We investigate German embedded clauses with verb second structure (V2). V2 appears in a subset of embedded argument clauses, which are typically verb final in German (Vend). We claim that the distribution of V2 and Vend is controlled by (i) semantic differences of the embedding context, and (ii) different meanings of V2 and Vend: Vend structures denote plural propositions, but V2 denotes particular sets of alternatives. **Embedding Context:** It has been argued that V2 is not licensed if the embedding context contains a negative particle (Romberg 1999, Meinunger 2004, Truckenbrodt 2006). However, the proper characterization seems to be that V2 is blocked in a context that licenses strong NPIs (Zwarts 1981, Gajewski 2011), i.e. in a subset of downward entailing contexts. Thus, V2 is excluded under negation, under negative verbs, adverbials such as *kaum* ‘hardly’, and negative quantifiers, all of which are contexts for strong NPIs. In addition, V2 is also in complementary distribution with *if*-clauses, i.e. it is excluded under predicates which embed *if*-clauses. We correlate this finding with the fact that question embedding predicates which allow for *if*-clauses in only a restricted set of contexts license *if*-clauses in exactly those contexts which license strong NPIs. Thus we argue for a complementary distribution of *if*-clauses/strong NPIs and V2. **Semantic properties of V2/Vend:** V2 and Vend clauses differ semantically wrt. cumulativity, distributivity and quantificational variability. V2 clauses do not allow for cumulative and distributive readings and do not show quantificational variability effects (Berman 1991), all indicative of plural interpretations. Vend clauses, on the other hand, allow for such interpretations. **Analysis:** We analyze the differences between Vend and V2 by assuming that Vend clauses denote plural propositions, but V2 clauses sets of particular alternatives. V-end allows pluralities embedded within them to project to pluralities of propositions. The observed properties of V2 suggests that V2 does not license such projections.