

Power REIT  
Form DEF 14A  
May 15, 2015

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  [X]  
Filed by a Party other than the Registrant  [ ]

- [ ] Preliminary Proxy Statement
- [ ] Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))
- [X] Definitive Proxy Statement
- [ ] Definitive Additional Materials
- [ ] Soliciting Material Pursuant to Rule 14a-12

Power REIT  
(Name of Registrant as Specified In Its Charter)

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

Payment of Filing Fee (Check the appropriate box):

[X] 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:

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2. Aggregate number of securities to which transaction applies:

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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):

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4. Proposed maximum aggregate value of transaction:

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1. Amount Previously Paid:

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2. Form, Schedule or Registration Statement No.:

.....

3. Filing Party:

.....

4. Date Filed:

.....



301 Winding Road  
Old Bethpage, NY 11804  
212-750-0373  
www.pwreit.com

May 15, 2015

Dear fellow shareholder:

As previously described, our wholly owned subsidiary, Pittsburgh & West Virginia Railroad (“P&WV”), has been in active litigation with its lessee, Norfolk Southern Railway Company (“NS”) with a significant amount of time and resources dedicated to this process since 2012. Despite elevated expenses related to the litigation, P&WV is confident that the litigation was in the best interest of P&WV and was necessary to protect its rights and interests in its railroad property. P&WV was seeking determinations from the presiding court declaring that the lease with Norfolk Southern is in default and that the indebtedness owed to P&WV is currently due. Based on records provided by NS, the amount owed to P&WV exceeded \$16.6 million as of December 31, 2012 (more than \$10 per share). P&WV believes this amount is understated. Both P&WV and NS filed Motions for Summary Judgment and the court held oral argument in mid-December. On April 22, 2015, the court denied P&WV’s motion for summary judgment and granted the Litigants’ summary judgment motion thereby dismissing all of P&WV’s claims. On April 29, 2015, the court held a status conference. It is currently anticipated that a trial will occur during the third quarter of 2015 to resolve the remaining issues in the case. The company is reviewing its legal options and evaluating the prospects of an appeal.

We continue to explore opportunities to invest capital on an accretive basis and anticipate continued growth in the company’s investment portfolio going forward. We believe our investment process is disciplined and aligned with our goals of building a sustainable business and creating long-term shareholder value. During 2014, Power REIT acquired the largest property to date under its new business plan to acquire additional assets. We acquired approximately 450 acres of land in California under long-term lease to a large solar farm that completed construction in November 2014.

As the largest shareholder of Power REIT, I am disappointed with the status of the litigation but remain convinced that we have developed a solid foundation for the creation of shareholder value. More importantly, I believe our investments in renewable energy-related real estate will generate attractive risk adjusted returns. We appreciate your continued support and enthusiasm for Power REIT and look forward to a productive 2015.

Very truly yours,

David H. Lesser  
Chairman of the Board of Trustees

Power REIT

301 Winding Road  
Old Bethpage, NY 11804

NOTICE OF 2015 ANNUAL MEETING OF SHAREHOLDERS

Tuesday, June 9, 2015, 9:30 a.m. E.S.T.

The 2015 annual meeting of holders (“shareholders”) of shares of beneficial interest, \$0.001 par value (“common shares” or “common stock”) of Power REIT (the “Company” or the “Trust”) will be held on Tuesday, June 9, 2015 at 9:30 a.m. Eastern Standard Time at the offices of Morrison Cohen LLP, 909 Third Avenue, New York, NY 10022. The items of business are:

- (1) to elect four trustees to the Trust’s Board of Trustees, to serve until the next annual meeting of shareholders and until the successors to such trustees have been duly elected and qualified;
- (2) to ratify the appointment of MaloneBailey, LLP as the Trust’s independent registered public accounting firm; and
- (3) to transact such other business as may properly come before the meeting.

