

CommonWealth REIT  
Form DFAN14A  
December 18, 2013

**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**

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 Pursuant to §240.14a-12

**COMMONWEALTH REIT**

**(Name of the Registrant as Specified In Its Charter)**

**CORVEX MANAGEMENT LP**

**KEITH MEISTER**

**RELATED FUND MANAGEMENT, LLC**

**RELATED REAL ESTATE RECOVERY FUND GP-A, LLC**

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**RELATED REAL ESTATE RECOVERY FUND GP, L.P.**  
**RELATED REAL ESTATE RECOVERY FUND, L.P.**

**RRERF ACQUISITION, LLC**

**JEFF T. BLAU**

**RICHARD O TOOLE**

**DAVID R. JOHNSON**

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

Payment of Filing Fee (Check the appropriate box):

No fee required.

Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

(1) Title of each class of securities to which transaction applies:

(2) Aggregate number of securities to which transaction applies:

(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

(4) Proposed maximum aggregate value of transaction:

(5) Total fee paid:

Fee paid previously with preliminary materials.

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.. Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

(1) Amount Previously Paid:

(2) Form, Schedule or Registration Statement No.:

(3) Filing Party:

(4) Date Filed:

The Case for Change Now at CWH  
Update on Recent Events  
December 18, 2013

2  
Disclaimer  
This  
presentation  
does  
not  
constitute  
either  
an  
offer

to  
sell  
or  
a  
solicitation  
of  
an  
offer  
to  
buy  
any  
interest  
in  
any  
fund  
associated  
with  
Corvex  
Management  
LP  
( Corvex )  
or  
Related  
Fund  
Management,  
LLC  
( Related ).  
Any  
such  
offer  
would  
only  
be  
made  
at  
the  
time  
a  
qualified  
offeree  
receives  
a  
confidential  
offering  
memorandum  
and  
related  
subscription  
documentation.  
The

information  
in  
this  
presentation  
is  
based  
on  
publicly  
available  
information  
about  
Commonwealth  
REIT  
(the  
Company ).

This  
document  
includes  
certain  
forward-looking  
statements,  
estimates  
and  
projections  
prepared  
with  
respect  
to,  
among  
other  
things,  
general  
economic  
and  
market  
conditions,  
changes  
in  
management,  
changes  
in  
the  
composition  
of  
the  
Company s  
Board  
of  
Trustees,  
actions

of  
the  
Company  
and  
its  
subsidiaries  
or  
competitors,  
and  
the  
ability  
to  
implement  
business  
strategies  
and  
plans  
and  
pursue  
business  
opportunities.  
Such  
forward-looking  
statements,  
estimates,  
and  
projections  
reflect  
various  
assumptions  
concerning  
anticipated  
results  
that  
are  
inherently  
subject  
to  
significant  
uncertainties  
and  
contingencies  
and  
have  
been  
included  
solely  
for  
illustrative  
purposes,



including those risks and uncertainties detailed in the continuous disclosure and other filings of the Company, copies of which are available on the U.S. Securities and Exchange Commission website at [www.sec.gov/edgar](http://www.sec.gov/edgar). No representations, express or implied, are made as to the accuracy or completeness of such forward-looking statements, estimates or

projections  
or  
with  
respect  
to  
any  
other  
materials  
herein.  
Corvex  
and  
Related  
may  
buy,  
sell,  
cover  
or  
otherwise  
change  
the  
form  
of  
their  
investment  
in  
the  
Company  
for  
any  
reason  
at  
any  
time,  
without  
notice,  
and  
there  
can  
be  
no  
assurances  
that  
they  
will  
take  
any  
of  
the  
actions  
described

in  
this  
document.  
Corvex  
and  
Related  
disclaim  
any  
duty  
to  
provide  
any  
updates  
or  
changes  
to  
the  
analyses  
contained  
in  
this  
document,  
except  
as  
may  
be  
required  
by  
law.  
Shareholders  
and  
others  
should  
conduct  
their  
own  
independent  
investigation  
and  
analysis  
of  
the  
Company.  
Except  
where  
otherwise  
indicated,  
the  
information  
in

this  
document  
speaks  
only  
as  
of  
the  
date  
set  
forth  
on  
the  
cover  
page.  
Permission  
to  
quote  
third  
party  
reports  
in  
this  
presentation  
has  
been  
neither  
sought  
nor  
obtained.  
Additional  
Information  
Regarding  
the  
Consent  
Solicitation  
In  
connection  
with  
their  
solicitation,  
Corvex  
and  
Related  
have  
filed  
a  
preliminary  
solicitation  
statement  
with

the  
U.S.  
Securities  
and  
Exchange  
Commission  
(the  
SEC )  
to  
(1)  
solicit  
written  
consents  
from  
shareholders  
of  
the  
Company  
to  
remove  
the  
entire  
board  
of  
trustees  
of  
the  
Company  
(the  
Removal  
Proposal )  
and  
(2)  
solicit  
proxies  
to  
elect  
five  
new  
trustees  
at  
a  
special  
meeting  
of  
shareholders  
that  
must  
be  
promptly

called  
in  
the  
event  
that  
the  
Removal  
Proposal  
is  
successful.  
Investors  
and  
security  
holders  
are  
urged  
to  
read  
the  
definitive  
written  
consent  
solicitation  
statement  
and  
other  
relevant  
documents  
when  
they  
become  
available,  
because  
they  
contain  
important  
information  
regarding  
the  
consent  
solicitation.  
The  
preliminary  
and  
definitive  
solicitation  
statement  
and  
all  
other

relevant  
documents  
will  
be  
available,  
free  
of  
charge,  
on  
the  
SEC's  
website  
at  
[www.sec.gov](http://www.sec.gov).

The  
following  
persons  
are  
participants  
in  
the  
solicitation  
of  
the  
Company's  
shareholders:  
Corvex  
Management  
LP,  
Keith  
Meister,  
Related  
Fund  
Management,  
LLC,  
Related  
Real  
Estate  
Recovery  
Fund  
GP-A,  
LLC,  
Related  
Real  
Estate  
Recovery  
Fund  
GP,  
L.P.,  
Related

Real  
Estate  
Recovery  
Fund,  
L.P.,  
RRERF  
Acquisition,  
LLC,  
Jeff  
T.  
Blau,  
Richard  
O Toole  
and  
David  
R.  
Johnson.  
Information  
regarding  
the  
participants  
in  
the  
solicitation  
and  
a  
description  
of  
their  
direct  
and  
indirect  
interests,  
by  
security  
holdings  
or  
otherwise,  
to  
the  
extent  
applicable,  
is  
available  
in  
the  
preliminary  
solicitation  
statement  
filed



with  
the  
SEC  
on  
December  
3,  
2013.

