

CommonWealth REIT  
Form PRE 14A  
June 11, 2014

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

**SCHEDULE 14A**

Proxy Statement Pursuant to Section 14(a) of  
the Securities Exchange Act of 1934 (Amendment No. )

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

- Preliminary Proxy Statement
- Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**
- Definitive Proxy Statement
- Definitive Additional Materials
- Soliciting Material under §240.14a-12

**COMMONWEALTH REIT**

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(Name of Registrant as Specified In Its Charter)

N/A

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(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

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- No fee required.
- Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.
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      - (3) Filing Party:
      - (4) Date Filed:
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**PRELIMINARY COPY SUBJECT TO COMPLETION DATED JUNE 11, 2014**

## **COMMONWEALTH REIT**

**Two North Riverside Plaza, Suite 600  
Chicago, IL 60606**

June , 2014

Dear Shareholder:

You are cordially invited to the 2014 Annual Meeting of Shareholders, and any adjournments or postponements thereof (the "Annual Meeting"), of CommonWealth REIT (the "Company") to be held on Monday, June 30, 2014 at 10:00 a.m., Central Time. The Annual Meeting will be held at Two North Riverside Plaza, 24<sup>th</sup> Floor, Chicago, Illinois 60606. Once called to order, the Company intends to adjourn the Annual Meeting, prior to voting on any proposal, until July 31, 2014 at the same time and at the same location in order to give the Company's shareholders an ample opportunity to consider the proposals below, which are further described in the Company's proxy materials for the Annual Meeting, and to allow sufficient time for the Company to solicit proxies.

At the Annual Meeting, you will be asked to:

1. Elect 11 trustees to the Board of Trustees (the "Board");
2. Approve amendments to the Company's Third Amendment and Restatement of Declaration of Trust (the "Charter") that require approval of a majority of shares outstanding relating to (a) adoption of plurality voting in contested trustee elections, (b) lowering the general shareholder voting standard, (c) adoption of a majority voting standard for the transfer of all or substantially all assets of the Company, (d) conversion of indemnification rights to permissive to the full extent of Maryland law, (e) elimination of obligations of shareholders to indemnify the Company, (f) elimination of the external advisor provisions, (g) aligning the related party transaction requirements with Maryland law, (h) increasing flexibility in scheduling of annual meetings, (i) increasing flexibility in approval of investments, (j) increasing flexibility in the structure of committees of the Board, (k) elimination of shareholder approval of certain restructurings, (l) removal of trustees, (m) trustee actions by written consent and (n) conforming and other immaterial modifications and the amendment and restatement of the Charter, each as more fully described in the accompanying proxy statement;
3. Approve amendments to the Charter that require approval of 75% of the shares outstanding relating to (a) declassifying of the Board and providing for annual elections of trustees, (b) the voting standard for mergers, (c) the voting standard for Charter amendments, (d) the removal of the voting standard for combinations with 10% shareholders, (e) the increase in the number of permitted trustees, (f) installing revised REIT ownership limitation provisions and (g) the investment policy of the Company, each as more fully described in the accompanying proxy statement;
4. Approve the reimbursement to Related Fund Management, LLC and Corvex Management LP of expenses related to their consent solicitations;
5. Ratify the appointment of Ernst & Young LLP as the Company's independent registered public accounting firm for the fiscal year ending December 31, 2014; and
6. Transact such other business as may properly come before the Annual Meeting.

The accompanying Notice of the Annual Meeting describes these matters.

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The Board appreciates and encourages your participation in the Annual Meeting. Whether or not you plan to attend the Annual Meeting, it is important that your shares be represented. Accordingly, please vote your shares. If you do attend the Annual Meeting, you may withdraw your proxy and vote in person.