These items are more fully described in the accompanying proxy statement. The Trust’s annual report on Form 10-K for the year ended December 31, 2014, which includes the Trust’s consolidated financial statements as of and for the year ended December 31, 2014, is being mailed with these materials.

The Board of Trustees has fixed the close of business on May 4, 2015 as the record date for the determination of shareholders entitled to notice of and to vote at the 2015 annual meeting and any adjournments thereof. Shareholders of record can vote their common shares by using the Internet or telephone. Instructions for using these convenient services are set forth in the enclosed materials. You also may vote your common shares by marking your votes on the enclosed white proxy card, signing and dating it and mailing it in the enclosed envelope.

Your vote is important. Please vote by using the Internet or telephone, or by marking, signing, dating and returning the enclosed white proxy card.

By order of the Board of Trustees

/s/ David H. Lesser  
David H. Lesser  
Secretary

May 15, 2015

**IMPORTANT NOTICE CONCERNING THE AVAILABILITY OF PROXY MATERIALS FOR THE  
SHAREHOLDERS MEETING TO BE HELD ON JUNE 9, 2015:**

The Trust’s proxy materials and annual report on Form 10-K for the year ended December 31, 2014

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are available at [www.proxyvote.com](http://www.proxyvote.com).

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Power REIT

301 Winding Road  
Old Bethpage, NY 11804

PROXY STATEMENT  
2015 ANNUAL MEETING OF SHAREHOLDERS

This proxy statement is being furnished in connection with the solicitation of proxies by the Board of Trustees of Power REIT (the “Company”, the “Trust”, “we” or “us”) to be used at the 2015 annual meeting of holders (“shareholders”) of shares of beneficial interest, \$0.001 par value (“common shares” or “common stock”) of the Trust, to be held on Tuesday, June 9, 2015 at 9:30 a.m. E.S.T. at the offices of Morrison Cohen LLP, 909 Third Avenue, New York, NY 10022, and at any adjournments thereof. The items of business for the annual meeting are:

- (1) to elect four trustees to the Trust’s Board of Trustees, to serve until the next annual meeting of shareholders and until the successors to such trustees have been duly elected and qualified;
- (2) to ratify the appointment of MaloneBailey, LLP as the Trust’s independent registered public accounting firm; and
- (3) to transact such other business as may properly come before the meeting.

This proxy statement and the accompanying notice of annual meeting and form of proxy card are first being mailed to shareholders on or about May 15, 2015. Our annual report on Form 10-K for the year ended December 31, 2014, which includes our consolidated financial statements as of and for the year ended December 31, 2014, is being mailed with these materials.

The cost of this solicitation of proxies will be borne by the Trust. Solicitations may be made by mail, telephone, facsimile or electronic mail, and by officers of the Trust without extra compensation. The Trust will reimburse brokerage firms and other third parties for their reasonable and customary expenses in forwarding our proxy materials to beneficial owners of our common shares.

The Board of Trustees has fixed the close of business on May 4, 2015 as the record date (the “record date”) for the determination of shareholders entitled to notice of and to vote at the 2015 annual meeting and any adjournments thereof. At the close of business on the record date, there were outstanding and entitled to vote 1,731,788 of our common shares (including unvested, restricted common shares granted pursuant to the Trust’s 2012 Equity Incentive Plan (the “Plan”), which pursuant to the terms of the grants carry voting privileges).

Quorum, Voting Power, Effect of Abstentions, Required Votes

At the annual meeting, the presence, in person or by proxy, of shareholders entitled to cast thirty three and one third percent (33 1/3%) of all the votes entitled to be cast at the meeting shall constitute a quorum. Each outstanding common share shall be entitled to one vote on each matter submitted to a vote. A vote by a majority of the common shares both present, in person or by proxy, and casting a vote shall decide a particular matter. For purposes of the foregoing, abstentions and non-votes shall not be deemed to be votes cast, although they shall be counted for purposes of determining the existence of a quorum.

