Proxy Statement. Pursuant to those arrangements, the Company paid Mr. Hale an additional supplemental pension payment in a lump sum of \$650,000, less applicable taxes and withholding, on October 15, 2005 which is reported in the Summary Compensation Table on page 18 of this Proxy Statement.

Stock Options, Restricted Stock and Other Long-Term Incentives

Stock options and restricted stock represent the longer-term incentive and retention component of the executive compensation package. Such awards are intended to focus attention on

managing the Company from a long-term investor's perspective, and to encourage officers and other managers to have a significant, personal investment in the Company through stock ownership. Awards may be made by the Committee under the 1997 Award and Option Plan. In fiscal 2002 Mr. Ackerman, after consultation with the Compensation Committee, set Company Stock ownership guidelines for officers. These guidelines range from one times base salary for junior officers to four times base salary at the Chief Executive Officer level. Other employees receiving options are encouraged to retain their stock for long-term investment.

The Committee awards stock options to buy Company Common Stock, which have value only to the extent the market price of the Company's Common Stock increases after the date of an award. The Committee also from time to time awards restricted stock, which increases or decreases in value to the same extent as the Company's Common Stock. Dividends are paid on restricted stock and on the shares held for employees (including executive officers) in various employee benefit plans, so executive officers benefit directly from dividends paid on the Company's Common Stock.

In 2002 the Committee reviewed its past practice of annual option awards. In 2002 the Committee granted options to officers which were intended to be a multi-year incentive. Option awards were made to each named executive officer to buy stock in the future at the market price on the award date. These options vested over a three-year period and none could be exercised for at least one year after the award date. All of them expire no later than 10 years after the award date.

In fiscal 2005 the Committee, with the assistance of its compensation consultant, evaluated its alternatives on long-term incentive compensation including the use of incentives in addition to options and restricted stock. The Committee concluded that options remain an important component of long-term compensation at the Company, but that the number granted in the future would be more limited than in the past. The Committee then recommended to the Board that a cash based long-term incentive be adopted to complement the use of options. The Board adopted the Performance Program and delegated authority to the Committee to administer that program.

Under the Performance Program, the Compensation Committee may establish a performance condition for a performance period of at least one year. The default performance condition is the Company's total return on capital as compared to the same metric for peer companies in the Natural Gas Distribution and Integrated Natural Gas Companies group reported in AUS Monthly Utility Reports. A cash bonus may be paid following the end of the performance period based on the level of performance. In 2005 the Compensation Committee chose the Company's total return on capital as the performance metric for the performance period of October 1, 2004 to September 30, 2007. The Committee also approved a total of \$1,995,000 of target incentives for a group of seventeen officers. Based on the level of performance at the end of the three-year performance period, payment can range from 0% to 200% of the target incentives.

The Committee's compensation consultant recommended guidelines on the level of long-term incentive compensation by position. Those levels included 125% of base salary for the Chief Executive Officer (Mr. Ackerman), 85% of base salary for Presidents (Messrs. Beck, Seeley and Smith) and 60% for Senior Vice Presidents (Messrs. Hale and Tanski). Using these guidelines the Committee awarded 160,000 options and a Performance Program target incentive of \$525,000 to Mr. Ackerman. In addition, the Committee granted long-term incentives to other officers (including Messrs. Beck, Seeley, Smith and Tanski) as either options, target incentives under the Performance Program or a combination of both. The awards are described on the Long-Term Incentive Plan Awards in Fiscal 2005 table on page 20 of this Proxy Statement.

Compensation of Chief Executive Officer

The bases for Mr. Ackerman's fiscal 2005 base salary and At Risk Program award including the Committee's goals and methodology, are discussed earlier in this report under the headings Base Salary and Annual At Risk Incentive and Bonus. Mr. Ackerman also received a grant of options and a Performance Program target incentive in fiscal 2005, as discussed earlier in this report under the heading Stock Options, Restricted Stock and Other Long-Term Incentives.

Based on a survey conducted by the independent compensation consulting firm in 2005, total direct compensation earned by Mr. Ackerman was at the 52nd percentile of the compensation packages earned by officers in a peer group of eleven energy companies, including the Company.

Policy With Respect to Qualifying Compensation Paid to Executive Officers For Deductibility Under Section 162(m) of the Internal Revenue Code

The Committee intends that, whenever reasonably possible, compensation paid to its managers, including its executive officers, should be deductible for federal income tax purposes. Compensation paid under the At Risk Program qualifies as performance-based compensation under Section 162(m) of the Internal Revenue Code. The Committee may vote to award compensation, especially to a chief executive officer, that is not fully deductible, if the Committee determines that such award is consistent with its philosophy and is in the best interests of the Company and its stockholders.

COMPENSATION COMMITTEE

George L. Mazanec, Chairman
Robert T. Brady
R. Don Cash

17

Executive Compensation Summary Table

The following table sets forth information with respect to compensation paid by the Company and its subsidiaries for services rendered during the last three fiscal years to the Chief Executive Officer and each of the five other most highly compensated executive officers for the fiscal year ended September 30, 2005 (the named executive officers).

SUMMARY COMPENSATION TABLE

Name and Principal Position	Fiscal Year	Long Term Compensation							All Other Compensation (\$)(3)
		Annual Compensation		Awards			Payouts		
		Base Salary(\$)	Bonus(\$)	Other Annual Compensation(\$)(1)	Restricted Stock Awards(\$)(2)	Securities Underlying Options	LTIP Payouts(\$)		
Philip C. Ackerman Chief Executive Officer and President of the Company	2005	813,750	0	0	0	160,000	1,302,000	230,062	
	2004	780,000	0	0	0	0	1,287,000	181,413	
	2003	780,000	90,000	0	0	0	631,800	169,889	
David F. Smith President of National Fuel Gas Supply Corporation	2005	443,750	444,195	0	0	60,000	0	89,802	
	2004	425,000	350,000	0	0	0	0	67,770	
	2003	425,000	300,000	0	0	0	0	73,176	
Dennis J. Seeley President of National Fuel Gas Distribution Corporation	2005	443,750	409,582	0	0	0	0	90,907	
	2004	425,000	350,000	0	0	0	0	82,963	
	2003	425,000	300,000	0	0	0	0	72,412	
James A. Beck President of Seneca Resources Corporation	2005	425,000	107,875	0	0	0	0	69,155	
	2004	425,000	100,000	0	0	0	0	32,294	
	2003	425,000	50,000	0	0	0	0	39,937	
Ronald J. Tanski Treasurer and Principal Financial Officer of the Company	2005	311,250	150,000	0	0	40,000	0	49,522	
	2004	278,500	85,000	0	0	0	0	32,472	
	2003	236,625	85,000	0	0	0	0	31,719	
Bruce H. Hale Retired 8/1/05 as Vice President of Horizon Energy Development, Inc., President of Horizon LFG, Inc. and President of Horizon Power, Inc.(4)	2005	235,833	290,000(4)	0	0	0	0	402,200(4)	
	2004	280,500	75,000	0	0	0	0	40,090	
	2003	271,000	60,000	0	0	0	0	35,667	

(1) Excludes perquisites or personal benefits because, for each named executive officer, the cost to the Company of all such items was less than \$50,000 and less than 10% of that executive's base salary and bonus, if any, for each fiscal year listed.

(2)

As of September 30, 2005, the aggregate number of unvested shares of restricted stock held by each named executive officer and the aggregate fair market value of such shares using a closing market price at September 30, 2005 of \$34.20 are as follows: for Mr. Ackerman, 51,328 shares (\$1,755,418); Mr. Smith, 0 shares; Mr. Seeley, 0 shares; Mr. Beck, 12,000 shares (\$410,400); Mr. Tanski, 0 shares; and Mr. Hale, 0 shares;. Dividends are paid on all shares of restricted stock. Restricted shares may not be transferred or pledged, but such Company-imposed restrictions lapse with the passage of time and continued employment with the Company.

- (3) In fiscal 2005, the Company paid, contributed or accrued for Messrs. Ackerman, Smith, Seeley, Beck, Tanski and Hale \$12,500, \$12,500, \$12,500, \$12,500, \$12,500 and \$10,400, respectively, under the Tax-Deferred Savings Plan (the Company's 401(k) plan); \$126,626, \$54,818, \$38,963, \$40,613, \$12,393 and \$10,099, respectively, under the Tophat Plan which pays all participants a sum intended to replace amounts which they will not receive as Company- matching contributions under the Tax-Deferred Savings Plan as a result of tax law limits or other tax considerations; \$6,332, \$838, \$2,254, \$0, \$1,482 and \$3,193, respectively, under a program that passes through to employees the Company's tax savings associated with payment of dividends on Employee Stock Ownership Plan shares; and \$26,149, \$4,282, \$11,846, \$0, \$8,147 and \$10,550, respectively, as above-market interest under the Deferred Compensation Plan. (Mr. Smith's and Mr. Tanski's accumulated balance incurring above-market interest was paid out on July 31, 2005.)