Sincerely,

Sam Zell  
*Chairman of the Board of Trustees*

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## **COMMONWEALTH REIT**

**Two North Riverside Plaza, Suite 600  
Chicago, IL 60606**

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### **NOTICE OF 2014 ANNUAL MEETING OF SHAREHOLDERS To be Held on June 30, 2014**

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To the Shareholders of CommonWealth REIT:

NOTICE IS HEREBY GIVEN that the 2014 Annual Meeting of Shareholders, and any adjournments or postponements thereof (the "Annual Meeting"), of CommonWealth REIT, a Maryland real estate investment trust (the "Company"), will be held on Monday, June 30, 2014 at 10:00 a.m., Central Time, at Two North Riverside Plaza, 24<sup>th</sup> Floor, Chicago, Illinois 60606 for the following purposes:

1. To elect 11 trustees to the Board of Trustees (the "Board");
2. To approve amendments to the Company's Third Amendment and Restatement of Declaration of Trust (the "Charter") that require approval of a majority of shares outstanding relating to (a) adoption of plurality voting in contested trustee elections, (b) lowering the general shareholder voting standard, (c) adoption of a majority voting standard for the transfer of all or substantially all assets of the Company, (d) conversion of indemnification rights to permissive to the full extent of Maryland law, (e) elimination of obligations of shareholders to indemnify the Company, (f) elimination of the external advisor provisions, (g) aligning the related party transaction requirements with Maryland law, (h) increasing flexibility in scheduling of annual meetings, (i) increasing flexibility in approval of investments, (j) increasing flexibility in the structure of committees of the Board, (k) elimination of shareholder approval of certain restructurings, (l) removal of trustees, (m) trustee actions by written consent and (n) conforming and other immaterial modifications and the amendment and restatement of the Charter, each as more fully described in the accompanying proxy statement;
3. To approve amendments to the Charter that require approval of 75% of the shares outstanding relating to (a) declassifying of the Board and providing for annual elections of trustees, (b) the voting standard for mergers, (c) the voting standard for Charter amendments, (d) the removal of the voting standard for combinations with 10% shareholders, (e) the increase in the number of permitted trustees, (f) installing revised REIT ownership limitation provisions and (g) the investment policy of the Company, each as more fully described in the accompanying proxy statement;
4. To approve the reimbursement to Related Fund Management, LLC and Corvex Management LP of expenses related to their consent solicitations;
5. To ratify the appointment of Ernst & Young LLP as the Company's independent registered public accounting firm for the fiscal year ending December 31, 2014; and
6. To transact such other business as may properly come before the Annual Meeting.

Once called to order, the Company intends to adjourn the Annual Meeting, prior to voting on any proposal, until July 31, 2014 at the same time and at the same location in order to give the Company's shareholders an ample opportunity to consider the proposals above, which are further described in the Company's proxy materials for the Annual Meeting, and to allow sufficient time for the Company to solicit proxies.

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We know of no other matters to come before the Annual Meeting. Only holders of record of common shares at the close of business on June 23, 2014 are entitled to notice of and to vote at the Annual Meeting or at any adjournments or postponements thereof.

Regardless of the number of shares you hold, as a shareholder your role is very important, and the Board strongly encourages you to exercise your right to vote. You should have separately received our 2013 Annual Report to Shareholders, and our Proxy Statement and 2013 Annual Report to Shareholders are also available online at [www.proxyvote.com](http://www.proxyvote.com).

We encourage you to contact the firm assisting us in the solicitation of proxies, D.F. King & Co., Inc. ("D.F. King"), if you have any questions or need assistance in voting your shares. Banks and brokers may call D.F. King collect at (212) 269-5550. Shareholders may call D.F. King toll-free at (800) 714-3313.