The nominees for the Board of Trustees that receive the highest number of affirmative votes cast, up to the number of nominee slots to be filled, shall be elected as trustees. The ratification of the appointment of MaloneBailey, LLP

requires the affirmative vote of the majority of votes cast.

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## Voting Procedures

If you hold our common shares in your own name, as a “holder of record” or “registered” holder, you may vote your shares by appointing proxies to vote on your behalf pursuant to your instructions, through any of the following methods:

using the Internet, log on to [www.proxyvote.com](http://www.proxyvote.com) and follow the instructions;

using any touch-tone telephone, dial 1-800-690-6903 and follow the instructions; or

marking, signing, dating, and returning the white proxy card in the postage-paid mailing envelope provided.

If you are a holder or record or registered shareholder and do not appoint and instruct proxies by voting over the Internet, by telephone or by marking, signing, dating and returning the white proxy card, then you must attend the meeting in person in order to vote.

If you do not hold our common shares in your own name, but instead hold your interest in our shares through one or more intermediaries, such as a bank or broker (in many cases referred to as owning shares “in street name”), then you are considered a holder of a beneficial interest in our common shares, or a “beneficial owner”, and you will be able to vote the shares in which you hold your interest through those intermediaries. An intermediary will forward our proxy materials to you and request your instructions as to how to vote the shares.

## Broker Non-Votes, Routine and Non-Routine Matters

If you hold common shares through a bank or broker, the voting of the shares by the bank or broker when you do not provide voting instructions is governed by the rules of the NYSE MKT LLC. These rules allow banks and brokers to vote such shares in their discretion on “routine” matters. On matters considered “non-routine,” banks and brokers may not vote without your instructions. Shares that banks and brokers are not authorized to vote are referred to as “broker non-votes.”

The ratification of MaloneBailey, LLP as the Trust’s independent registered public accounting firm is considered a routine matter, so banks and brokers may vote your shares in regard to this proposal without your instructions. Accordingly, if you are a beneficial owner and wish to have your vote on this proposal counted in a particular way, either “for”, “against”, or as an abstention, then you must provide your voting instructions by Internet, telephone or white proxy card. If you do not, your bank or broker may vote your shares in their discretion.

The election of trustees is considered a non-routine matter, and therefore banks and brokers may not vote on your behalf in the election of trustees without your instructions. Please note that if you want your votes in the election of trustees to be counted, you must instruct your bank or broker how to vote your shares. If you do not provide voting instructions, no votes will be cast on your behalf in the election of trustees.

Note that, at the annual meeting, abstentions and non-votes shall not be deemed to be votes cast, although they shall be counted for purposes of determining the existence of a quorum.

## Revocability of Proxies

A proxy may be revoked at any time prior to the voting thereof, by giving notice to the Secretary of the Trust in writing c/o Power REIT, 301 Winding Road, Old Bethpage, NY 11804, or in open meeting.



Cumulative Voting

Shareholders of the Trust are not entitled to exercise cumulative voting rights in the election of trustees.

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## Notice of Electronic Availability of Proxy Materials

As permitted by rules of the Securities and Exchange Commission (the “SEC”), these proxy materials and our annual report on Form 10-K for the year ended December 31, 2014 are being made available to our shareholders online, and are accessible through [www.proxyvote.com](http://www.proxyvote.com).

## Trustees’ Voting Recommendations

The Board of Trustees recommends that you vote your common shares FOR each of the Board’s four nominees that are standing for election to the Board of Trustees (Proposal No. 1) and FOR the ratification of MaloneBailey, LLP as our independent registered public accounting firm (Proposal No. 2).

### PROPOSAL 1: ELECTION OF TRUSTEES

Our Board of Trustees is currently comprised of four trustees, three of whom are independent under the rules of the NYSE MKT LLC and under applicable rules of the SEC: Virgil E. Wenger, William S. Susman and Patrick R. Haynes, III. Our fourth trustee, David H. Lesser, is a principal shareholder of the Company and serves as Chairman of the Board of Trustees.