3

Agenda

Commonwealth REIT

Update on recent events

CWH corporate governance discussion

Side-by-side comparison of CWH and Corvex/Related governance proposals

Update on Strategic Plan

We appreciate this opportunity to meet with you and provide an update on Commonwealth ( CWH

or the Company )

4  
Update on Recent Events  
The Arbitration Panel Has Spoken  
On  
November  
18,  
2013,  
the  
Arbitration  
Panel

( Panel )  
issued  
an  
award  
that  
ruled  
in  
our  
favor  
on  
virtually  
all  
of  
our  
requests,  
striking  
down  
the  
illegal  
bylaws  
that  
stripped  
shareholders  
of  
their  
right  
to  
vote  
through  
a  
consent  
solicitation  
We  
were  
further  
vindicated  
when  
the  
Panel  
also  
ordered  
a  
clearly  
defined  
set  
of  
procedures  
for  
a  
new

consent  
solicitation  
and:  
After  
two  
weeks  
of  
live  
testimony  
and  
reviewing  
hundreds  
of  
exhibits,  
we  
believe  
the  
Panel  
plainly  
agreed  
with  
our  
view  
that  
the  
Portnoys  
are  
highly  
incentivized  
and  
capable  
of  
continuing  
their  
campaign  
of  
shareholder  
disenfranchisement  
Prohibited  
any  
action  
intended  
to  
impede  
or  
frustrate  
the  
new  
solicitation,  
and

Declared  
it  
would  
remain  
available  
to  
resolve  
any  
issues  
or  
disputes  
in  
the  
new  
consent  
solicitation

-

Arbitration Panel, November 18, 2013

There is no question that CWH's Bylaws erect a complex wall of procedural hurdles to any consent solicitation.

5

Update on Recent Events

The Arbitration Panel Has Spoken

Contested Bylaws

3%/3yr holding requirement to request a record date

All shares must be held in certificated form to request  
a record date

30 day period to respond to a record date request

60 day period to set a record date

90 day period to certify the results of the consent



solicitation

Selected details of the November 18 Arbitration Panel ruling:

Ruling

INVALID AS A MATTER OF LAW

INVALID AS A MATTER OF LAW

INVALID AS A MATTER OF LAW

INVALID AS A MATTER OF LAW

INVALID AS A MATTER OF LAW

The Panel also ruled that:

Corvex/Related

had

satisfied

onerous

red

tape

bylaw

requirements

Opting

into

Section

3-803

of

the

Maryland

Unsolicited

Takeovers

Act

( MUTA )

does

not

revoke

the

right

of

shareholders

to

remove

Trustees

without

cause,

as

claimed

by

the

Portnoys

Clearly

highlights

the

Portnoys  
motivation  
for  
secretly  
lobbying  
the  
Maryland  
legislature  
to  
amend  
this  
law  
under  
the  
guise  
of  
a  
clarification

6

Update on Recent Events

The Arbitration Panel Has Spoken

The Trustees

misconduct over the past year is startling:

Approved a massively dilutive equity offering,

Passed unprecedented, illegal bylaw amendments,

Lobbied to amend Maryland law under the cover of darkness, and

Wasted over \$30 million of shareholder money on year-long litigation process

In our view, the Trustees accomplished nothing

But  
their  
actions  
say  
more  
about  
their  
true  
intentions  
than  
their  
promises  
ever  
can  
We  
and  
the  
Company  
are  
in  
the  
same  
position  
we  
would  
be  
in  
to  
begin  
with  
had  
the  
Portnoys  
simply  
allowed  
for  
the  
shareholder  
vote  
that  
was  
granted  
to  
shareholders  
in  
the  
Company's  
Declaration  
of

Trust  
27  
years  
ago  
The  
Panel  
recognized  
that  
shareholders  
have  
the  
right  
to  
vote  
in  
a  
consent  
solicitation  
to  
remove  
Trustees  
without  
cause  
at  
any  
time  
The  
Panel  
has  
implemented  
a  
clearly  
defined  
set  
of  
procedures  
to  
hold  
a  
new  
consent solicitation  
These  
actions  
were  
taken  
to  
prevent  
shareholders  
from  
simply

holding

a

vote,

but

what

did

they

accomplish?

Shareholders are finally poised to take back CommonWealth and decide its

future

7  
Commonwealth Corporate Governance Discussion  
The Accountability Vacuum and Underperformance  
Some  
of  
the  
extraordinary  
powers  
the  
Portnoys

and  
their  
hand-picked  
board  
members  
have  
include  
the  
ability  
to:  
As  
a  
result,  
RMR  
is  
held  
accountable  
by  
no  
one  
and,  
in  
our  
view,  
enjoys  
complete  
immunity  
from  
shareholders  
Given  
the  
Accountability  
Vacuum ,  
it  
is  
no  
wonder  
CWH  
shares  
have  
underperformed  
its  
peers  
by  
such  
a  
wide  
margin  
for  
so



long  
In  
our  
opinion,  
rampant  
conflicts  
create  
an  
Accountability  
Vacuum  
at  
CWH;  
and  
underperformance  
thrives  
in  
an  
Accountability  
Vacuum  
We  
believe  
that,  
by  
definition,  
there  
can  
be  
no  
accountability  
when  
a  
manager  
controls  
its  
own  
employer

Purportedly  
require  
that  
two  
RMR  
employees  
always  
be  
on  
the  
five-member  
board,  
even

though  
RMR  
owns  
virtually  
no  
equity  
in  
CWH  
and  
in  
our  
opinion  
have  
incentives  
diametrically  
opposed  
to  
those  
of  
shareholders

Exclusively amend the bylaws while shareholders cannot

Unilaterally stagger the board under MUTA, without shareholder approval

Require  
a  
shareholder  
vote  
of  
75%  
in  
order  
to  
pass  
proposals  
not  
recommended  
by  
the  
Trustees

Reinstate hand-picked Trustees who fail to be re-elected by shareholders

8

Commonwealth Corporate Governance Discussion

But the Conflicts of Interest at CWH Underlie Another Basic Truth

We believe the Portnoys harbor a deep commitment to protecting its Perpetual

Fee Streams

and will attempt to mislead shareholders with Check-the-Box  
reform rather than true accountability