By Order of the Board of Trustees,

Orrin S. Shifrin  
*Executive Vice President,  
General Counsel and Secretary*

June , 2014  
Chicago, Illinois 60606

***WHETHER OR NOT YOU PLAN TO ATTEND THE ANNUAL MEETING, YOU ARE URGED TO VOTE BY INTERNET, BY TELEPHONE, OR BY MAIL BY COMPLETING, DATING AND SIGNING THE ACCOMPANYING PROXY CARD AND RETURNING IT PROMPTLY IN THE POSTAGE-PAID ENVELOPE PROVIDED. IF YOU ATTEND THE ANNUAL MEETING, YOU MAY WITHDRAW YOUR PROXY AND VOTE IN PERSON.***

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## COMMONWEALTH REIT

Two North Riverside Plaza, Suite 600  
Chicago, IL 60606

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### PROXY STATEMENT

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#### ABOUT THE ANNUAL MEETING

##### Why am I receiving this Proxy Statement?

This Proxy Statement is furnished by the Board of Trustees (the "Board") of CommonWealth REIT, a Maryland real estate investment trust, in connection with the Board's solicitation of proxies for the 2014 Annual Meeting of Shareholders of CommonWealth REIT, and any adjournments or postponements thereof (the "Annual Meeting"), to be held Monday, June 30, 2014 at 10:00 a.m., Central Time, at Two North Riverside Plaza, 24<sup>th</sup> Floor, Chicago, Illinois 60606. This Proxy Statement will first be made available to shareholders on or about June 25, 2014. Our 2013 Annual Report to Shareholders was first made available to shareholders on May 28, 2014. Unless the context requires otherwise, references in this Proxy Statement to "CommonWealth," "we," "our," "us" and the "Company" refer to CommonWealth REIT, a Maryland real estate investment trust, together with its consolidated subsidiaries.

Once the Annual Meeting is called to order, the Board intends to adjourn the Annual Meeting, prior to voting on any proposal, until July 31, 2014, at the same time of day and at the same location as the Annual Meeting, in order to give our shareholders an ample opportunity to consider the proposals described in this Proxy Statement and to allow sufficient time for us to solicit proxies.

##### How can I receive electronic access to the proxy materials?

This Proxy Statement and our 2013 Annual Report to Shareholders are available on our website at [www.cwhreit.com](http://www.cwhreit.com). In addition, our shareholders may access this information, as well as transmit their voting instructions, at [www.proxyvote.com](http://www.proxyvote.com) by having their proxy card and related instructions in hand.

In addition, the enclosed proxy card contains instructions on how shareholders may request to receive future proxy materials in printed form, by mail or electronically by e-mail on an ongoing basis. Choosing to receive future proxy materials by e-mail will save us the cost of printing and mailing documents to you and will reduce the environmental impact of our annual meetings. If you choose to receive future proxy materials by e-mail, you will receive an e-mail next year with instructions containing a link to those materials and the proxy voting site. Your election to receive future proxy materials by e-mail will remain in effect until you terminate it.

##### What am I being asked to vote on?

You are being asked to vote on the following proposals:

***Proposal 1 (Election of Trustees):*** The election of 11 trustees to our Board;

***Proposal 2 (Certain Amendments to our Declaration of Trust (Majority Approval)):*** The approval of amendments to our Third Amended and Restated Declaration of Trust (the "Charter") that require approval of a majority of shares outstanding relating to (a) adoption of plurality voting in contested trustee elections, (b) lowering the general shareholder voting standard, (c) adoption of a majority voting standard for the transfer of all or substantially all assets of the Company, (d) conversion of indemnification rights to permissive to the full extent of Maryland law, (e) elimination of obligations of shareholders to indemnify the Company, (f) the elimination of



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the external advisor provisions, (g) aligning the related party transaction requirements with Maryland law, (h) increasing flexibility in the scheduling of annual meetings, (i) increasing flexibility in approval of investments, (j) increasing flexibility in the structure of committees of the Board, (k) elimination of shareholder approval of certain restructurings, (l) the removal of trustees, (m) trustee actions by written consent and (n) conforming and other immaterial modifications and the amendment and restatement of the Charter, each as more fully described in this proxy statement;