The Company maintains split dollar life insurance arrangements with its named executive officers except for Mr. Tanski and Mr. Beck. To comply with the Sarbanes-Oxley Act of 2002, the Company stopped paying premiums on those policies and all subsequent

premiums are paid from policy dividends. The amounts shown in this column reflect the dollar value of split-dollar benefits to the executive. (\$58,455 for Ackerman, \$17,364 for Smith, \$25,344 for Seeley, \$7,958 for Hale).

The Company also provided to Mr. Tanski and Mr. Beck in fiscal 2005 \$15,000 each to purchase one or more insurance policies selected by the officer. Additional amounts in this column for Mr. Hale are discussed in footnote 4 below.

The Company also provided to Mr. Beck in fiscal 2005 group term life insurance coverage and accidental death coverage at an incremental cost to the Company of \$1,042, which is included in the amount shown in this column.

- (4) Mr. Hale retired August 1, 2005, following the successful sale of the Company's principal overseas asset, and entered into the retirement arrangements described on pages 22-23 of this proxy statement. The additional supplemental pension payment described there is displayed in this table partly as \$290,000 in the Bonus column and the remaining \$360,000 in the All Other Compensation column.

Stock Option Grant Table

The following table sets forth information with respect to options to purchase shares of Common Stock awarded during fiscal 2005 to the named executive officers pursuant to plans approved by the Company's stockholders.

OPTION GRANTS IN FISCAL 2005(1)

Name	Individual Grants				
	Number of Securities Underlying Options Granted(#)	Percent of Total Options Granted to Employees in Fiscal Year	Exercise or Base Price Per Share (\$/Sh)	Expiration Date	Grant Date Present Value\$(2)
Philip C. Ackerman	160,000	22.8%	28.155	3/2015	739,200
David F. Smith	60,000	8.5%	28.155	3/2015	277,200
Dennis J. Seeley	0	0%	NA	NA	NA
James A. Beck	0	0%	NA	NA	NA
Ronald J. Tanski	40,000	5.7%	28.155	3/2015	184,800
Bruce H. Hale	0	0%	NA	NA	NA

- (1) The options shown on this table were granted under the 1997 Award and Option Plan and vested on June 29, 2005. Thereafter, they can be exercised any time prior to the expiration date if the holder remains with the Company. These options terminate within three months of termination of employment, except that upon termination of employment for any reason other than discharge for cause or voluntary resignation prior to age 60, most of such options may be exercised within five years after termination of employment. Payment of the exercise price may be in cash or by tendering shares of Company Common Stock.
- (2) This column shows the hypothetical value of these options according to a binomial option pricing model. The assumptions used in this model for the options granted in fiscal 2005 were: quarterly dividend yield of .995%, an annual standard deviation (volatility) of 17.78% (calculation of volatility based on average high/low price), a risk-free rate of 4.52%, and an expected term before exercise of 7 years. Whether the assumptions used will prove accurate cannot be known at the date of grant. The model produces a value based on freely tradable securities, which the options are not. The holder can derive a benefit only to the extent the market value of Company

Common Stock is higher than the exercise price at the date of actual exercise.

19

Stock Option Exercises And Fiscal Year-End Value Table

The following table sets forth as to each named executive officer information with respect to stock option and stock appreciation right (SAR) exercises during fiscal 2005 and the number and value of unexercised options and SARs at September 30, 2005. The named executive officers did not exercise any SARs in 2005, and in fact have no SARs.

AGGREGATED OPTION/ SAR EXERCISES IN FISCAL 2005 AND OPTION/ SAR VALUES ON SEPTEMBER 30, 2005

Name	Number of Securities Underlying Options/SAR Exercised (#)	Value Realized (\$)(1)	Number of Securities Underlying Unexercised Options at Fiscal Year-End(#)		Value of Unexercised In-the-money Options at Fiscal Year-End\$(2)	
			Exercisable	Unexercisable	Exercisable	Unexercisable
Philip C. Ackerman	144,688	2,093,289	2,329,870	0	25,272,496	0
David F. Smith	113,848	981,678	425,660	0	3,839,251	0
Dennis J. Seeley	40,000	333,075	410,000	0	4,037,863	0
James A. Beck	32,148	259,309	372,656	0	3,681,708	0
Ronald J. Tanski	20,000	195,975	235,000	0	2,323,116	0
Bruce H. Hale	328,568(3)	1,986,981(3)	0	0	0	0

(1) Market value of stock at exercise less exercise price or base price.

(2) Market value of stock at fiscal year-end less exercise price or base price.

(3) The Company did not extend Mr. Hale's outstanding stock options past his retirement date of August 1, 2005, so he had to exercise in fiscal 2005 all the outstanding stock options he had accumulated over his 34 years of service to the Company.

Long-Term Incentive Plan Award Table

The following table sets forth information with respect to long-term incentive plan awards made during fiscal 2005 to the named executive officers pursuant to the At Risk Program and the Performance Incentive Program.

LONG-TERM INCENTIVE PLANS AWARDS IN FISCAL 2005

Name	Performance Period Until Maturation	Estimated Future Payouts Under Non-Stock Price-Based Plans		
		Threshold(\$)	Target(\$)	Maximum(\$)
Philip C. Ackerman(1)	2 years ended 9/30/05	0	813,750	1,627,500
Philip C. Ackerman(2)	3 years ended 9/30/07	0	525,000	1,050,000
David F. Smith(2)	3 years ended 9/30/07	0	195,000	390,000
Dennis J. Seeley(2)	3 years ended 9/30/07	0	380,000	760,000

Edgar Filing: Invesco Mortgage Capital Inc. - Form 424B5

James A. Beck(2)	3 years ended 9/30/07	0	360,000	720,000
Ronald J. Tanski(2)	3 years ended 9/30/07	0	60,000	120,000

- (1) This line of the table describes the sole At Risk Program opportunity which was made to any executive officer in fiscal 2005 based on the rolling two-year average of performance in fiscal 2004 and fiscal 2005. The actual amount awarded and paid for fiscal 2005 under the At Risk Program is shown in the Summary Compensation Table on page 18 in the LTIP Payouts column.
- (2) This line of the table describes the National Fuel Gas Company Performance Incentive Program under which awards were made to selected officers of the Company in fiscal year 2005. The amount paid will be based on a comparison of the Company's Total Return on

Capital (the average of the returns on capital for each fiscal year ended during the Performance Period) as compared to that of a group of peer companies established by the Compensation Committee.

Report on Repricing of Options/SARs

The Company did not reprice any stock options or SARs in fiscal 2005. Under the 1997 Award and Option Plan, options and SARs cannot be repriced after they have been granted.

Corporate Performance Graph

The following graph compares the yearly cumulative stockholder return on the Company's Common Stock against the cumulative total return of the Standard & Poor's 500 Composite Stock Price Index (S&P 500), and the S&P Midcap Multiutility Index for a period of five years commencing September 30, 2000, and ended September 30, 2005. The S&P Midcap Multiutility Index comprises the cumulative total returns of 11 diversified energy companies, including the Company.

¹ Assumes \$100 invested on September 30, 2000, and reinvestment of dividends.

Source: Bloomberg

Employment Contracts and Termination of Employment and Change-in-Control Agreements

Messrs. Ackerman, Beck, Smith, Seeley and Tanski entered into Employment Continuation and Noncompetition Agreements with the Company dated December 11, 1998 that are to become effective in the event of a defined change of control of the Company. (Mr. Hale also entered into such an agreement but it terminated upon his retirement August 1, 2005.) They preserve as a minimum, for the three years following such change of control, the annual salary levels and employee benefits as are then in effect for these executives and provide that, in the event of certain terminations of employment, these executives shall receive severance payments up to 1.99 times their respective annual base salaries and annual bonuses prior to termination. Unless an executive elects not to be bound by the Noncompetition part of the agreement, an additional payment of 1.00 times salary and annual bonus prior to termination will be made at the same time. In addition, executives shall receive either continuation of certain employee benefits for three years or the value of such benefits, specifically any pension, retirement, deferred compensation, savings, medical, dental, health, disability, group life, accidental death and travel accident insurance plans and programs of the Company and its affiliated companies at a level that is commensurate with the Executive's participation in such plans immediately prior to the Effective Date, or, if more favorable to the Executive, at the level made effective to the Executive or other similarly situated officers at any time thereafter.

Mr. Smith entered into a retirement agreement with the Company on September 22, 2003. The agreement is intended to provide Mr. Smith with certain retirement benefits in the event of an actual or constructive termination without cause before March 1, 2011. In such a case, Mr. Smith would receive a retirement benefit based on the percentage of retirement benefits he would receive at March 1, 2011. However, Mr. Smith's actual earnings and actual years of service at termination would be used in the calculation of his benefit based on the formulas in the Retirement Plan and the Executive Retirement Plan. In order to comply with Section 409A of the Internal Revenue Code, amendments to the agreement impose a required six-month waiting period before commencement of payments under the agreement and provide for the payment of such six-month benefits in a lump sum in the seventh month.