Given

the

staggering

value  
of  
its  
Perpetual  
Fee  
Streams ,  
we  
believe  
the  
Portnoys  
will  
always  
choose  
Check-the-Box  
corporate  
governance  
reform,  
rather  
than  
voluntarily  
agree  
to  
true  
accountability  
RMR s  
business  
model,  
in  
our  
view,  
is  
founded  
on  
creating  
and  
preserving  
the  
conflict  
of  
interest  
at  
its  
externally  
managed  
REITs  
in  
order  
to  
manufacture  
Perpetual

Fee  
Streams ,  
regardless  
of  
the  
impact  
on  
CWH s  
share  
price  
In  
our  
opinion,  
the  
profits  
from  
RMR s  
Perpetual  
Fee  
Streams  
could  
be  
valued  
at  
~20x  
cash  
flow  
(but  
for  
the  
ability  
of  
the  
Board  
to  
terminate  
RMR  
management  
contracts),  
given  
the  
highly  
recurring  
and  
practically  
infinite,  
growing  
nature  
of  
the

cash  
flow  
streams  
under  
the  
protection  
of  
the

Accountability  
Vacuum

The Portnoys own 100% of RMR

9  
Commonwealth Corporate Governance Discussion  
The Portnoys  
Governance Proposals Are A Case Study in Check-the-Box  
After  
the  
countless  
tactics  
it  
has

employed  
over  
the  
past  
year,  
would  
the  
Portnoys  
really  
now  
implement  
meaningful  
corporate  
governance  
enhancements  
and  
subject  
themselves  
to  
true  
accountability  
knowing  
full  
well  
they  
have  
severely  
underperformed  
for  
years?  
Would  
they  
really  
put  
at  
risk  
their  
invaluable  
Perpetual  
Fee  
Stream ?  
Is  
it  
appropriate  
for  
Joseph  
Morea,  
a  
Trustee  
who



was  
reinstated  
after  
receiving  
the  
vote  
of  
only  
14%  
of  
the  
outstanding  
shares,  
to  
be  
spearheading  
corporate  
governance  
reform?  
What  
impact  
might  
losing  
the  
consent  
solicitation  
have  
on  
the  
Portnoys  
other,  
much  
larger  
and  
more  
lucrative  
externally  
managed  
REITs?  
Are  
the  
Portnoys  
aware  
that  
they  
may  
only  
need  
to  
propose

misleading

Check-the-Box

governance

changes

just

to

win

votes

from

some

shareholders

and

remain

in

power

with

zero

real

improvement

in

corporate

governance

or

accountability?

On

the

following

pages,

we

review

and

highlight

the

realities

of

the

Portnoys

Check-the-Box

governance

proposals

from

September

23,

2013,

and

compare

them

to

Corvex/Related s

proposals

which  
would  
effect  
tangible  
change  
on  
CWH s  
governance  
The  
Portnoys  
Check-the-Box  
proposals  
create  
the  
illusion  
of  
reform,  
but  
bring  
zero  
incremental  
accountability  
Questions  
shareholders  
should  
ask  
themselves  
while  
conducting  
such  
a  
review:

10  
The Portnoys  
Corporate Governance Proposals  
Why It's All Smoke and Mirrors  
Reality  
Our Proposal  
Annual Elections  
  
Requires

a  
total  
of  
four  
annual  
meetings  
with  
a  
full  
de-staggering  
not  
taking  
place  
until  
May  
2017

Remaining  
Trustees  
are  
still  
empowered  
to  
reinstate  
a  
trustee,  
such  
as  
Joseph  
Morea,  
who  
was  
not  
re-elected  
but  
reinstated  
earlier  
this  
year

Bylaws  
still  
require  
two  
Managing  
Trustees  
to  
be  
employees  
of

RMR

Current  
Managing  
Trustees  
are  
in  
our  
opinion  
responsible  
for  
the  
poor  
state  
of  
CWH

MUTA  
allows  
RMR  
to  
unilaterally  
re-  
stagger  
its  
board  
at  
any  
time

The  
Portnoys  
refuse  
to  
answer  
whether  
they  
will  
insist  
on  
impossible  
procedural  
requirements  
to  
nominate  
Trustees,  
including  
twice-rejected  
3%/3-year  
rule

Does  
not  
clarify  
when  
they  
deem  
current  
disputes  
to  
be  
resolved  
or  
whether  
future  
disputes  
with  
other  
shareholders  
will  
also  
delay  
implementation  
of  
their  
proposals  
Portnoys  
Proposal  
Annual  
election  
of  
Trustees  
will  
begin  
in  
2015  
following  
a  
shareholder  
vote  
at  
the  
2014  
Annual  
Meeting  
and  
resolution  
of  
the  
pending

disputes  
with  
Corvex/Related  
Annual  
Elections  
at  
the  
next  
(2014)  
Annual  
Meeting



11  
The Portnoys  
Corporate Governance Proposals  
Why It s All Smoke and Mirrors (cont.)  
Reality  
Our Proposal  
Board Composition

New  
Trustees

to  
be  
nominated  
by  
a  
committee  
of  
current  
Trustees,  
while  
shareholders  
continue  
to  
be  
burdened  
by  
a  
nearly  
impossible  
nomination  
process

We  
believe  
the  
Portnoys  
have  
already  
revealed  
their  
true  
intentions  
by  
refusing  
to  
answer  
simple  
questions  
regarding  
the  
nomination  
process  
for  
the  
2014  
Annual  
Meeting

In  
our

opinion,  
the  
Portnoys  
definition  
of  
independent  
trustee  
does  
not  
conform  
to  
any  
respected  
definition  
of  
the  
term,  
nor  
does  
their  
27-year  
history  
convince  
us  
that  
New  
Trustees  
will  
be  
truly  
independent

With no material changes to  
corporate  
governance,  
new  
Trustees  
will  
be  
no  
more  
accountable  
to  
shareholders  
than  
current  
Trustees  
Portnoys  
Proposal

Size  
of  
board  
is  
to  
be  
increased  
such  
that  
the  
ratio  
of  
independent  
Trustees  
to  
total  
Trustees  
will  
increase  
from  
the  
current  
60%  
to  
at  
least  
75%,  
(i.e.  
three  
new  
Trustees)

Lead  
independent  
trustee  
will  
be  
designated  
after  
the  
new  
Trustees  
join  
the  
board

Existing  
Managing  
Trustees  
will

remain

Any  
shareholder  
can  
nominate  
or  
bring  
business  
at  
an  
annual  
meeting  
(regardless  
of  
level  
of  
ownership  
or  
holding  
period)