**Proposal 3 (Certain Additional Amendments to our Declaration of Trust (75% Approval)):** The approval of amendments to the Charter that require approval of 75% of the shares outstanding relating to (a) declassifying of the Board and providing for annual elections of trustees, (b) the voting standard for mergers, (c) the voting standard for Charter amendments, (d) the removal of the voting standard for combinations with 10% shareholders, (e) the increase in the number of permitted trustees, (f) installing revised REIT ownership limitation provisions and (g) our investment policy, each as more fully described in this proxy statement;

**Proposal 4 (Reimbursement of Expenses to Related and Corvex):** The approval of the reimbursement to Related Fund Management, LLC ("Related") and Corvex Management LP ("Corvex") of expenses related to their consent solicitations; and

**Proposal 5 (Ratification of the Appointment of Ernst & Young LLP):** The ratification of the appointment of Ernst & Young LLP as our independent registered public accounting firm for our fiscal year ending December 31, 2014.

Our Board knows of no other matters to be brought before the Annual Meeting.

Although the Board previously adopted a policy to provide shareholders with an opportunity to approve, on an advisory basis, the compensation of named executive officers every year at the annual meeting of shareholders (a "say-on-pay proposal"), the Board has decided not to include a say-on-pay proposal at the Annual Meeting. Effective as of May 23, 2014, our former executives (whose 2013 compensation is presented in this Proxy Statement and in our Form 10-K/A for the year ended December 31, 2013 filed on April 30, 2014 (our "Amended Form 10-K")) resigned and the Board elected new executive officers. Although our Compensation Committee has approved interim annual base salaries for our new executive officers, it is currently evaluating our executive compensation program, including the compensation of our new executive officers. With the assistance of an executive compensation consultant, the Compensation Committee will propose a new program and compensation to the Board. Accordingly, in light of the change in management and the expected change in compensation, the Board did not believe it was appropriate to ask shareholders to hold an advisory vote on 2013 executive compensation at the Annual Meeting. The Board intends to resume its policy of including an annual say-on-pay proposal at the 2015 annual meeting of shareholders.

### **What are the Board's voting recommendations?**

The Board recommends that you vote as follows:

**Proposal 1 (Election of Trustees):** "FOR" each of the Board's nominees for election as trustee;

**Proposal 2 (Certain Amendments to our Declaration of Trust (Majority Approval)):** "FOR" approval of each amendment to the Charter listed in Proposals 2(a) through 2(n);

**Proposal 3 (Certain Additional Amendments to our Declaration of Trust (75% Approval)):** "FOR" approval of each amendment to the Charter listed in Proposals 3(a) through 3(g);

**Proposal 4 (Reimbursement of Expenses to Related and Corvex):** "FOR" approval of the reimbursement to Related and Corvex of expenses related to their consent solicitations; and



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**Proposal 5 (Ratification of the Appointment of Ernst & Young LLP): "FOR"** ratification of the appointment of Ernst & Young LLP as our independent registered public accounting firm for our fiscal year ending December 31, 2014.

**Who is entitled to vote at the Annual Meeting?**

The close of business on June 23, 2014 has been fixed as the record date (the "Record Date") for the Annual Meeting. Only shareholders of record of our common shares of beneficial interest, \$0.01 par value per share ("common shares"), at the close of business on the Record Date are entitled to notice of, to attend, and to vote at the Annual Meeting. On June 23, 2014, we had 128,848,194 common shares outstanding.

**What are the voting rights of shareholders?**

Each common share is entitled to one vote on each matter to be voted on.

**How do I vote?**

If your shares are registered directly in your name with our transfer agent, Wells Fargo Bank, National Association, you are considered the shareholder of record with respect to those shares and the Proxy Statement was sent directly to you by us. In that case, you may instruct the proxy holders named in the proxy card (the "Proxy Agents") how to vote your common shares in one of the following ways:

*Vote online.* You can access proxy materials and vote at [www.proxyvote.com](http://www.proxyvote.com). To vote online, you must have the shareholder identification number provided on the proxy card.