Also, in the event of a defined change in control, these executives shall receive the above-market rate interest on certain deferrals under the Deferred Compensation Plan, which otherwise could have been forfeited. At September 30, 2005, the above-market rate interest account balance for each of the named executive officers were as follows: \$222,877 for Mr. Ackerman, \$0 for Mr. Smith, \$0 for Mr. Beck, \$102,705 for Mr. Seeley, \$0 for Mr. Tanski and \$101,641 for Mr. Hale. Deferrals for Mr. Smith (\$63,158) and Mr. Tanski (\$120,156) incurring above-market rate interest were paid out in July 2005.

Mr. Hale, as the executive officer responsible for the Company's International business segment from its inception, negotiated and closed the sale of the Company's principal overseas asset, United Energy, a.s., for approximately \$116.3 million. This transaction closed on July 18, 2005, yielding a net gain to the Company of approximately \$25 million, or approximately \$0.30 per diluted share. In recognition of the success of the International business segment, the Company entered into retirement arrangements with Mr. Hale as described below, under which Mr. Hale retired from the Company effective August 1, 2005 and will assist the Company in arranging for the sale of the Company's remaining overseas assets. These arrangements were described in a Form 8-K Current Report filed by the Company at the SEC on September 13, 2005, and the signed agreements are included as exhibits to the Company's 2005 Annual Report and Form 10-K.

Mr. Hale entered into a Retirement Agreement (the "Retirement Agreement") with the Company and Horizon Energy Development, Inc., a wholly-owned subsidiary of the Company ("Horizon"). Pursuant to the Retirement Agreement, Mr. Hale retired from all of his positions with the Company and its subsidiaries effective August 1, 2005. He will receive a supplemental pension payment of \$120,000 per year commencing August 1, 2005, expressed as a single life annuity. Mr. Hale elected to receive this benefit in the form of a 15-year period certain and life annuity, which yields a pre-tax annual benefit of \$112,800. This amount, less applicable taxes and withholding, will be paid for Mr. Hale's life but for at least 15 years to him or to his designated beneficiary, should Mr. Hale die during those 15 years. Pursuant to the Retirement

Agreement, the Company also paid Mr. Hale an additional supplemental pension payment in a lump sum of \$650,000, less applicable taxes and withholding, on October 15, 2005, which will not be counted as a bonus for purposes of calculating benefits under the National Fuel Gas Company Retirement Plan or the National Fuel Gas Company Executive Retirement Plan.

Mr. Hale and Horizon also entered into a Commission Agreement (the "Commission Agreement"), under which Horizon appoints Mr. Hale as its agent to engage in negotiations for, and otherwise facilitate, the sale of Horizon's interests in two development projects, one in Italy and one in Bulgaria, for cash. Mr. Hale does not have the authority to sign binding documents or make binding promises on behalf of Horizon, except to the extent provided in separate written instructions or authorizations signed by an officer of Horizon. The Commission Agreement continues for one year and is renewable at the option of the parties for successive one year periods. Horizon cannot refuse to extend the Commission Agreement upon the same terms if active negotiations are underway at the end of the initial term or any subsequent term. Mr. Hale may terminate the Commission Agreement at any time. Horizon may terminate the Commission Agreement at any time if Mr. Hale fails to perform any of the terms and conditions of the Commission Agreement. Upon the closing of a sale of Horizon's interests in a project, Mr. Hale will receive a commission equal to a sliding percentage of the cumulative net sale proceeds (after deducting all Horizon project expenses after August 1, 2005) from such sale. Mr. Hale will receive 1% of the first \$1 million (or any part thereof) in cumulative net sale proceeds, 2% of the second \$1 million (or any part thereof) in cumulative net sale proceeds, 3% of the third \$1 million (or any part thereof) in cumulative net sale proceeds, etc., up to a maximum of 50% of the fiftieth \$1 million (or any part thereof) in cumulative net sale proceeds. Sale proceeds received more than three months after the closing are discounted in calculating the commission. If the sale of one project is consummated before the sale of the other project, then a portion of the commission will be paid, provided that the net sales proceeds exceed the aggregate project expenses incurred after August 1, 2005 with respect to both projects. Upon the closing of a sale of the second project, the remainder of the commission will be calculated and paid as though both closings had occurred at the same time.

Horizon will reimburse Mr. Hale for reasonable business and travel expenses, but the commission is reduced by an amount equal to one-half of Mr. Hale's expenses. If Horizon declines to extend the Commission Agreement, and the sale of one or both of the projects is consummated within 180 days after termination of the Commission Agreement to any buyer with whom Mr. Hale had negotiations prior to such termination, then Horizon will pay the commission on such sale or sales.

Retirement Benefits

The following table shows annual 50% joint and survivor life annuity total benefits payable under the Retirement Plan plus the Executive Retirement Plan to eligible officers retiring at the normal retirement age of 65 with a spouse of the same age. Forms of benefit payment other than the 50% joint and survivor life annuity, or retirement at an age earlier than 65, would result in different annual benefits to eligible officers.

PENSION PLAN TABLE

Remuneration (2)(3)	Estimated Annual Retirement Benefits For Years Of Benefit Service Credited(1)				
	20	25	30	35	40
\$ 400,000	\$ 132,507	\$ 165,633	\$ 198,760	\$ 220,537	\$ 242,315
665,000	223,656	279,571	335,485	372,531	409,578
930,000	314,806	393,508	472,210	524,525	576,840
1,195,000	405,956	507,445	608,935	676,518	744,102
1,460,000	497,106	621,383	745,659	828,512	911,365
1,725,000	588,256	735,320	882,384	980,506	1,078,627
1,990,000	679,406	849,258	1,019,109	1,132,499	1,245,890

- (1) The service credited for retirement benefit purposes to the officers named in the Summary Compensation Table, as of September 30, 2005 is as follows: Mr. Ackerman, 37 years, 2 months; Mr. Smith, 27 years, 2 months; Mr. Seeley, 40 years; Mr. Beck, 16 years, 4 months;

Mr. Tanski, 26 years, 6 months. For Mr. Hale, the service credited for retirement benefit purposes as of August 1, 2005, his retirement date, was 34 years, 1 month.

(2) Compensation covered for retirement benefit purposes differs from the amounts appearing in the three annual compensation columns of the Summary Compensation Table on page 18, because the retirement benefits are based on the average of the annual cash compensation (including At Risk Awards, other performance-related lump-sum compensation and certain restricted stock) payable for the 60 consecutive month period during the last ten years before retiring which produces the highest average. Accordingly, the current compensation covered by the plans (meaning the average annual cash compensation for the 60 months ending September 2005) for the above named executive officers was: Mr. Ackerman, \$1,646,310; Mr. Smith, \$706,839; Mr. Seeley, \$699,916; Mr. Beck, \$470,824; Mr. Tanski, \$338,300; and Mr. Hale \$346,200.

(3) Benefits described in this table reflect a partial offset for Social Security benefits.

The officers named in the Summary Compensation Table are not participants in any other defined benefit or actuarial plan. They are participants in defined contribution plans which would normally pay out after retirement, namely (i) the Tax Deferred Savings Plan (a 401(k) plan); (ii) the Deferred Compensation Plan (under which those executives and other selected management employees previously deferred part of salary earned in previous years); (iii) the Tophat Plan; and (iv) the Employee Stock Ownership Plan. The Company's fiscal 2005 contributions to those plans are itemized in footnote 3 to the Summary Compensation Table on page 18. The officers named in the Summary Compensation Table may also receive other post-retirement benefits (medical, prescription, life insurance) in the same manner as non-union retirees from the Company's utility subsidiary who were hired before January 1, 2003. Such retirees pay the Company an amount equal to the required active employee contribution for medical and prescription benefits in effect on the date of retirement.

2. APPOINTMENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

At the 2006 Annual Meeting, stockholders will be asked to approve the Audit Committee's appointment of PricewaterhouseCoopers LLP, as the independent registered public accounting firm for the Company's fiscal year ending September 30, 2006 (fiscal 2006). If approved by the stockholders, PricewaterhouseCoopers LLP will examine the financial statements of the Company and its subsidiaries and report upon the annual consolidated financial statements for fiscal 2006, as they did for fiscal 2005.

Representatives of that firm will not be attending this year's Annual Meeting. Therefore, no representative will be available to answer questions or make a statement.

The affirmative vote of a majority of the votes cast with respect to the appointment of the independent registered public accounting firm by the holders of shares of Common Stock entitled to vote is required for the appointment of PricewaterhouseCoopers LLP as the independent registered public accounting firm.