No  
preferential  
treatment  
for  
RMR  
(which  
currently  
gets  
two  
board  
seats  
with  
virtually  
no  
equity  
interest  
in  
CWH)

No  
requirement  
that  
nominating  
shareholder  
owns  
ALL  
shares in  
record

certificated form

Plurality  
vote  
for  
contested  
elections

12  
The Portnoys  
Corporate Governance Proposals  
Why It s All Smoke and Mirrors (cont.)  
Reality  
Our Proposal  
RMR Management Agreement

Continues  
to

primarily  
incentivize  
RMR  
to  
grow  
assets  
at  
the  
expense  
of  
shareholders  
when  
the  
company  
resumes  
equity  
issuance

Fees  
still  
structured  
to  
maintain  
downside  
protection  
for  
RMR  
while  
providing  
upside  
as  
assets  
grow

Incentive  
Fee  
benchmarks  
are  
to  
be  
determined  
by  
the  
same  
board  
that  
reinstated  
a  
trustee  
who



only  
received  
support  
from  
14%  
of  
the  
outstanding  
shares  
annually  
and  
can  
therefore  
be  
manipulated

Stock  
component  
is  
not  
meaningful

CWH  
will  
still  
be  
externally  
advised  
by  
a  
conflicted  
outside  
party  
that  
is  
not  
subject  
to  
accountability  
by  
its  
shareholders  
and  
owns  
virtually  
no  
stock  
in  
the  
Company

Portnoys  
Proposal

Beginning  
in  
2014,  
base  
business  
management  
fee  
to  
be  
based  
on  
the  
lower  
of:  
(i)  
gross  
historical  
cost  
of  
real  
estate  
assets  
or  
(ii)  
CWH s  
total  
market  
capitalization

10%  
of  
base  
business  
management  
fees  
will  
be  
paid  
in  
stock

Annual  
incentive  
fees  
will  
be  
based

upon  
total  
returns  
realized  
by  
shareholders  
(i.e.,  
appreciation  
plus  
dividends)  
in  
excess  
of  
benchmarks  
Truly  
independent  
board  
of  
Trustees  
will:

Form  
an  
independent  
compensation  
committee

Retain  
independent  
outside advisors

Set  
compensation  
policy  
to  
properly  
align  
incentives  
with  
shareholder  
returns  
in  
accordance  
with  
industry-accepted  
benchmarks

13  
The Portnoys  
Corporate Governance Proposals  
Why It's All Smoke and Mirrors (cont.)  
Reality  
Our Proposal  
Poison Pill

Company  
will

continue  
to  
have  
a  
poison  
pill  
built  
into  
its  
charter  
and  
bylaws  
that  
prohibit  
stock  
acquisitions  
over  
9.8  
percent

Still  
no  
response  
to  
our  
letter  
request  
for  
a  
waiver  
despite  
resolution  
of  
disputes  
by  
the  
Arbitration  
Panel

Company  
can  
always  
unilaterally  
implement  
a  
new  
poison  
pill  
overnight  
without

shareholder  
approval

Does  
not  
clarify  
when  
they  
deem  
current  
disputes  
to  
be  
resolved  
or  
whether  
future  
disputes  
with  
other  
shareholders  
will  
also  
delay  
implementation  
of  
their  
proposals  
Portnoys  
Proposal

Waiver  
for  
shareholders  
who  
demonstrate  
no  
threat  
to  
REIT  
tax  
status

No  
new  
poison  
pills  
without  
a  
shareholder

vote  
Expiration  
of  
poison  
pill  
to  
be  
accelerated  
from  
October  
17,  
2014  
to  
a  
date  
soon  
after  
resolution  
of  
the  
pending  
disputes  
with  
Corvex/Related

14  
The Portnoys Continue to Show Their True Intentions  
The 2014 Annual Meeting  
On  
December  
6,  
2013,  
after  
the  
November



18  
Panel  
ruling,  
we  
wrote  
a  
letter  
to  
the  
board  
requesting  
formal  
clarification  
of  
the  
procedures  
for  
nominating  
directors  
at  
the  
2014  
Annual  
Meeting,  
and  
inquired  
as  
to  
the  
following:  
Will  
nominating  
shareholders  
be  
required  
to  
comply  
with  
the  
3%/3-year  
requirement  
that  
the  
Arbitration  
Panel  
decisively  
struck  
down  
on  
two

separate  
occasions?  
Will  
nominating  
shareholders  
be  
required  
to  
comply  
with  
unreasonable  
information  
requirements  
such  
as  
presenting  
all  
of  
their  
shares  
in  
certificated  
form?  
Will  
the  
board  
insist  
that  
two  
members  
of  
the  
five-member  
board  
must  
be  
RMR  
employees  
thereby  
limiting  
the  
board  
seats  
up  
for  
election  
in  
2014  
to  
just

one  
seat?  
Shouldn't  
the  
answer  
to  
each  
question  
be  
an  
obvious  
no  
in  
light  
of  
both  
the  
Panel's  
November  
18  
ruling  
as  
well  
as  
the  
Portnoys  
purported  
claim  
to  
understand  
the  
views  
of  
shareholders  
and  
make  
meaningful  
governance  
changes?  
Would  
shareholders  
find  
themselves  
in  
a  
repeat  
of  
the  
events  
of

the  
past  
year  
if  
they  
were  
to  
attempt  
to  
nominate  
directors  
at  
the  
2014  
Annual  
Meeting?

In the past year, the existence of the Silent Bylaw  
at CWH has been revealed:  
shareholders must expend exorbitant sums to litigate against the  
current  
Trustees in order to exercise their fundamental right to vote

Why  
not  
simply  
seek  
minority  
board  
representation  
at  
the  
Annual  
Meeting?