*Vote by telephone.* You also have the option to vote by telephone by following the "Vote by Phone" instructions on the proxy card.

*Vote by regular mail.* If you would like to vote by mail, then please mark, sign and date your proxy card and return it promptly in the postage-paid envelope provided.

Proxies submitted over the internet, by telephone or by mail must be received by 11:59 p.m. Eastern Time on Wednesday, July 30, 2014.

If your shares are held in an account at a brokerage firm, bank, broker-dealer, or other similar organization, then you are the beneficial owner of shares held in "street name," and the Proxy Statement was forwarded to you by that organization. As a beneficial owner, you have the right to instruct that organization on how to vote the shares held in your account. You should instruct your broker or nominee how to vote your shares by following the voting instructions provided by your broker or nominee.

**How are proxy card votes counted?**

Proxies submitted properly via one of the methods discussed above will be voted in accordance with the instructions contained therein. If the proxy is submitted but voting instructions are not made, the proxy will be voted "FOR" each of the 11 trustee nominees, "FOR" approval of certain amendments to the Charter, "FOR" approval of certain additional amendments to the Charter, "FOR" approval of the reimbursement to Related and Corvex of expenses related to their consent solicitations and "FOR" the ratification of the appointment of Ernst & Young LLP as our independent registered public accounting firm for the fiscal year ending December 31, 2014, and in such manner as the Proxy Agents, in their discretion, determine upon such other business as may properly come before the Annual Meeting. If the proxy is submitted and voting instructions are made for some, but not all, of the proposals, as to matters in which instructions are given, the proxy will be voted in accordance with



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those instructions, and for all other proposals, the proxy will be voted as described in the prior sentence.

If your common shares are held in an account at a brokerage firm, bank, broker-dealer, or other similar organization, under applicable rules of the New York Stock Exchange (the "NYSE") (the exchange on which our common shares are traded), the brokers will vote your shares according to the specific instructions they receive from you. If brokers that hold common shares for a beneficial owner do not receive voting instructions from that owner at least 10 days prior to the Annual Meeting, the broker may vote only on the proposal if it is considered a "routine" matter under the NYSE's rules. On non-routine matters, nominees do not have discretionary voting power and cannot vote without instructions from the beneficial owners, resulting in a so-called "broker non-vote." Pursuant to the rules of the NYSE, the election of trustees, all amendments to the Charter and the approval of the reimbursement to Related and Corvex of expenses related to their consent solicitations are each a "non-routine" matter and brokerage firms may not vote without instructions from their client on these matters, resulting in a broker non-vote. In contrast, ratification of the appointment of an independent registered public accounting firm is considered a "routine" matter under NYSE's rules, which means that brokers have discretionary voting authority to the extent they have not received voting instructions from their client on the matter.

**How many votes are needed for each of the proposals to pass?**

The proposals to be voted on at the Annual Meeting have the following voting requirements:

***Proposal 1 (Election of Trustees):*** You may vote "FOR" all nominees, "WITHHOLD" your vote as to all nominees, or vote "FOR" all nominees except those specific nominees from whom you "WITHHOLD" your vote. Pursuant to our Charter, in an uncontested election, trustees will be elected by a majority of the votes cast at the Annual Meeting. For purposes of this proposal, "a majority of votes cast" means that the number of shares voted "FOR" a trustee's election exceeds 50% of the total number of votes cast with respect to that trustee's election, and votes "cast" means votes "FOR" and "WITHHOLD." There is no cumulative voting in the election of trustees. For purposes of the election of trustees, abstentions and broker non-votes will not be counted as votes cast and will have no effect on the result of the vote, although they will be considered present for the purpose of determining the presence of a quorum.