If the necessary votes are not received, or if PricewaterhouseCoopers LLP declines to accept or otherwise becomes incapable of accepting or exercising the appointment, or its services are otherwise discontinued, the Board of Directors will appoint another independent registered public accounting firm. Unless they are otherwise directed by the stockholders, the Proxies intend to vote for the appointment of PricewaterhouseCoopers LLP as the independent registered public accounting firm.

The Board of Directors Recommends a Vote FOR this Appointment.

3. SHAREHOLDER PROPOSAL

A shareholder (the Proponent) has indicated that he or she will present the proposal set forth below for consideration by the shareholders at the Annual Meeting. The name, address and

stock ownership of the Proponent will be provided by the Company's Secretary to any shareholder promptly upon receipt of any oral or written request. The affirmative vote of a majority of the votes cast on this proposal by the holders of Common Stock entitled to vote is required to adopt this proposal.

The stockholders recommend that the Board undo the recent large increases in compensation payable to non-employee directors, and restore the compensation program in effect in fiscal 2003, for a minimum of 3 years, and that these changes occur effective beginning April, 2006. There is one exception—the chairmen of Board Committees would receive no extra compensation (and certainly not the excessive \$7,500 per year now in effect) for service as such. This means that non-employee directors would receive the following annual compensation:

Cash retainer of \$20,000.

Company common stock retainer of 1,200 shares.

\$1,500 per Board meeting attended.

\$1,200 per Board Committee meeting attended.

\$600 per special consultation at request of CEO.

Further, the stockholders recommend that any later increases in non-employee director compensation not be payable until after (if) the directors have been reelected.

My stockholder proposal is necessary and appropriate for the following reasons.

In December 2004, non-employee directors hugely increased their own compensation, without even seeking stockholder approval. The annual cash retainer was increased by 30% to \$26,000, and the compensation paid per Board and committee meeting was increased by 20% and 50% respectively, to \$1,800. In 2005, the annual compensation of non-employee directors who attend 6 meetings of the Board (the number held in 2004) as well as 5 meetings of the Compensation Committee (the number held in fiscal 2004) will exceed \$80,000 per year, an obscene amount for attending a few meetings and reading a few Company documents.

Indeed, some non-employee directors (e.g., Committee chairman) are on track to receive close to \$90,000 in fiscal 2005.

These figures are computed using the closing Company stock price on the date of my Proposal (August 30, 2005).

These current compensation levels are even more obscene when the following is considered:

The Company's common stock has not performed very well, even despite recent increases in energy prices. (As of the date of my Proposal, Company common stock has increased in price by about 12% over the past 5 years.)

There is no public information suggesting that anyone undertook any study justifying these large increases in compensation. Further, there is no evidence that the Company has had difficulties attracting and retaining directors. After all, who wouldn't want to receive more than \$75,000 per year for a few days of work?

The Board has been derelict respecting executive compensation. It permitted Bernard Kennedy, recently retired CEO, to plunder the Company in the amount of approximately \$67 million. (This is approximately the total value of the cash, benefits, stock and stock options provided and promised to Kennedy respecting his time as Company CEO and retiree. These figures are derived from public documents.) Kennedy was paid \$23 million in 2004 alone.

The Board has been imprudent in increasing executives' benefits, while the unfunded portion of executive and employee benefits exceeds \$300 million.

My Proposal will, in sum, reduce waste and save the Company money.

Therefore, stockholders should approve my Proposal.

Statement of the Board in Opposition to the Shareholder Proposal

Your Board of Directors recommends that you vote **AGAINST** this proposal. The proposal is unnecessary, unwise and is motivated by the personal grievances of the Proponent, who is the life companion of a disgruntled ex-employee who has repeatedly submitted similar proposals since 1998. This proposal is part of that ex-employee's long-running vendetta against the Company and certain of its officers and directors. In the course of that campaign, that ex-employee has violated numerous court orders, for which various courts have found him guilty of more than 80 counts of civil contempt of court and 35 counts of criminal contempt. Nevertheless, the rules of the SEC require us to include the Proponent's proposal and supporting statement.

If the Proponent's proposal had been in effect throughout fiscal year 2005, the total savings to the Company would have been less than \$150,000, taken from among the eight different individuals who served as outside directors during some or all of fiscal 2005. The Board's compensation is described on page 8 of this Proxy Statement.

The compensation received by your outside directors was marginally increased effective January 1, 2005 after consultation with outside consultants and a review of the same peer group of 11 companies used for evaluating executive compensation (see the Report of the Compensation Committee on pages 14-17 of this Proxy Statement). In December 2004, the Company's outside directors were being paid below the median of the 11 companies in that peer group, ranking seventh among 11. After the modest increase effective January 1, 2005, the Company moved up to sixth (exactly the median) among those 11 peer companies. Comparing to a wider group of publicly traded companies, in fiscal 2005 your outside directors were on average paid only 62% of the 2004 median compensation for directors of the 350 companies in the Mercer 350.

Contrary to the Proponent's misconception, there are more than a few days of work involved in being a director of a publicly traded company in the post-Enron, post-Sarbanes-Oxley era. In fiscal 2005, the Audit Committee met 11 times and the Compensation Committee met eight times. One outside director attended six board meetings and 23 committee meetings in fiscal 2005. Substantial preparation for these meetings and substantial potential liability are integral parts of public company board membership.

Your Board of Directors consists of individuals with many years of successful experience in various segments of the natural gas industry. Their skill, judgment and dedication are evidenced by the Company's record earnings in fiscal 2005. Much of their compensation is in the form of Company Stock which they must retain until after they leave the Board, and their holdings of Company Stock are set forth on pages 11-12 of this Proxy Statement. Their interests are aligned with the stockholders, and they are well worth the compensation they receive from the Company.

The Board of Directors recommends a vote **AGAINST this proposal.**

SECTION 16(a) BENEFICIAL OWNERSHIP REPORTING COMPLIANCE

Section 16(a) of the Securities Exchange Act of 1934 requires the Company's directors and officers, and persons who own more than 10% of a registered class of the Company's equity securities, to file reports of ownership and changes in ownership with the SEC and the NYSE. Directors, officers and greater-than 10% stockholders are required by SEC regulation to furnish the Company with copies of all Section 16(a) forms they file. Based solely on review of information furnished to the Company, reports filed through the Company and/or written representations that no Form 5 was required, the Company believes that all Section 16(a) filing requirements applicable to its officers, directors and greater-than 10% beneficial owners were complied with during fiscal 2005.

CODE OF ETHICS

Pursuant to SEC Regulations, the Company has adopted a code of ethics that applies to the Company's principal executive officer, principal accounting officer, controller, other officers and employees that is designed to deter wrongdoing and to promote honest and ethical conduct. The text of the code of ethics can be viewed by going to the Company's website www.nationalfuelgas.com. Upon request, the Company will provide to any person without

charge a copy of the code of ethics. Requests must be made to the Secretary at the principal offices of the Company.

DELIVERY OF PROXY MATERIALS TO HOUSEHOLDS

Only one copy of the Company's Proxy Statement for the 2006 Annual Meeting of Stockholders and one copy of the Company's Annual Report and Form 10-K for the 2005 fiscal year are being delivered to multiple stockholders who share an address unless the Company has received contrary instructions from one or more of the stockholders. A separate proxy card and a separate notice of the meeting of stockholders are being included for each account at the shared address.

Registered stockholders who share an address and would like to receive a separate annual report to stockholders and/or a separate proxy statement for the 2006 Annual Meeting or in the future, or have questions regarding the householding process, may contact the Company's transfer agent, The Bank of New York, by calling 1-800-648-8166 or by forwarding a written request addressed to The Bank of New York, 101 Barclay St., 11 East, New York, NY 10286. Promptly upon request, additional copies of the Company's Annual Report and Form 10-K for the 2005 fiscal year and/or separate Proxy Statements for the 2006 Annual Meeting will be sent. By contacting The Bank of New York, registered stockholders sharing an address can also request delivery of a single copy of annual reports to stockholders or proxy statements in the future if registered stockholders at the shared address are receiving multiple copies.

Many brokerage firms and other holders of record have also instituted householding procedures. If your family has one or more street name accounts under which you beneficially own shares of Common Stock, you may have received householding information from your broker, financial institution or other nominee in the past. Please contact the holder of record directly if you have questions, require additional copies of the Proxy Statement or our Annual Report to Stockholders for fiscal 2005 or wish to revoke your decision to household and thereby receive multiple copies. You should also contact the holder of record if you wish to institute householding. These options are available to you at any time.

OTHER BUSINESS

The Board of Directors does not know of any business that will be presented for consideration at the meeting except as set forth above. However, if any other business is properly brought before the meeting, or any adjournment thereof, the Proxies will vote in regard thereto according to their discretion.