Regrettably,  
the  
Trustees  
refused  
to  
answer  
these  
simple  
questions

15

The Portnoys Continue to Show Their True Intentions

Inescapable Conclusions from the Portnoys

Actions

The

Portnoys

have

not

demonstrated

a

genuine  
interest  
in  
true  
governance  
reform  
and  
remarkably  
continue,  
to  
this  
day,  
to  
generate  
evidence  
to  
the  
contrary  
We  
also  
have  
little  
faith  
that  
that  
the  
Portnoys  
have  
turned  
over  
a  
new  
leaf  
The  
Board s  
supposed  
gradual  
journey  
down  
the  
winding  
road  
to  
true  
governance  
reform  
is  
a  
red  
herring,

in  
our  
view  
designed  
to  
mislead  
shareholders

into  
voting  
for  
them  
in  
the  
upcoming  
consent  
solicitation

We believe what drives the Portnoys  
actions is that they view control of CWH  
as binary, either they have dominant control or they do not

In  
other  
words,  
either  
the  
Perpetual

Fee  
Stream  
built  
over  
the  
past  
27

years  
is  
secure,  
or  
it  
is  
not

In our view: the Portnoys  
governance proposals are not real,  
the Portnoys  
intentions are not genuine,  
and  
the  
board  
has  
demonstrated  
once  
again,

with  
actions  
taken  
as  
recently  
as  
last  
week,  
the  
basic  
truth  
at  
CWH:  
Perpetual  
Fee  
Streams  
are  
a  
powerful  
motivator for dodging accountability  
We  
do  
not  
believe  
that,  
at  
the  
2014  
Annual  
Meeting  
and  
at  
Annual  
Meetings  
to  
follow,  
shareholders  
will  
be  
afforded  
a  
fair  
and  
unfettered  
election  
process



16  
The Portnoys Continue to Show Their True Intentions  
Inescapable Conclusions from the Portnoys  
Actions (cont.)  
Underperformance  
as  
undisputedly  
poor  
as  
it

is  
at  
CWH  
is  
rare  
Existing  
governance  
policies  
as  
egregious  
as  
they  
are  
at  
CWH  
is  
rare  
How often do ISS and Glass Lewis support removal of an entire board?  
Entrenchment  
tactics  
(e.g.,  
secretly  
lobbying  
to  
amend  
the  
law)  
as  
appalling  
as  
they  
are  
at  
CWH is rare  
In  
how  
many  
other  
instances  
has  
a  
shareholder  
been  
forced  
to  
expend  
exorbitant  
sums  
in  
order

to  
exercise a right plainly written in the company's charter for 27 years?  
Traditional channel of change via minority board representation highly unlikely to succeed  
Management  
actions  
from  
as  
recently  
as  
last  
week  
belie  
turned  
leaf  
intentions,  
implying  
another  
contentious  
battle  
would  
be  
likely  
at  
the  
Annual  
Meeting

the  
Silent  
Bylaw  
Perpetual  
Fee  
Streams  
a  
powerful  
incentive  
to  
maintain  
Accountability  
Vacuum  
In  
the  
meantime,  
shareholders  
will  
likely  
continue  
suffering  
from  
the

same  
operating,  
strategic  
planning,  
and  
share  
price  
underperformance  
under  
the  
same  
management

team  
that  
has  
plagued  
CWH for years

We believe the negative outcome of pursuing the traditional channel of change is already knowable given the Portnoys long-term history and their most recent actions

While  
the  
removal  
of  
an  
entire  
board

is  
not  
a  
decision  
to  
be  
taken  
lightly,  
the

case for removal could not be easier to make than it is at CWH

17  
Corvex/Related s True Intentions  
Track Record Provides Compelling Insight  
Out  
of  
all  
the  
investments  
in  
public

companies  
Corvex  
made  
since  
inception,  
including  
the  
8  
in  
which  
13-D s  
were  
filed,  
none  
have  
resulted  
in  
a  
proxy  
battle,  
litigation,  
or  
even  
a  
public  
dispute,  
with  
the  
exception  
of  
CWH  
On  
the  
other  
hand,  
none  
of  
the  
companies  
in  
which  
Corvex  
has  
ever  
invested  
has  
attempted  
to  
take  
away

a  
shareholder  
right  
that  
is  
plainly  
written  
into  
its  
charter  
The  
share  
prices  
of  
the  
companies  
as  
to  
which  
Corvex  
filed  
13-D s  
have  
on  
average  
experienced  
substantial  
appreciation  
during  
the  
period  
of  
Corvex s  
involvement  
Corvex  
prefers  
constructive  
engagement  
Related s  
core  
business  
lies  
in  
real  
estate  
investment  
and  
operations  
and  
it

has  
never  
previously  
engaged  
in  
a

hostile  
proxy  
battle

Related  
prefers  
constructive  
engagement

Corvex and Related prefer constructive engagement, but as shareholders must  
insist on true accountability and genuine corporate governance reform

Corvex

has  
no  
history  
of

hostile  
proxy  
battles

or  
litigation  
with  
companies

in  
its  
portfolio  
and,  
instead,  
works  
collaboratively  
with  
management

to  
create  
value



18  
Corvex/Related s Strategic Plan  
Key Tenets of Plan Will Create Substantial Value  
The  
fair  
and  
unfettered  
election  
of  
a

new  
board  
consisting  
solely  
of  
truly  
independent  
Trustees

New board to have experience overseeing an internally managed public REIT

We welcome and are actively seeking out candidates from other large shareholders  
Best-in-Class corporate governance to fill the Accountability Vacuum

Amend  
existing  
Declaration

of  
Trust  
and  
bylaws  
to  
conform

to  
ISS  
and  
Glass  
Lewis  
best  
practices

Internalize management and align management compensation with shareholder returns

Right the ship  
with basic operating strategies

We  
believe  
proper  
staffing  
levels  
and  
reinvestment

in  
CWH s  
existing  
portfolio  
can  
harvest

a  
substantial amount of low hanging fruit  
No poison pill

Adoption of a policy against new pills without shareholder approval

Cease

all

acquisition

activity

and

dilutive

capital

raises

until

stock

price

exceeds

its

NAV

Cease

all

related

party

transactions

not

approved

by

a

vote

of

disinterested

shareholders

Corvex and Related continue to propose the following Strategic Plan:

Although dramatically different from CWH's existing plan, the implementation of these principals will simply make CWH look like virtually every other member of the S&P 500

19

Corvex/Related s Strategic Plan

Our Key Principals of Best-in-Class Corporate Governance

Annual elections for all Trustees beginning at the next Annual Meeting (no staggered board)

Plurality vote for contested elections

A

conventional

notification

process

for  
trustee  
nominations  
and  
other  
important  
Company  
business

i.e.,  
elimination  
of  
unreasonably  
burdensome  
ownership/holding  
period  
requirements  
and other procedural roadblocks  
No changes to these provisions without a shareholder vote  
Corvex/Related  
simply  
propose  
to  
grant  
shareholders  
the  
most  
basic  
of  
shareholder rights:

Without each of these simple but powerful changes to CWH's governance,  
there cannot be permanent accountability, and shareholders will be resigned to  
the continuation of the downward spiral of CWH under Portnoy control