***Proposal 2 (Certain Amendments to our Declaration of Trust (Majority Approval)):*** You may vote "FOR," "AGAINST" or "ABSTAIN" on Proposals 2(a) through 2(n). Pursuant to the Charter, the affirmative vote of a majority of the total number of votes authorized to be cast by shares then outstanding and entitled to vote on each proposal is required to approve each amendment to the Charter set forth in Proposal 2. For purposes of the vote on each amendment in Proposals 2(a) through 2(n), failure to vote and abstentions and broker non-votes will have the same effect as votes against the proposal, although abstentions and broker non-votes will be considered present for the purpose of determining the presence of a quorum.

***Proposal 3 (Certain Additional Amendments to our Declaration of Trust (75% Approval)):*** You may vote "FOR," "AGAINST" or "ABSTAIN" on Proposals 3(a) through 3(g). Pursuant to the Charter, the affirmative vote of at least 75% of the total number of votes authorized to be cast by shares then outstanding and entitled to vote on each proposal is required to approve each amendment to the Charter set forth in Proposal 3. For purposes of the vote on each amendment in Proposals 3(a) through 3(g), failure to vote and abstentions and broker non-votes will have the same effect as votes against the proposal, although abstentions and broker non-votes will be considered present for the purpose of determining the presence of a quorum.

***Proposal 4 (Reimbursement of Expenses to Related and Corvex):*** You may vote "FOR," "AGAINST" or "ABSTAIN" on Proposal 4. Pursuant to our Amended and Restated Bylaws (our

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"Bylaws"), the affirmative vote of a majority of the total number of votes cast by shares then outstanding and entitled to vote on the proposal is required to approve the reimbursement to Related and Corvex of expenses related to their consent solicitations. For purposes of the vote to reimburse solicitation expenses, abstentions and other shares not voted (whether by broker non-vote or otherwise) will not be counted as votes cast and will have no effect on the result of the vote, although abstentions and broker non-votes will count toward the presence of a quorum.

**Proposal 5 (Ratification of the Appointment of Ernst & Young LLP):** You may vote "FOR," "AGAINST" or "ABSTAIN" on Proposal 5. Pursuant to our Bylaws, the affirmative vote of a majority of the total number of votes cast by shares then outstanding and entitled to vote on the proposal is required to ratify the appointment of Ernst & Young LLP as our independent registered public accounting firm for the fiscal year ending December 31, 2014. For purposes of the vote to ratify the appointment of Ernst & Young LLP as our independent registered public accounting firm, abstentions and other shares not voted will not be counted as votes cast and will have no effect on the result of the vote, although abstentions will count toward the presence of a quorum

If our shareholders approve one or more but not all of the proposed amendments to the Charter, we will file an amended and restated Charter containing only the amendments that were approved.

**What will constitute a quorum at the Annual Meeting?**

A quorum of shareholders is required for shareholders to take action at the Annual Meeting, except that the Annual Meeting may be adjourned if less than a quorum is present. Once the Annual Meeting is called to order, the Board intends to adjourn the Annual Meeting until July 31, 2014 at the same time of day and at the same location as the Annual Meeting. The presence, in person or by proxy, of holders of common shares entitled to cast a majority of all the votes entitled to be cast at the Annual Meeting on any matter will constitute a quorum. Shares that are voted "FOR," "AGAINST," "WITHHOLD," or "ABSTAIN" will be treated as being present at the Annual Meeting for purposes of establishing a quorum. Accordingly, if you have returned a valid proxy or attend the Annual Meeting in person, your shares will be counted for the purpose of determining whether there is a quorum, even if you wish to abstain from voting on some or all matters. Broker non-votes will also be counted as present for purposes of determining the presence of a quorum.