PROPOSALS OF SECURITY HOLDERS

Proposals that security holders intend to present at the 2007 Annual Meeting of Stockholders must be received by the Secretary at the principal offices of the Company no later than September 7, 2006, in order to be considered for inclusion in the Company's proxy statement and proxy for that meeting. Notice of a shareholder proposal submitted outside the processes of SEC Rule 14a-8 under the Securities Exchange Act, for consideration at the 2007 Annual Meeting of Stockholders, shall be considered untimely unless received by the Secretary at the Company's principal office no later than September 18, 2006.

By Order of the Board of Directors

Anna Marie Cellino
Secretary

January 5, 2006

**APPENDIX A TO PROXY STATEMENT
NATIONAL FUEL GAS COMPANY
CORPORATE GOVERNANCE GUIDELINES**

Amended December 8, 2005

The business of National Fuel Gas Company (the Company) is conducted by its employees, managers and officers, under the oversight of the Board of Directors (the Board), in order to serve the long-term interests of its shareholders. The Board and management recognize that the long-term interests of shareholders are served by considering the interests of customers, employees and the communities in which the Company operates. In addition, the Board requires directors, officers and employees to comply with all legal and regulatory requirements and to adhere to the highest ethical standards in the performance of their duties.

To help discharge its responsibilities, the Board has adopted the following guidelines on corporate governance matters.

1. Size of the Board

The Board shall consist of a number of directors, not less than seven nor more than eleven, as determined by a majority vote of the full Board.

2. Independent Directors

A majority of the Board must qualify as independent directors under the listing standards of the New York Stock Exchange (NYSE). The Board will annually review the relationship that each director has with the Company (either directly or as a partner, shareholder or officer of an organization that has a relationship with the Company). The Board has established Director Independence Guidelines for purposes of this review. All determinations of director independence will be disclosed in the Company's annual proxy statement.

3. Director Qualifications

The Board, with input from the Nominating/ Corporate Governance Committee, is responsible for periodically determining the appropriate skills, perspectives, experiences, and characteristics required of Board candidates, taking into account the Company's needs and current make-up of the Board. This assessment should include knowledge, experience, and skills in areas critical to understanding the Company and its business; personal characteristics, such as integrity and judgment; and candidates' commitments to the boards of other publicly-held companies. Each Board member is expected to ensure that other existing and planned future commitments do not materially interfere with the member's service as a director and that he or she devotes the time necessary to discharge his or her duties as a director.

The Nominating/ Corporate Governance Committee is responsible for periodically reviewing these qualification guidelines and recommending modifications, as appropriate. The Board believes the qualification guidelines included as Exhibit A are currently appropriate, but it may change these guidelines as the Company's and Board's needs warrant.

Directors are expected to carry out the functions of the Board in a professional and diligent manner, and to spend the time and effort necessary to properly discharge such responsibilities. Accordingly, a director is expected to regularly attend meetings of the Board and Committees on which such director sits, with the understanding that on occasion a director may be unable to attend a meeting. A director who is unable to attend a meeting is expected to notify the Chairman of the Board or the Chair of the appropriate Committee in advance of such meeting. A director is also expected to review provided materials in advance of a meeting.

4. Selection of New Directors

The Board is responsible for selecting its members and nominating them for election by the stockholders and for filling vacancies on the Board. The Nominating/ Corporate Governance Committee will recommend to the Board nominees for election, including, as appropriate, incumbent directors for re-election.

The Nominating/ Corporate Governance Committee is not obligated to consider candidates recommended by stockholders for nomination to the Board. Stockholders may propose candidates for consideration in accordance with the Process for Identifying and Evaluating Nominees for Director included as Exhibit B.

In selecting individuals for nomination, the Committee will seek the input of the Chairman of the Board and Chief Executive Officer and will evaluate candidates using the qualification guidelines included as Exhibit A and the Process for Identifying and Evaluating Nominees for Director included as Exhibit B, as they may be supplemented from time to time. Once a candidate is selected to join the Board, the Chairman of the Board and/or the Chair of the Nominating/ Corporate Governance Committee will extend the invitation to join the Board on the Board's behalf.

5. Term Limits

The Board does not believe it should limit the number of terms for which an individual may serve as a director. While term limits could help ensure fresh ideas, they also would force the Board to lose the contributions of directors who have developed an insight into the Company. This insight and continuity of directors is an advantage, not a disadvantage. As an alternative to term limits, the Nominating/ Corporate Governance Committee will review a director's continuation on the Board whenever the director experiences a change in professional responsibilities, as a way to assure that the director's skills and experience continue to match the needs of the Board. In addition, in connection with nomination of the slate of directors that the Board proposes for election by stockholders each year, the Nominating/ Corporate Governance Committee will consider re-nominated directors' continuation on the Board and take steps as may be appropriate to ensure that the Board maintains an openness to new ideas.

Subject to paragraph 7, a director shall normally serve on the Board for a three-year term, except that a director appointed to fill a vacancy shall stand for election at the next annual meeting of shareholders.

6. Change in Professional Responsibilities

It is the view of the Board that each director who experiences a change in his or her business or professional affiliation or responsibilities should bring this change to the attention of the Board and should offer to resign. The Board does not believe that each director who retires or has a change in position or responsibilities should necessarily leave the Board. The Nominating/ Corporate Governance Committee will, however, review the continued appropriateness of Board membership under these circumstances and make a recommendation to the Board.

This same guideline applies to any inside directors, including the Chief Executive Officer of the Company, in the event he or she no longer serves in that position.

7. Retirement Age

As a general rule, directors shall retire not later than the date of the first Annual Meeting of Shareholders following the date of their 72nd birthday.

8. Board Leadership

A. Chairman of the Board and Chief Executive Officer

1. The Chairman of the Board, who may also be the Chief Executive Officer, shall be a director and preside at all meetings of the Board and meetings of the shareholders. The

A-2

Chairman of the Board is chosen on an annual basis by at least a majority vote of the remaining directors.

2. The Chief Executive Officer, who may also be the Chairman of the Board, shall be appointed by the Board and serve at the pleasure of the Board.

B. Succession Planning and Leadership Development

Each year, the Chief Executive Officer will report to the Compensation Committee on succession planning and his or her recommendation as to a potential successor, along with a review of any development plans recommended for such individuals. The Committee will make an annual report to the Board on succession planning, and the Board will work with the Committee to evaluate potential successors to the Chief Executive Officer. When the Compensation Committee and the Board review management succession plans for the Chief Executive Officer, they will consider succession in the event of an emergency or retirement of the Chief Executive Officer. The Committee and the Board will also review succession candidates for executive officers other than the Chief Executive Officer and other senior managers as it deems appropriate.

9. Board Committees

A. Number of Committees

Currently there are four Committees: Executive, Audit, Compensation and Nominating/ Corporate Governance. The Board believes the current Committee structure is appropriate. From time to time, depending upon the circumstances, the Board may form a new Committee or disband a current Committee.

B. Assignment of Committee Members

The Board appoints members of the Committees on an annual basis. Vacancies in the Committees will be filled by the Board. In making assignments to the Committees, only Independent Directors may serve on the Audit Committee, the Compensation Committee, or the Nominating/ Corporate Governance Committee, and at least one member of the Audit Committee must have accounting or financial management experience, as defined by the U.S. Securities and Exchange Commission rules or as required under applicable New York Stock Exchange listing requirements. Additionally, a member of the Audit Committee may not sit on more than three other Audit Committees of other public companies, unless the Board determines that such commitments would not impair his or her effective service to the Company.

The Board will take into account tenure on a Committee and give consideration to rotating Committee members periodically, but the Board does not feel that rotation should be mandated as a policy.

C. Committee Charters and Authority

The Audit Committee, Compensation Committee and Nominating/ Corporate Governance Committee, each have a written charter, which has been approved by the Board. Each charter delegates certain responsibilities to the respective Committee.

The Executive Committee may exercise Board authority with respect to matters other than those for which action of the full Board is required under applicable law.

Unless delegated to one of the Committees either in the Charter, the Bylaws or a resolution of the Board, each Committee shall make recommendations to the Board and the Board will consider and approve the recommendations. The Committee charters may be changed from time to time by approval of the Board.

10. Board Meetings

A. Number of Meetings

The Board has at least four scheduled meetings per year at which it reviews and discusses reports by management on the performance of the Company, its plans and prospects, as well as immediate issues facing the Company.

B. Agenda Items

The Chairman of the Board and the Chief Executive Officer shall establish the agenda for Board meetings. Any director may request inclusion of an item on the agenda. The Chairman of the Board shall preside over Board meetings.

C. Distribution of Board Materials in Advance

Materials for review, discussion and/or action of the Board should be distributed to Board members in advance of meetings whenever practicable.

D. Non-Management Director Meetings

The non-management directors will meet at regularly scheduled executive sessions without management. The Audit Committee Chair, Nominating/ Corporate Governance Committee Chair and Compensation Committee Chair may call the non-management directors to additional sessions without management.