The nominees for election to the Board of Trustees currently serve as the four trustees of the Company. Our Nominating Committee, whose membership consists of our three independent trustees, has recommended their re-election and the Board has accepted this recommendation. The Board recommends to shareholders that they vote for all four of the nominees. If elected, the nominees would serve as trustees for a one-year term until the 2016 annual meeting of shareholders and until their successors are duly elected and qualified.

The nominees are:

Name	Age	Trustee Since*	Company Position
David H. Lesser	49	2009	Chairman of Board of Trustees Chief Executive Officer, Secretary, Treasurer
Virgil E. Wenger	84	1991	Trustee Chairman of Audit Committee Member of Nominating Committee
William S. Susman	51	2010	Trustee Chairman of Compensation Committee Member of Nominating Committee
Patrick R. Haynes, III	31	2011	Trustee Chairman of Nominating Committee Member of Audit Committee Member of Compensation Committee

\* The nominees have been trustees of Power REIT since December 2011 and are and have been trustees of Pittsburgh & West Virginia Railroad, a wholly owned subsidiary of Power REIT, since the dates listed in the table above.

The following are summaries of our nominees’ biographies and experience:

David H. Lesser has over 25 years of experience in real estate, including substantial experience creating shareholder value in REITs. Mr. Lesser is currently, and has been for more than the past 15 years, President of Hudson Bay Partners, LP (“HBP”), an investment firm focused on real estate, real estate-related situations and alternative energy. Since October 2013, Mr. Lesser has served as Chairman and CEO of Millennium Investment and Acquisition Company (ticker: SMCG). Mr. Lesser has previously held leadership roles with public REITs, having served as a Senior Vice President of Crescent Real Estate Equities and as a Director of Keystone Property Trust. Prior to his time at Crescent, Mr. Lesser was a Director of Investment Banking at Merrill Lynch & Co. within the real estate finance group.

Since 1995, Mr. Lesser has, through HBP, invested in numerous real estate and alternative energy transactions, including a reverse merger transaction in 1997 that led to the formation of Keystone Property Trust (NYSE: KTR) (“Keystone”). Mr. Lesser, as president of HBP, led an investor group and structured a reverse merger transaction with American Real Estate Investment Corporation (AMEX: REA) to ultimately form Keystone. The transaction involved an investment of \$30 million of cash, the merger of a property management company and the acquisition of a family-owned portfolio of industrial properties for ownership in the REIT. In addition to initial structuring and equity investment by HBP, Mr. Lesser served on Keystone’s board of trustees until June 2000. Keystone was acquired by Prologis (NYSE: PLD) in 2004 for a total enterprise value of \$1.4 billion, delivering a compound annual shareholder return of 16.5% from the initial transaction.

HBP currently owns Intelligen Power Systems, LLC (“IPS”) which is an alternative energy business focused on the manufacturing of cogeneration equipment and the development of distributed energy related to cogeneration, wind, solar and biofuel. HBP acquired IPS through the bankruptcy reorganization of California-based Coast Intelligen (“Coast”), which was acquired as a portfolio company by an affiliate of Mr. Lesser’s in 2001. As a consequence of misdeeds by Coast’s former owners and management team, which did not involve Mr. Lesser, Coast was reorganized through a Chapter 11 bankruptcy filing, the ultimate result of which was (i) Coast winding down its operations; and (ii) IPS, which was a subsidiary of Coast, successfully emerging from the reorganization. IPS continues to operate today with a refocused business plan providing cogeneration and other energy solutions to owners of real estate properties.

Mr. Lesser holds an M.B.A. from Cornell University and a B.S. in Applied Management and Economics from Cornell University.

Mr. Lesser has been Chairman of Power REIT’s Board of Trustees, our Chief Executive Officer since December 2011 and our Secretary and Treasurer since February 2014. Mr. Lesser has been a trustee of Pittsburgh & West Virginia Railroad, a wholly owned subsidiary of Power REIT (“P&WV”), from 2009 to the present, Chairman of P&WV’s Board of Trustees from December 2010 to the present and CEO of P&WV from February 2011 to the present.

