

J C PENNEY CO INC  
 Form 3  
 October 08, 2010

**FORM 3 UNITED STATES SECURITIES AND EXCHANGE COMMISSION**  
**Washington, D.C. 20549**

OMB APPROVAL  
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**INITIAL STATEMENT OF BENEFICIAL OWNERSHIP OF SECURITIES**

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

(Print or Type Responses)

1. Name and Address of Reporting Person *			2. Date of Event Requiring Statement	3. Issuer Name <b>and</b> Ticker or Trading Symbol	
Â VORNADO REALTY TRUST			(Month/Day/Year)	J C PENNEY CO INC [JCP]	
(Last)	(First)	(Middle)	10/08/2010		
888 SEVENTH AVE			4. Relationship of Reporting Person(s) to Issuer		
(Street)			(Check all applicable)		
NEW YORK, Â NY Â 10019			<input type="checkbox"/> Director <input type="checkbox"/> 10% Owner <input type="checkbox"/> Officer <input checked="" type="checkbox"/> Other (give title below)    (specify below) <input type="checkbox"/> 10% Owner (4) (5)		
(City)	(State)	(Zip)	5. If Amendment, Date Original Filed(Month/Day/Year)		
			6. Individual or Joint/Group Filing(Check Applicable Line)		
			<input checked="" type="checkbox"/> Form filed by One Reporting Person		
			<input type="checkbox"/> Form filed by More than One Reporting Person		

**Table I - Non-Derivative Securities Beneficially Owned**

1. Title of Security (Instr. 4)	2. Amount of Securities Beneficially Owned (Instr. 4)	3. Ownership Form: Direct (D) or Indirect (I) (Instr. 5)	4. Nature of Indirect Beneficial Ownership (Instr. 5)
Common Stock, par value \$0.50 per share	3,084,010	D	Â

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly. SEC 1473 (7-02)

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

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

1. Title of Derivative Security (Instr. 4)	2. Date Exercisable and Expiration Date (Month/Day/Year)	3. Title and Amount of Securities Underlying Derivative Security (Instr. 4)	4. Conversion or Exercise Price of Derivative Security	5. Ownership Form of Derivative Security: Direct (D)	6. Nature of Indirect Beneficial Ownership (Instr. 5)
	Date Exercisable    Expiration Date	Title			

			Amount or Number of Shares		or Indirect (1) (Instr. 5)	
Call Option <u>(1)</u>	09/28/2010 <sup>(1)</sup>	03/27/2012 <sup>(1)</sup>	Common Stock, par value \$0.50 per share 15,500,000 <u>(1)</u>	\$ 199,264,900 <u>(1)</u>	I	By Fashion <u>(1)</u>
Contract <u>(2)</u> <u>(3)</u>	10/07/2010	10/12/2012 <sup>(2)(3)</sup>	Common Stock, par value \$0.50 per share 4,815,990 <u>(2)</u> <u>(3)</u>	\$ <u>(2)</u> <u>(3)</u>	I	By VSPS <u>(2)</u> <u>(3)</u>

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
VORNADO REALTY TRUST 888 SEVENTH AVE NEW YORK, NY 10019	Â	Â	Â	10% Owner (4) (5)

## Signatures

/s/ Joseph Macnow, Executive Vice President Finance and Administration Chief Financial Officer 10/08/2010

\*\*Signature of Reporting Person Date

## Explanation of Responses:

- \* If the form is filed by more than one reporting person, see Instruction 5(b)(v).
  - \*\* Intentional misstatements or omissions of facts constitute Federal Criminal Violations. See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).
- (1) On September 28, 2010, Fashion acquired from Societe Generale ("SG") over-the-counter American-style call options to purchase 15,500,000 Common Shares (the "Call Options") at the strike price of \$12.2437 for an aggregate premium amount of \$199,264,900. All or a portion of the Call Options may be exercised by Fashion from time to time and may be settled in cash or by delivery of Common Shares at Fashion's election. Fashion may not elect to physically settle any of the Call Options until all required filings and any applicable waiting periods under the Hart-Scott-Rodino Antitrust Improvements Act of 1976 have been made or have expired, as applicable (the "HSR Act Condition").
- (2) On October 7, 2010, VSPS entered into a share forward transaction with and Deutsche Bank AG, London Branch ("DB") (the "Forward Transaction"). Currently, 4,815,900 shares of Common Stock of the Issuer are subject to this transaction. DB has agreed to sell to VSPS, for settlement no later than October 12, 2012, 4,815,900 Common Shares at a per share forward price determined based on a formula. At any time during the term of the Forward Transaction, VSPS may accelerate settlement of the Forward Transaction, in whole or in part, upon two business days' notice to DB, and DB may accelerate settlement of the Forward Transaction, in whole or in part, upon one year's notice to VSPS.
- (3) The Forward Transaction may be settled, at the election of VSPS, in cash or, upon satisfaction of the HSR Act Condition, by delivery of Common Shares in exchange for payment by VSPS of the forward price per share. VSPS has agreed with DB that, while the Forward Transaction is outstanding, VSPS and its affiliates will not own or otherwise have economic exposure to more than 9.95% of the Common Shares outstanding at such time.

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### Remarks:

(4)Â PershingÂ SquareÂ CapitalÂ Management,Â L.P.Â ("Pershing")Â hasÂ filedÂ aÂ ReportÂ onÂ ScheduleÂ 13DÂ repo

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(5) This form is filed by Vornado Realty Trust ("Vornado"), on behalf of itself and Vornado Real

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

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