11. Board Performance Evaluation

The Board and each Committee will perform an annual self-evaluation. Each year the directors will provide assessments of the effectiveness of the Board and the Committees on which they serve. These evaluations will be submitted to the Nominating/ Corporate Governance Committee which will review them and determine if any additional evaluation is necessary. If the Nominating/ Corporate Governance Committee determines that additional evaluation is necessary, it may elect to have such evaluation performed internally, or by an independent corporate governance expert. The Nominating/ Corporate Governance Committee will report all evaluation results to the Board and make recommendations for areas which, in its judgment, require improvement.

12. Board Compensation

The Board has sought and received shareholder approval of the current form of director compensation. The Board's compensation philosophy is that directors (other than those who are also salaried officers of the Company or any of its subsidiaries) are entitled to receive reasonable compensation for their services and reimbursement for certain expenses, as may be determined by the Board. The Compensation Committee shall have the responsibility for recommending to the Board changes in compensation levels for non-employee directors. In discharging this duty, the Committee shall be guided by four general principles: compensation should fairly pay directors for work required; compensation should attract and retain highly qualified candidates for Board membership; compensation should align directors' interests with the long-term interests of shareholders; and compensation should be transparent and as simple as possible within the limitations of tax and legal considerations.

Reasonable compensation also may be paid to any person (other than a salaried officer or employee of the Company or any of its subsidiaries) formally requested by the Board to attend a meeting.

13. Board Access to Company Management and Employees

Board members will have access to all Company management. Independent Board members may consult with managers without senior corporate management present. Management is encouraged to invite Company personnel to any Board meeting at which their presence and

expertise would help the Board to have a full understanding of matters being considered and to introduce managers with significant potential.

14. Access to Independent Advisors

The Board shall have the power at any time to retain independent outside financial, legal or other advisors, at the Company's expense.

15. Director Contact with the Company's Constituencies

Except as otherwise required by NYSE listing standards or applicable law, communications with parties external to the Company (including but not limited to shareholders, the media, attorneys, vendors, service providers, etc.) shall be the responsibility of the Chief Executive Officer or delegated by the Chief Executive Officer to the appropriate area of the Company. The directors will be consulted from time to time for their advice, as the Chief Executive Officer so determines.

16. Director Orientation and Continuing Education

All directors, upon their initial appointment to the Board, shall attend an educational session, thereby enabling them to better perform their duties and recognize and deal with various issues that may arise during their tenure as directors. Subsequently, the directors shall attend ongoing educational programs related to their Board service as the Board deems appropriate.

17. Amendment and Interpretation

These Guidelines are in addition to and are not intended to change or interpret any federal or state law or regulation, or the Company's Certificate of Incorporation or Bylaws or any Committee Charter reviewed and approved by the Board. The Guidelines are subject to modification from time to time by the Board.

A-5

EXHIBIT A
TO
NATIONAL FUEL GAS COMPANY
CORPORATE GOVERNANCE GUIDELINES
NATIONAL FUEL GAS COMPANY
DIRECTOR QUALIFICATION GUIDELINES

The Board of Directors in considering qualifications of directors standing for re-election and candidates for Board membership will consider the following factors, in addition to those other factors it may deem relevant:

1. Strong management experience, ideally with major public companies.
2. Other areas of expertise or experience that are desirable given the Company's business and the current make-up of the Board, such as expertise or experience in: the natural gas industry, information technology businesses, manufacturing, international, financial or investment banking, scientific research and development, senior level government experience, and academic administration or teaching.
3. Desirability of range in age, so that retirements are staggered to permit replacement of directors of desired skills and experience in a way that will permit appropriate continuity of Board members.
4. Independence, as defined by the Board.
5. Diversity of perspectives brought to the Board by individual members.
6. Knowledge and skills in accounting and finance, business judgment, general management practices, crisis response and management, industry knowledge, international markets and leadership.
7. Personal characteristics matching the Company's values, such as integrity, accountability, financial literacy, and high performance standards.
8. Additional characteristics, such as:
 - a.) willingness to commit the time required to fully discharge their responsibilities to the Board, including the time to prepare the Board and Committee meetings by reviewing the material supplied before each meeting;
 - b.) commitment to attend a minimum of 75% of meetings;
 - c.) ability and willingness to represent the stockholders' long and short-term interests;
 - d.) awareness of the Company's responsibilities to its customers, employees, suppliers, regulatory bodies, and the communities in which it operates; and
 - e.) willingness to advance their opinions, but once a decision is made by a majority of the Board, a willingness to support the majority decision assuming questions of ethics or propriety are not involved.
9. The number of commitments to other entities, with one of the more important factors being the number of other public-company boards on which the individual serves.
10. In order to qualify for election as a director, a nominee must be a shareholder of the Company.

EXHIBIT B
TO
NATIONAL FUEL GAS COMPANY
CORPORATE GOVERNANCE GUIDELINES
NATIONAL FUEL GAS COMPANY
NOMINATING/CORPORATE GOVERNANCE COMMITTEE
Process for Identifying and Evaluating Nominees for Director

1. The Nominating/ Corporate Governance Committee (the Committee) will observe the following procedures in identifying and evaluating candidates for election to the Company's Board of Directors.

2. The Company believes that the continuing service of qualified incumbents promotes stability and continuity in the boardroom, contributing to the Board's ability to work as a collective body, while giving the company the benefit of the familiarity and insight into the Company's affairs that its directors have accumulated during their tenure. Accordingly, the process of the Committee for identifying nominees shall reflect the Company's practice of re-nominating incumbent directors who continue to satisfy the Board's criteria for membership on the Board, whom the Committee believes continue to make important contributions to the Board and who consent to continue their service on the Board.

3. Consistent with this policy, in considering candidates for election at annual meetings of stockholders, the Committee will consider the incumbent directors whose terms expire at the upcoming meeting and who wish to continue their service on the Board.

4. The Board will evaluate the qualifications and performance of the incumbent directors who desire to continue their service. In particular, as to each such incumbent director, the Committee will

- (a) consider if the director continues to satisfy the Director Qualification Guidelines which are Exhibit A to the Company's Corporate Governance Guidelines;
 - (b) review any prior assessments of the performance of the director during the preceding term made by the Committee; and
 - (c) determine whether there exist any special, countervailing considerations against re-nomination of the director.
5. If the Committee determines that:
- (a) an incumbent director consenting to re-nomination continues to be qualified and has satisfactorily performed his or her duties as a director during the preceding term; and

- (b) there exist no reasons, including considerations relating to the composition and functional needs of the Board as a whole, why in the Committee's view the incumbent should not be re-nominated, the Committee will, absent special circumstances, propose the incumbent director for re-nomination.

6. The Committee will identify and evaluate new candidates for election to the Board, including for the purpose of filling vacancies arising by reason of the resignation, retirement, removal, death or disability of an incumbent director or the desire of the directors to expand the size of the Board.

7. The Committee will accept recommendations for nominees from persons that the Committee believes are likely to be familiar with qualified candidates. These persons may include members of the Board, including members of the Committee, and management of the Company. The Committee may also determine to engage a professional search firm to assist in identifying qualified candidates. If such a firm is engaged, the Committee shall set its fees and the scope of its engagement.

8. As to each recommended candidate that the Committee believes merits consideration, the Committee will:

- (a) cause to be assembled information concerning the background and qualifications of the candidate;
- (b) determine if the candidate satisfies the Director Qualification Guidelines which are Exhibit A to the Company's Corporate Governance Guidelines; if so, then
- (c) consider the contribution that the candidate can be expected to make to the overall functioning of the Board.

9. The Committee shall solicit the views of the Chief Executive Officer and the Chairman of the Board, and the views of such other persons as the committee deems appropriate, regarding the qualifications and suitability of candidates to be nominated as directors.

10. In its discretion, the Committee may designate one or more of its members (or the entire Committee) to interview any proposed candidate.

11. Based on all available information and relevant considerations, the Committee will select a candidate who, in the view of the Committee, is suited for membership on the Board. The Committee will then recommend to the Board that the candidate be nominated. The Board would then, if it chooses, nominate the candidate by a resolution adopted by the Board at a meeting or by unanimous written consent.

12. Stockholders may propose candidates for consideration by the Committee by communication directed to the Company's Secretary at its principal office, received no later than 165 days before the scheduled date of the next annual meeting pursuant to the Company's bylaws, which communication must include all information relating to such person that is required to be disclosed in solicitations of proxies for election of directors in an election contest, or is otherwise required, in each case under applicable SEC regulations, including such person's written consent to be named in the proxy statement as a nominee and to serving as a director if elected. In making its selection, the Committee will evaluate candidates proposed by stockholders owning at least two percent (2%) of the Company's outstanding common stock, under criteria similar to the evaluation of other candidates. The Committee shall have no obligation whatsoever to consider other unsolicited recommendations received from stockholders proposing candidates for the Board. The Committee may consider, as one of the factors in its evaluation of stockholder recommended nominees, the size and duration of the interest of the recommending shareholder or shareholder group on the equity of the Company, and the candidate's relationship to that stockholder or group, in order to determine whether the candidate can effectively represent the interests of all stockholders. The Committee may also consider the extent to which the recommending stockholder or group intends to continue holding its interest in the Company, including, in the case of nominees recommended for election at an annual meeting of stockholders, whether the recommending stockholder intends to continue holding its interest at least through the time of such annual meeting.