20  
Corvex/Related s  
Strategic  
Plan  
Operating Strategies: Updated Findings from the Field  
Based  
on  
repeated  
feedback  
from

tenants,  
brokers  
and  
owner/operators  
across  
CWH s  
markets  
regarding  
their  
experience  
with  
RMR,  
we  
believe:  
Many  
leasing  
brokers  
representing  
tenants  
across  
CWH s  
markets  
steer  
tenants  
away  
from  
RMR-managed  
properties  
because  
of  
a  
lack  
of  
attention  
from  
RMR  
personnel  
RMR  
often  
fails  
to  
execute  
simple  
asset  
and  
property  
management  
functions,  
such  
as

responding  
to  
tenant  
work  
requests,  
and  
challenging  
real  
estate  
tax  
assessments  
Blake  
Schreck,  
president  
and  
economic  
development  
director  
for  
the  
Lenexa  
Chamber  
of  
Commerce,  
didn't  
sound  
unhappy  
about  
Southlake  
Technology  
Park  
changing  
hands.  
He  
echoed  
multiple  
local  
commercial  
real  
estate  
brokers,  
who  
indicated  
that  
Commonwealth's  
slow  
response  
to  
requests  
for



lease  
proposals  
from  
prospective  
tenants  
had  
likely  
cost  
the  
933,0000-square-foot  
office  
park  
deals  
and  
contributed  
to  
its  
48  
percent  
occupancy  
rate.

Kansas City Business Journal, October 23, 2013

Over  
the  
past  
six  
months,  
representatives  
from  
Corvex  
and/or  
Related  
have  
independently  
performed  
detailed  
site  
visits  
on  
approximately  
85%  
of  
the  
portfolio

21  
Corvex/Related s Strategic Plan  
Operating Strategies: Updated Findings from the Field (cont.)  
RMR  
employees  
appear  
to  
service  
assets  
for

CWH,  
SIR,  
GOV,  
HPT,  
SNH  
and  
the  
Portnoys  
privately  
owned  
real  
estate,  
encompassing  
office,  
retail,  
hospitality,  
senior  
housing,  
land  
and  
other  
property  
types  
Leasing  
staff  
is  
half  
the  
appropriate  
level  
and  
a  
true  
asset  
management  
department  
is  
non-  
existent,  
in  
our  
opinion  
It  
appears  
that  
the  
deficient  
staffing  
levels  
are

kept  
low  
not  
because  
RMR's  
staff  
are  
the  
most  
efficient  
in  
the  
REIT  
universe,  
but  
in  
order  
to  
generate  
profits  
for  
the  
Portnoys,  
a  
problem  
that  
other,  
internally-managed  
REITs  
do  
not  
have  
Clearly,  
assets  
that  
are  
suffering  
from  
poor  
management  
should  
only  
be  
sold  
after  
first  
maximizing  
value  
for  
CWH

shareholders  
Opportunistic  
funds  
with  
expensive  
capital  
(such  
as  
Oaktree  
Capital  
and  
Garrison  
Investment  
Group)  
were  
among  
the  
largest  
buyers  
of  
assets  
in  
the  
last  
round  
of  
CWH  
dispositions  
We  
believe  
there  
are  
too  
few  
employees  
spread  
over  
too  
many  
assets  
and  
product types:

A  
key tenet of our Strategic Plan continues to be the implementation of basic operating  
strategies that right the ship and harvest a substantial amount of low hanging fruit for  
CWH shareholders, not opportunity funds  
But implementation is impossible under the current externally managed structure

22  
Corvex/Related s Strategic Plan  
Peaceful Transition of Authority  
Plan A  
To  
eliminate  
the  
already  
miniscule  
risks,

the  
board  
members  
could  
implement  
the  
following  
to  
protect  
CommonWealth  
and  
its  
shareholders:  
We  
also  
point  
out  
that  
the  
Arbitration  
Panel  
will  
remain  
available  
for  
resolving  
disputes  
even  
after  
the  
removal  
of  
the  
Trustees  
and  
during  
the  
transition  
to  
a  
newly  
elected  
board  
While  
we  
wholeheartedly  
dismiss  
the  
scare  
tactics

employed  
by  
the  
Portnoys,  
that  
a  
removal  
of  
Trustees  
will  
cause  
the  
business  
material  
harm,  
we  
ironically  
point  
out  
that  
the  
sitting  
board  
members  
could  
easily  
preclude  
any  
of  
their  
imagined  
disruptions  
from  
occurring  
by  
acting  
responsibly  
in  
advance  
of  
a  
consent solicitation  
If  
shareholders  
are  
concerned  
that  
the  
Portnoys  
and



the  
incumbent  
board  
will  
work  
against  
shareholder  
interests,  
perhaps  
that  
will  
make  
the  
upcoming  
vote  
an  
even  
easier  
one  
to  
decide  
Agree  
to  
allow  
nominations  
of  
replacement  
Trustees  
concurrently  
with  
the  
removal  
of  
existing  
Trustees  
Request  
waivers  
under  
existing  
financing  
agreements  
regarding  
a  
change  
in  
control  
or  
arrange  
for  
replacement

facilities  
RMR  
could  
remove  
language  
or  
simply  
agree  
not  
to  
immediately  
terminate  
its  
management  
of  
the  
assets  
in  
the  
event  
of  
a  
change  
in  
control

23  
Corvex/Related s Strategic Plan  
Disruptive Transition of Authority  
Plan B  
In  
the  
event  
the  
Trustees  
are

not  
cooperative  
in  
transitioning  
authority,  
Related  
and  
Corvex,  
clearly  
incentivized  
to  
minimize  
disruption  
as  
one  
of  
CWH s  
largest  
shareholders,  
have  
a  
plan  
to  
protect  
the  
Company  
Shareholders  
should  
not  
be  
coerced  
into  
voting  
for  
the  
current  
board  
out  
of  
fear  
that  
the  
existing  
Trustees  
will  
burn  
down  
the  
house  
on

the  
way  
out  
the  
door  
Jim  
Lozier,  
a  
30+  
year  
industry  
veteran,  
can  
be  
retained  
to  
lead  
the  
company  
on  
an  
interim  
basis  
Mr.  
Lozier  
served  
as  
co-founder  
and  
CEO  
of  
the  
Archon  
Group  
L.P.,  
a  
subsidiary  
of  
Goldman  
Sachs,  
from  
its  
formation  
in  
1996  
until  
2012  
During  
Mr.  
Lozier's

tenure  
at  
Archon,  
the  
company  
grew  
from  
320  
employees  
to  
8,500  
employees  
managing  
36,000  
assets  
with  
a  
gross  
value  
of  
approximately  
\$59  
billion  
CBRE,  
one  
of  
the  
world's  
largest  
integrated  
real  
estate  
services  
firms,  
has  
agreed  
to  
provide  
interim  
property  
management  
services  
Successfully  
managed  
transition  
of  
leasing  
/  
management  
services

for  
1.2  
billion  
square  
feet  
of  
commercial  
properties  
in  
the  
U.S.  
over  
the  
previous  
nine  
years,  
including  
transitions  
done  
under  
significant  
time  
pressure  
Related  
and  
Corvex  
have  
agreed  
to  
purchase  
up  
to  
51%  
of  
the  
bank  
debt  
in  
order  
to  
prevent  
acceleration  
of  
the  
Company's  
debt