**Who can attend the Annual Meeting?**

Only shareholders as of the Record Date, or their duly appointed proxies, may attend the Annual Meeting. Shareholders may be asked to present valid picture identification such as a driver's license or passport and proof of stock ownership as of the Record Date. If you are not a shareholder of record but hold shares through a broker or nominee (i.e., in street name), you should provide proof of beneficial ownership on the Record Date, such as your most recent account statement, a copy of the voting instruction card provided by your broker, trustee or nominee, or other similar evidence of ownership. The use of cell phones, smartphones, pagers, recording and photographic equipment and/or computers is not permitted at the Annual Meeting. For directions to the Annual Meeting, contact our Investor Relations department at (312) 646-2801 or [ir@equitycommonwealth.com](mailto:ir@equitycommonwealth.com).

**If I plan to attend the Annual Meeting, should I still vote by proxy?**

Yes. Voting in advance does not affect your right to attend the Annual Meeting. If you send in your proxy card and also attend the Annual Meeting, you do not need to vote again at the Annual Meeting unless you want to change your vote. Written ballots will be available at the meeting for shareholders of record. If you are not a shareholder of record but hold shares through a broker or nominee (i.e., in street name), you may vote your shares in person only if you obtain a legal proxy from

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the broker, trustee or nominee that holds your shares giving you the right to vote the shares. Even if you plan to attend the Annual Meeting, we recommend that you also submit your proxy or voting instructions prior to the meeting as described above so that your vote will be counted if you later decide not to attend the Annual Meeting.

#### **Will any other matters be voted on?**

The proposals set forth in this Proxy Statement constitute the only business that the Board intends to present at the Annual Meeting. The proxy does, however, confer discretionary authority upon the Proxy Agents or their substitutes, to vote on any other business that may properly come before the meeting. If the Annual Meeting is postponed or adjourned, the Proxy Agents can vote your shares on the new meeting date as well, unless you have revoked your proxy.

#### **May I change my vote after I have voted?**

You may revoke your proxy at any time prior to its use by (i) delivering a written notice of revocation to our Secretary at Two North Riverside Plaza, Suite 600, Chicago, Illinois 60606, (ii) filing a duly executed proxy bearing a later date with us or (iii) attending the Annual Meeting and voting in person. If your common shares are held by a broker, bank or any other persons holding common shares on your behalf, you must contact that institution to revoke a previously authorized proxy.

#### **Who is soliciting the proxies and who pays the costs?**

The enclosed proxy for the Annual Meeting is being solicited by the Board. Proxies also may be solicited, without additional compensation, by our trustees and officers by mail, telephone or other electronic means or in person. We are paying the costs of this solicitation, including the preparation, printing, mailing and website hosting of proxy materials. We will request banks, brokers and other custodians, nominees and fiduciaries to forward proxy materials to the beneficial owners of our common shares and to obtain their voting instructions. We will reimburse those firms for their expenses. In addition, we have retained D.F. King & Co., Inc. ("D.F. King") to assist in the solicitation of proxies for a fee of \$15,000 plus reimbursement of expenses. We have agreed to indemnify D.F. King against certain liabilities arising out of our agreement with D.F. King.

No person is authorized to give any information or to make any representation not contained in this Proxy Statement, and, if given or made, you should not rely on that information or representation as having been authorized by us. The delivery of this Proxy Statement does not imply that the information herein has remained unchanged since the date of this Proxy Statement.

#### **Whom should I call if I have questions or need assistance voting my shares?**

Please call the firm assisting us in the solicitation of proxies, D.F. King, if you have any questions or need assistance in voting your shares. Banks and brokers may call D.F. King collect at (212) 269-5550. Shareholders may call D.F. King toll-free at (800) 714-3313.

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**NOTE REGARDING CERTAIN PROCEDURAL MATTERS**

**Adjournment of the Annual Meeting**

Pursuant to the Charter currently in effect, we are required to hold an annual meeting of shareholders no fewer than thirty days after delivery to the shareholders of our annual report for the previous year and within six months after the end of each fiscal year. As described below, our former trustees were removed from office effective March 25, 2014 and our current trustees were elected at the special meeting of shareholders held on May 23, 2014 (the "Special Meeting"). Immediately upon takin