**APPENDIX B TO PROXY STATEMENT
NATIONAL FUEL GAS COMPANY
DIRECTOR INDEPENDENCE GUIDELINES
AS AMENDED DECEMBER 8, 2005**

The following Director Independence Guidelines (the Guidelines) have been adopted by the Board of Directors (the Board) of National Fuel Gas Company (National Fuel) to assist the Board in the exercise of its responsibilities to National Fuel and its shareholders. The Guidelines should be interpreted in the context of all applicable laws and National Fuel's other corporate governance documents, and are intended to serve as a flexible framework within which the Board may conduct its business. The Guidelines are subject to modification from time to time, and the Board shall be able, in the exercise of its discretion, to deviate from the Guidelines from time to time, as the Board may deem appropriate and as required or permitted by applicable laws and regulations.

1. *Effectiveness.* The Guidelines will become effective on January 1, 2004.

2. *Implementation.* The Board will annually review the independence of all directors, affirmatively make a determination as to the independence of each director and disclose those determinations, in each case, consistent with the requirements of the New York Stock Exchange (NYSE) and the Securities and Exchange Commission (SEC), as applicable.

3. *Independence of at Least a Majority of the Board.* The Board will at all times have at least a majority of directors who meet the criteria for independence required by the NYSE and the SEC.

4. *Absence of a Material Relationship.* In order for a director to be considered independent, the Board must affirmatively determine, after consideration of all relevant facts and circumstances, that the director has no direct or indirect material relationship with National Fuel or any subsidiary in a consolidated group with National Fuel (together, the Company). When assessing the materiality of a director's relationship with the Company, the Board will consider the issue not merely from the standpoint of the director, but also from that of persons or entities with which the director has an affiliation.

5. *Cooling-Off Period.* A director will not be considered independent if:

- (i) currently or within the preceding three years the director is or was employed by the Company;
- (ii) currently or within the last three years, an immediate family member of the director is or was employed by the Company as an executive officer;
- (iii) the director or an immediate family member of the director received during any twelve-month period within the last three years more than \$100,000 in compensation from the Company (excluding (A) director and committee fees, (B) pension and other deferred compensation for prior service provided such compensation is not contingent in any way on continued service and (C) compensation received by such immediate family member for service as a non-executive employee of the Company);
- (iv) the director (A) is a current partner or employee of a firm that is the present auditor of the Company or (B) within the past three years was a partner or employee of such firm and worked on the Company's audit;
- (v) an immediate family member of the director (A) is a current partner of a firm that is the present auditor of the Company (B) is a current employee of a firm that is the present auditor of the Company and participates in such firm's audit, assurance or tax compliance practice or (C) within the past three years was a partner or employee of such firm and worked on the Company's audit;

- (vi) a present Company executive officer currently serves or within the past three years served on the compensation committee of an entity which employed the director or an immediate family member of the director as an executive officer (this three year cooling-off period shall apply to both service and employment); or
- (vii) the director is an employee, or an immediate family member of the director is an executive officer, of an entity that in any of the last three fiscal years made payments to, or received payments from, the Company for property or services in excess of the greater of (A) \$1 million, or (B) 2% of the other entity's consolidated gross revenues. Contributions to tax-exempt organizations shall not be considered payments.

6. *Categorical Standards.* Provided that the independence criteria set forth in Paragraph 5 above are met, the Board has determined that the following commercial or charitable relationships will not be considered material relationships for purposes of determining whether a director is independent:

- (i) the director is a member, partner or executive officer of, or of counsel to, an entity (excluding any charitable organization) that makes annual payments to or receives annual payments from the Company for property or services in an amount less than the greater of (A) \$1 million, or (B) 2% of the other's consolidated gross revenues for its last completed fiscal year;
- (ii) the director is an executive officer, trustee or director of an entity, and the Company's discretionary charitable contributions to that entity are less than 5% of that entity's total annual charitable receipts for its last completed fiscal year; and
- (iii) the director is an executive officer of an entity which is indebted to the Company, or to which the Company is indebted, and the total amount of either's indebtedness to the other is less than 5% of its own total consolidated assets, measured as of the last fiscal year-end.

For purposes of the Guidelines:

immediate family member means a person's spouse, parents, children, siblings, mothers and fathers-in-law, sons and daughters-in-law, brothers and sisters-in-law and anyone (other than domestic employees) who shares such person's home.

For purposes of the Categorical Standards:

- (i) The calculation of payments to and from the Company may *exclude*: (A) payments determined by competitive bid or authorized by, or in conformity with, law or governmental authority and (B) payments arising solely from the ownership of securities of the Company with no benefit being received that is not shared on a pro rata basis by all holders of the class of securities.
- (ii) The calculation of indebtedness owed to or by the Company may *exclude*: (A) debt securities publicly offered, traded on a national exchange or quoted on an automated quotation system of a registered securities association and (B) trade debt subject to usual terms.

7. *Relationships and Transactions Not Covered by the Categorical Standards.* Any determination by the Board that a director who has a business or other relationship that is not covered by the Categorical Standards set forth in Paragraph 6 above is independent, will be disclosed by National Fuel in its annual proxy statement, together with the

basis for such determination.

B-2

8. *Affirmative Obligation of Directors.* Each director has an affirmative obligation to inform the Board of any material change in his or her business or other relationships that may impact the Board's determination with regard to his or her independence.

9. *Disclosure by the Company.* The Board will cause National Fuel to disclose the following in its annual proxy statement:

- (i) the Guidelines, including the categorical standards adopted by the Board to assist it in making determinations regarding the independence of a director;
- (ii) the identity of the independent directors and the basis for the affirmative determinations of the Board regarding the independence of each director;
- (iii) a specific explanation of any determination by the Board that a director is independent notwithstanding that the director does not meet the categorical standards set forth in the Guidelines; and
- (iv) charitable contributions by the Company to an entity that employs a director of the Company as an executive officer if, within the preceding three years, contributions by the Company in any fiscal year exceeded the greater of (A) \$1 million, or (B) 2% of the other entity's consolidated gross revenues.

**APPENDIX C TO PROXY STATEMENT
NATIONAL FUEL GAS COMPANY
REPORTING PROCEDURES FOR ACCOUNTING AND AUDITING MATTERS**

I. Purpose

National Fuel Gas Company (Company) has a longstanding commitment to comply with federal and state securities laws and regulations, accounting standards, accounting controls and audit practices. In furtherance of this commitment, the Audit Committee of the Company s Board of Directors has established these Reporting Procedures for Accounting and Auditing Matters (Procedures), which provide for (i) the receipt, retention, and treatment of complaints received by the Company regarding accounting, internal accounting controls, or auditing matters; and (ii) the confidential, anonymous submission by employees of the Company of concerns regarding accounting or auditing matters.

II. Scope

These Procedures apply to all employees of all divisions and subsidiaries of the Company.

III. Procedures

A. Making a Report of Accounting and Auditing Matters

1. An employee with a concern or complaint regarding accounting, internal accounting controls, or auditing matters (collectively Accounting and Auditing Matters) may report such concerns, on a confidential and anonymous basis if the employee so desires, as follows:
 - a. Via the Company s dedicated toll-free hotline (1-800-605-1338) operated by a third party service company; or
 - b. In writing in a sealed envelope addressed to the Chairman of the Audit Committee, National Fuel Gas Company, 6363 Main Street, Williamsville, New York 14221. The sealed envelope should be labeled with a legend such as: *Submitted pursuant to the Reporting Procedures for Accounting and Auditing Matters.*
2. A sufficiently detailed description of the factual basis for the report should be given in order to allow appropriate investigation into the matter.

B. Treatment of Reports

1. All reports will be forwarded to the Chairman of Audit Committee, the Chief Auditor, and General Counsel.
2. Upon receipt of a report, the Chief Auditor will determine whether the complaint pertains to Accounting and Auditing Matters. If the report does not pertain to Accounting and Auditing Matters, the Chief Auditor and General Counsel will decide together on the appropriate disposition.
3. Reports relating to Accounting and Auditing Matters will be promptly investigated by the Chief Auditor under the Audit Committee s direction and oversight, and may involve the assistance of other Company resources as needed. To the fullest extent possible, such investigations and reports will be kept confidential.
4. If the results of an investigation indicate that corrective action is required, the Audit Committee will decide what steps should be taken to rectify the problem and reduce the likelihood of recurrence, and may also recommend appropriate discipline.
5. No person making a report under these Procedures shall be subject to retaliation because of making a good faith report. In addition, any employee of the Company responsible for retaliating against individuals who in good faith report concerns regarding Accounting and Auditing Matters will be subject to disciplinary action, up to and including termination. Any employee making a bad faith report, including a

report made for the purpose of harassing or maliciously injuring the subject of the report, will be subject to disciplinary action, up to and including termination.