24  
The Choice is Clear  
Summarizing the Key Issues  
Rampant  
conflicts

A  
company  
controlled  
by



its  
managers,  
who  
own  
little  
stock  
and  
interested  
primarily  
in  
fees  
Accountability  
vacuum

A  
manager  
that  
answers  
only  
to  
itself  
Worst-in-class  
corporate  
governance

\*All  
out  
efforts  
to  
deny  
shareholders  
their  
fundamental  
right  
to  
vote  
Underperformance

Long  
term  
downward  
spiral  
driven  
by  
conflicts,  
Accountability  
Vacuum  
and  
poor  
governance

Illusions

Check-the-box  
governance  
proposals  
that  
effect  
zero  
real  
change  
False  
hope

Board s  
track  
record  
belie  
the  
notion  
that  
they  
have  
embarked  
on  
a  
journey  
of  
true  
governance  
reform  
Retaining  
the  
current  
board  
will  
doom  
CWH  
to  
repeat  
its  
tortured  
history  
Removing  
the  
current  
board  
will  
enable  
CWH  
to

begin  
a  
new  
chapter  
as  
a  
new,  
truly  
independent  
company  
Alignment  
of  
incentives

Like  
virtually  
all  
companies  
in  
the  
S&P500,  
CWH  
should  
have  
its  
own  
internal  
management  
team,  
compensated  
to  
increase  
shareholder  
value  
Accountability

Annual  
elections  
to  
hold  
the  
board  
and  
management  
team  
accountable  
for  
performance  
Best-in-class  
corporate

governance

We  
support  
a  
new  
board  
that  
will  
implement  
ISS/Glass  
Lewis  
best  
practices  
Real,  
tangible  
change

We  
support  
a  
new  
board  
that  
would  
commit  
to  
implement  
the  
changes  
above  
immediately

We  
support  
a  
CWH  
that  
is  
truly  
independent  
and  
would  
cease  
all  
related  
party  
transactions  
not  
approved

by  
disinterested  
shareholders



26  
The  
Portnoys  
September  
23  
rd  
Proposals  
Wall Street's View  
Our  
sense

is  
RMR  
is  
making  
the  
structure  
less  
bad  
and  
more  
palatable  
to  
investors  
ahead  
of  
a  
possible  
second  
consent  
solicitation  
vote  
CWH's  
externally  
managed  
structure  
is  
a  
relic  
that  
has  
long  
been  
shunned  
by  
REIT  
investors.  
It  
should  
not  
have  
taken  
this  
long.  
We  
would  
prefer  
a  
full  
internalization.  
Also,



there  
are  
too  
many  
executives  
wearing  
too  
many  
hats.  
Adam  
Portnoy  
is  
President  
of  
RMR  
and  
CEO  
of  
CWH.  
Our  
sense  
is  
a  
dedicated  
CWH  
CEO  
is  
a  
possibility  
in  
the  
future,  
but  
that  
internalization  
is  
off  
the  
table  
likely  
due  
to  
inherent  
conflicts  
in  
negotiating  
a  
deal  
and  
valuing

the  
manager.  
Citigroup, September 23, 2013

27

Flawed RMR Structure and Poor Corporate Governance

Acting in the best interest of RMR rather than as a fiduciary

28

Commonwealth Corporate Governance Review

The Consequences of External Management and Poor Governance

Fees paid to RMR continue to grow, while CWH shareholder value is destroyed

CWH

paid

out

\$395

million

in

fees  
to  
RMR  
during  
2007-2012  
(nearly  
30%  
of  
CWH s  
market  
cap  
as  
of  
2/25/13  
(1)  
,  
while  
CWH s  
share  
price  
plummeted  
68%  
during  
this  
time  
'07-'12  
2007  
2008  
2009  
2010  
2011  
2012  
Total  
Fees Paid Out to RMR  
\$59.7  
\$63.2  
\$62.6  
\$62.2  
\$69.5  
\$77.3  
\$394.6  
RMR Fees % Growth  
--  
5.9%  
(1.0%)  
(0.5%)  
11.7%  
11.2%  
29.5%  
RMR Fees as % of:

CWH Market Cap

4.5%

4.8%

4.7%

4.7%

5.2%

5.8%

29.7%

CWH Market Cap, Cumulative

4.5%

9.3%

14.0%

18.6%

23.9%

29.7%

29.7%

CWH Cumulative Stock Price Return

(37.4%)

(74.7%)

(46.0%)

(48.4%)

(66.3%)

(67.9%)

(67.9%)

(1)

Market cap of \$1.3 billion based on a closing price of \$15.85 on February 25, 2013, the day prior to Related and Corvex's first

(2)

RMR fees paid per CWH public filings.

29

History of Underperformance

Track Record

CWH has in our view performed poorly in absolute terms and underperformed its peers

(1)

on almost any metric over any relevant time period

-17%,

-45%,

-43%,

-45%,  
and  
-53%  
CWH  
stock  
price  
return  
over  
the  
last  
1  
year,  
2  
years,  
3  
years,  
5  
years,  
and  
10  
years,  
respectively  
(2)  
Recent  
valuation  
nearly  
40%  
below  
peers  
on  
unlevered  
cap  
rate  
basis  
(3)  
53%  
and  
41%  
discount  
to  
peers  
on  
a  
price  
/  
forward  
FFO  
multiple  
basis  
for



last  
year  
and  
3  
years,  
respectively  
-23%  
cash  
available  
for  
distribution  
per  
share  
(CAD  
/  
share)  
growth  
since  
2010,  
the  
worst  
performance  
of  
its  
peers  
\$2.7  
billion  
of  
net  
acquisitions  
and  
capex  
since  
2007  
(over  
2x  
CWH's  
recent  
market  
cap  
(3)  
),  
while  
CWH  
book  
value  
per  
share  
is  
essentially

flat  
In  
our  
view,  
there  
is  
absolutely  
no  
way  
to  
slice  
and  
dice  
the  
data  
in  
favor  
of  
the  
Portnoys

their  
performance  
has  
been  
horrible

(1)

Select peers include Piedmont Office Realty (PDM), Highwoods Properties (HIW), Mack-Cali Realty (CLI), Brandywine Real

(2)

Returns data calculated through February 25, 2013, the day prior to Related and Corvex's first public filing.