We believe that Mr. Lesser’s years of experience as a real estate investor, as a board director and in creating shareholder value for other REITs provide significant benefits to the Company.

Virgil E. Wenger, CPA, is currently, and has for the past eight years been, an independent consultant who primarily works with new startup ventures that need accounting services and financial planning assistance to determine investment and working capital needs. He also serves as chief financial officer for two private companies: Shareholder Intelligence Services, a provider of information to publicly traded client companies concerning shareholder ownership, broker activity and related analytics; and Econergy Corporation, a manufacturer and marketer of proprietary air conditioning systems. Mr. Wenger was previously a partner at Ernst & Young LLP for over 25 years. He is a graduate of the University of Kansas, with a B.S. in Business Administration, and of the Harvard Business School Advanced Management Program.

Mr. Wenger has been a trustee and Power REIT’s Audit Committee Chairman since December 2011 and has been a member of the Nominating Committee since August 2012. Mr. Wenger has been a trustee of P&WV from 1991 to the present and was P&WV’s Audit Committee Chairman from 2005 to December 2011.

We believe that Mr. Wenger’s many years of experience at Ernst & Young LLP, significant financial expertise and leadership as Chairman of the Audit Committee provide significant benefits to the Company.

William S. Susman has over 20 years of investment banking experience, including significant experience in the transportation and railroad industry. As the former head of Merrill Lynch’s Transportation and Consumer Group, Mr.

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Susman advised numerous railroad clients, including Burlington Northern, CSX, Kansas City Southern, Norfolk Southern Railways, TMM and Union Pacific. Mr. Susman is currently founder and CEO of a boutique investment advisory firm, Threadstone Advisors. Prior to founding Threadstone Advisors, he was President of Financo, an investment bank focused on retail and consumer goods, where he worked from 2004-2011. Mr. Susman began his investment banking career at Salomon Brothers, in their transportation group. Mr. Susman sits on the boards of two private companies: Preferred Fragrances and Jonathan Adler Enterprises. Mr. Susman is a graduate of the University of Michigan, with a B.S. in Business Administration and a Masters from the Kellogg Graduate School of Management at Northwestern University.

Mr. Susman has been a trustee and Power REIT's Compensation Committee Chairman since December 2011 and has been a member of the Nominating Committee since August 2012. Mr. Susman has been a trustee of P&WV from May 2011 to the present and was P&WV's Compensation Committee Chairperson from August 2011 to December 2011.

We believe that Mr. Susman's understanding of business, finance and the railroad industry, acquired through over 20 years of investment banking experience, and his leadership as Chairman of the Compensation Committee and in regard to governance matters, provide significant benefits to the Company.

Patrick R. Haynes, III is currently a real estate investment consultant focused on commercial real estate acquisitions and development opportunities. Mr. Haynes was previously employed by Alliance Partners HSP ("Alliance"), an opportunistic real estate investment venture backed by the family offices of Jay Shidler and Clay Hamlin and based in Philadelphia, PA. Mr. Haynes opened the New York City office for Alliance in 2014 and ran all opportunistic acquisitions for greater New York City Area. Prior to joining Alliance in 2013, Mr. Haynes had founded his own real estate investment business in Washington, D.C and Mr. Haynes worked for the Rockefeller Group Investment Management Corp. ("RGIM") from 2010 to 2012. At RGIM he was responsible for the financial analysis for RGIM's corporate acquisitions and direct real estate investments and supported institutional fundraising and business development. Mr. Haynes began his career at Lehman Brothers in the Real Estate Private Equity Group where he performed financial analysis, market research and due diligence for over \$2.0 billion in potential real estate acquisitions across all asset classes nationally. Mr. Haynes also worked on the successful management buyout of Lehman's equity funds' advisory business, responsible for the management of approximately \$18 billion in real estate assets globally. Mr. Haynes remained with the go forward venture created by the fund's management, Silverpeak Real Estate Partners, until joining RGIM. Mr. Haynes received a BA in U.S. History from Brown University