C. Retention of Reports and Investigation Documents

The Chief Auditor will maintain, in accordance with the Company's document retention policy, a complete record of all reports received (including those determined not to pertain to Accounting and Auditing Matters), all records associated with reports of Accounting and Auditing Matters, the treatment of reports of Accounting and Auditing Matters under these Procedures, and the ultimate disposition of Accounting and Auditing Matters reports. In addition, the Chief Auditor shall prepare an update on the status of (i) all reports of Accounting and Auditing Matters under investigation, and (ii) those reports of Accounting and Auditing Matters whose investigation has been concluded since the previous status update. Status updates shall be provided on a monthly basis for the Chairman of the Audit Committee and shall be provided on a quarterly basis for the entire Audit Committee.

IV. Administration of Procedures

The Audit Committee is the issuer and owner of these Procedures. These Procedures shall be subject to periodic review and revision by the Audit Committee as necessary or appropriate. The Audit Committee, in consultation with the Company's Chief Auditor, shall have the authority to make any interpretations regarding the operation of these Procedures.

**VOTE BY TELEPHONE
24 HOURS A DAY, 7 DAYS A WEEK
TELEPHONE**

Call toll free 1-866-242-0588 in the United States or Canada anytime on a touch-tone telephone. There is **no charge** to you for the call.

Have your proxy card ready.

Follow the simple instructions provided by the recorded message.

OR
MAIL

Mark, sign and date your proxy card.

Detach your proxy card.

Return your proxy card in the postage-paid envelope provided.

Your telephone vote authorizes the proxy holders named in the proxy to vote your shares in the manner as if you marked, signed and returned the proxy card. If you have submitted your proxy by telephone there is no need for you to mail back your proxy card. Proxies submitted by telephone must be received by 1:00 A.M., Eastern Standard Time, on February 16, 2006.

THANK YOU FOR VOTING

1-866-242-0588

CALL TOLL-FREE TO VOTE

o **DETACH PROXY CARD HERE IF YOU ARE NOT VOTING BY TELEPHONE**

**Please Vote, Date and Sign Below and
Return Promptly in the Enclosed
Envelope.**

x
**Votes MUST be indicated
(x) in Black or Blue ink.**

The Board of Directors recommends a vote FOR items 1 and 2. To vote in accordance with the Board's recommendations, just sign below; no boxes need to be checked.

Item 1. Election of Directors for three year term which expires in 2009 or two year term which expires in 2008, as indicated.

FOR **WITHHOLD** **EXCEPTIONS**
 Nominees: 01 R. Don Cash, 3 years 02 George L. Mazanec, 3 years 03 John F. Riordan, 2 years
(INSTRUCTIONS: To withhold authority to vote for any individual nominee, mark the Exceptions box and write that nominee's name in the space provided below.)

*Exceptions _____

THIS PROXY (OR VOTING INSTRUCTIONS, IN THE CASE OF PLAN SHARES) WHEN PROPERLY EXECUTED AND RETURNED WILL BE VOTED IN THE MANNER DIRECTED HEREIN BY THE UNDERSIGNED STOCKHOLDER(S). This Proxy is solicited on behalf of The Board of Directors. Please mark, sign, date and return this proxy card using the enclosed prepaid envelope. This Proxy must be returned for your shares to be voted at the Meeting in accordance with your instructions if you do not plan to attend the Meeting and vote in person. Please indicate any change in address.

		FOR	AGAINST	ABSTAIN
Item 2.	Appointment of PricewaterhouseCoopers LLP as the Company's independent registered public accounting firm.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

The Board of Directors recommends a vote AGAINST Item 3. To vote in accordance with the Board's recommendations, just sign below; no boxes need to be checked.

Item 3.	Adoption of, if presented at the Meeting, a shareholder proposal.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
---------	---	-----------------------	-----------------------	-----------------------

SEE THE REVERSE SIDE OF THIS CARD FOR IMPORTANT OTHER PROVISIONS
SCAN LINE

Please sign exactly as the name appears on this proxy card. Joint owners should sign. When signing as an attorney, executor, administrator, trustee or guardian, please give your full title.

Date Share Owner sign Co-Owner sign here
 here

Employee Benefit Plans. This card also provides voting instructions for shares held in the National Fuel Gas Company Employee Stock Ownership Plans and the National Fuel Gas Company Tax-Deferred Savings Plans. If you are a participant in any of these plans and have shares of the Common Stock of the Company allocated to your account under these plans, please read the following authorization to the Trustee of those plans as to the voting of such shares.

Trustee's Authorization. The undersigned on the reverse side of this card authorizes and instructs Vanguard Fiduciary Trust Company as Trustee of the National Fuel Gas Company Tax Deferred Savings Plans and the National Fuel Gas Company Employee Stock Ownership Plans to vote all shares of the Common Stock of the Company allocated to the undersigned's account under such plan(s) (as shown on the reverse side) at the Annual Meeting, or at any adjournment thereof, in accordance with the instructions on the reverse side. All shares of Company Stock for which the Trustee has not received timely directions shall be voted or exercised by the Trustee in the same proportion as the shares of Company Stock for which the Trustee received timely directions, except in the case where to do so would be inconsistent with the provisions of Title I of ERISA. **You may revoke your instructions by notice to the Trustee as described on the first page of the enclosed Proxy Statement.**

This proxy, when properly executed, will be voted as directed by the stockholder. See below for important provisions and additional instructions.

Incomplete Directions and Instructions. If this card is returned signed but without directions marked for one or more items, regarding the unmarked items, you are instructing the Trustee and granting the Proxies discretion to vote FOR items 1 and 2 and AGAINST item 3.

THIS PROXY/VOTING INSTRUCTION CARD IS CONTINUED ON THE REVERSE SIDE. PLEASE VOTE BY TELEPHONE, OR SIGN ON THE REVERSE SIDE AND RETURN PROMPTLY.

PROXY NATIONAL FUEL GAS COMPANY

**Proxy/Voting Instruction Card Solicited by the Board of Directors for Use at
the Annual Meeting of Stockholders, February 16, 2006 Place: The Ritz-Carlton Hotel,
Naples, 2600 Tiburon Drive, Naples, FL 34109**

The undersigned on the reverse side of this card hereby appoints P.C. Ackerman and A.M. Cellino, or either of them, Proxies with full power of substitution and revocation in each, to vote all the shares of Common Stock held of record by the undersigned on December 19, 2005, at the Annual Meeting of Stockholders of National Fuel Gas Company or at any adjournment of the meeting, on each of the items on the reverse side and in accordance with the directions given there, and, in their discretion, on all other matters that may properly come before the Annual Meeting of Stockholders, or any adjournment thereof, respecting (i) matters of which the Company did not have timely notice but that may be presented at the meeting; (ii) approval of the minutes of the prior meeting; (iii) the election of any person as a director if a nominee is unable to serve or for good cause will not serve; (iv) any shareholder proposal omitted from the enclosed proxy statement pursuant to Rule 14a-8 or 14a-9 of the Securities and Exchange Commission's proxy rules, and (v) all matters incident to the conduct of the meeting. **This proxy may be revoked with the Secretary of the meeting as described on the first page of the enclosed Proxy Statement.**

THE BOARD RECOMMENDS A VOTE FOR ITEMS 1 AND 2 AND AGAINST ITEM 3 DESCRIBED ON THE REVERSE SIDE OF THIS CARD.

TO VOTE IN ACCORDANCE WITH THE BOARD'S RECOMMENDATIONS, JUST SIGN ON THE REVERSE SIDE; NO BOXES NEED TO BE MARKED. IF THIS PROXY (OR VOTING INSTRUCTIONS, IN THE CASE OF PLAN SHARES) IS EXECUTED BUT NO INSTRUCTIONS ARE GIVEN AS TO ANY ITEMS SET FORTH IN THIS PROXY, THIS PROXY WILL BE VOTED FOR ITEMS 1 AND 2 AND AGAINST ITEM 3 DESCRIBED ON THE REVERSE SIDE OF THIS CARD.

Mark this box with an X if you do not want annual meeting materials mailed to you for future Annual Meetings of Stockholders. NATIONAL FUEL GAS COMPANY
P.O. BOX 11107
NEW YORK, N.Y. 10203-0107

Mark this box with an X if you have made changes to your name or address.

Please mark this box with an X if you will attend the meeting.