(3)

Based on a closing price of \$15.85 on February 25, 2013, the day prior to Corvex and Related's first public filing.

30

History of Underperformance

Share Price Performance

3 years

CWH has underperformed its peers over the last three years

Source: Factset

1 year

3 year

PKY

60.2%

(0.7%)

BDN

19.1%

15.4%

HIW

9.8%

21.4%

PDM

10.1%

16.1%

CLI

(5.0%)

(18.9%)

Average

18.8%

6.6%

CWH

(16.9%)

(42.9%)

CWH

Avg.

35.7%

49.5%

HIW: 21.4%

PDM: 15.4%

CWH: (42.9%)

PKY: (0.7%)

CLI: (18.9%)

BDN: 16.1%

31  
Dilutive Equity Offering  
A Prime Example of RMR's Conflict of Interest  
Despite  
protests  
from  
some  
of  
its  
largest

shareholders,

a

bona

fide

offer

for

\$27.00

per

share,

and

in

our

view

no

need

to

issue

equity,

on

March

5,

2013

CWH

sold

34.5

million

shares

at

\$19.00

Transaction

increased

CWH s

share

count

by

41%

and

diluted

CWH s

NAV

by

over

\$6

per

share

Why

did

CWH

sell

its  
\$240  
million  
minority  
stake  
in  
GOV  
only  
after  
issuing  
new  
CWH  
shares  
at  
a  
48%  
discount  
to  
book  
value?

Trustees  
insulated  
themselves  
from  
questioning  
and  
ignored  
shareholder  
demands  
to  
stop  
offering

Canceled  
investor  
lunch  
and  
did  
not  
hold  
Q&A  
on  
their  
earnings  
call  
CWH s  
use  
of  
proceeds

for  
the  
equity  
offering,  
at  
a  
massive  
discount,  
was  
to  
repay  
debt  
trading  
at  
prices  
ranging  
from  
102%  
to  
111%  
of  
par

Remarkably,  
CWH  
did  
not  
have  
any  
upcoming  
maturities  
or  
liquidity  
issues  
associated  
with  
this  
debt  
or  
any  
debt

However,  
equity  
offering  
increases  
Company's  
equity  
base,  
creating



additional  
capacity  
to  
do  
acquisitions  
and  
thereby  
pay  
more  
management  
fees  
to  
RMR  
We  
believe  
the  
equity  
offering  
completed  
in  
March  
2013  
serves  
as  
a  
clear  
example  
of  
poor  
management,  
skewed  
incentives,  
and  
terrible  
capital  
allocation

32

Failed Maryland House Bill Amendment  
A Desperate Tactic from an All or Nothing  
Adversary  
Proposed  
amendment  
would  
have  
opened  
door

to  
make  
it  
impossible  
to  
remove  
Trustees  
without  
cause  
in  
many  
Maryland  
companies  
(regardless  
of  
voting  
threshold),  
even  
if  
shareholders  
had  
explicit  
right  
to  
do  
so  
in  
a  
company's  
charter.  
Similar  
to  
March  
1st  
bylaw  
amendment,  
CWH  
couches  
proposed  
amendment  
as  
a  
clarification.  
We  
believe  
notion  
that  
amendment  
was  
a

clarification  
is  
absurd,  
a  
view  
confirmed  
by  
the  
Arbitration  
Panel,  
as  
existing  
Maryland  
law  
expressly  
contemplates  
removal  
of  
staggered  
board  
without  
cause  
when  
provided  
for  
in  
a  
company's  
charter

as  
is  
unequivocally  
done  
in  
CWH's  
Declaration  
of  
Trust  
CWH  
used  
deceptive  
letters  
(which  
were  
later  
withdrawn)  
from  
a  
conflicted

attorney  
in  
an  
attempt  
to  
mislead  
Maryland  
senators  
into  
believing  
amendment  
had  
broad  
legal  
support  
and  
was  
ministerial,  
when  
in  
fact  
it  
had  
not  
even  
been  
discussed  
by  
key  
Maryland  
bar  
committee  
(1)  
Fortunately  
for  
CWH  
shareholders  
and  
all  
shareholders  
of  
Maryland-based  
corporations  
and  
trusts,  
the  
amendment  
quickly  
died  
once

legislators  
became  
aware  
of  
CWH s  
manipulative  
behavior  
and  
the  
clear  
fact  
that  
the  
amendment  
was  
substantive  
and  
not  
at  
all  
a  
clarification  
Current  
Trustees  
would  
rather  
manipulate  
the  
Maryland  
legislative  
process  
and  
change  
the  
law  
than  
face  
their  
own  
shareholders  
The  
Portnoys  
made  
a  
secret  
attempt  
(likely  
using  
CWH  
money)

to  
insert  
an  
11th  
hour  
amendment  
into  
a  
Maryland  
House  
Bill  
(1)

The proposed amendment was not even discussed by the Corporation Law Committee of the Business Law Section of the Maryland State Bar Association, which typically reviews and comments on all changes to Maryland corporate and REIT law before changes are heard by the General Assembly.

33

Corvex/Related's Corporate Governance Proposals

A Simple Blueprint for Change

CommonWealth can then elect a board of Trustees that:

Is truly independent (per ISS's definition)

Implements and can describe to shareholders the procedures designed to ensure its independent Trustees can continue to operate independently



Is accountable to shareholders

Hires its own independent advisors when necessary

Systematically sets performance goals for the management team, measures its performance, and holds it accountable for its failures

Objectively  
benchmarks  
its  
corporate  
governance  
policies  
against  
peers

Challenges management's thinking on material strategic issues when appropriate

In short, shareholders can elect an experienced, independent board charged with being their advocate, a right that virtually all other public shareholders in the S&P 500 enjoy

When control of Commonwealth is returned to shareholders the conflict of interest between manager and owner will be eliminated, allowing CWH to join the ranks of nearly every other company in the S&P 500