Mr. Haynes has been a trustee and a member of Power REIT's Audit and Compensation Committees since December 2011 and Chairman of the Power REIT's Nominating Committee since August 2012. Mr. Haynes has been a trustee of P&WV from May 2011 to the present and was a member of P&WV's Compensation Committee from August 2011 to December 2011 and a member of P&WV's Audit Committee from 2010 to December 2011.

We believe that Mr. Haynes' experience and contacts in real estate and his experience in transaction structuring and private equity provide significant benefits to the Company.

In summary, the nominees have experience and skills in, and industry contacts relevant to, providing leadership to REITs, sourcing and structuring investments and raising and investing capital. The Trust believes these skills, relevant work experiences and contacts will significantly benefit shareholders as the Trust implements its business plan.

#### Trustee Compensation

In August 2012, pursuant to the Plan, each independent trustee was granted an option to acquire 2,000 of our shares at an exercise price of \$7.96. The options vest in three equal installments over three years. In May 2013, pursuant to the Plan, each Trustee was granted 400 shares of restricted common stock vesting quarterly in equal installments commencing with the second quarter of 2013. In June 2014, pursuant to the Plan, each Trustee was granted 500 shares of restricted common stock vesting quarterly in equal installments commencing with the second quarter of 2014. Other than the option grants and the restricted stock grants, there are currently no other compensation arrangements with any of the independent trustees. Compensation of our independent trustees for the fiscal year ending December 31, 2014, is listed in the table below. The Trust has a policy to reimburse reasonable expenses of Trustees. During 2014, such reimbursement amounts were nominal.



Trustee Name	Fees Earned or Paid in Cash	Stock Awards	Option Awards	Non-Equity Incentive Plan Compensation	Non-Qualified Deferred Compensation Earnings	All Other Compensation	Total
Each of our three independent trustees	\$-	\$4,530	\$-	\$ -	\$ -	\$ -	\$4,530

The compensation provided to Mr. Lesser, the Chairman of the Board of Trustees and also an officer of the Trust, is detailed in the table under “Executive Officers – Executive Officer Compensation”, below.

**THE BOARD OF TRUSTEES RECOMMENDS THAT YOU VOTE FOR THE  
ELECTION OF EACH OF THE FOUR NOMINEES AS TRUSTEES OF THE TRUST**

**ADDITIONAL DISCLOSURE RELATING TO OUR  
TRUSTEES, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE**

**CORPORATE GOVERNANCE**

**Overview**

In accordance with our Declaration of Trust and Bylaws, our Board of Trustees elects the Chairman of the Board and each of our executive officers, and each of these positions may be held by the same or separate persons. Our corporate governance guidelines do not include a policy on whether the role of the Chairman and Chief Executive Officer should be separate or, if not, whether a lead independent trustee is to be elected. From February 2011, Mr. Lesser, the Chairman of our Board of Trustees, has also served as our Chief Executive Officer. We believe that this arrangement is suitable for a company of our size. The Board of Trustees shall review the need for any changes to these arrangements from time to time in light of the Trust’s changing business needs.

**Board of Trustees**

Our Board of Trustees takes an active role in overseeing the management of our risks. The Board regularly reviews information regarding our liquidity, operations and investment activities, as well as the risks associated with each. The Board is responsible for overseeing the implementation of our investment strategy, the principal goal of which is to enhance long-term shareholder value through increases in earnings, cash flow and net asset value. Currently, each investment transaction is approved by the Board. In the future, the Board may establish an investment committee consisting of trustees to oversee our investment activities, including the review and approval of specific transactions.

The Board held three scheduled meetings during 2014. On six other occasions during the year, the trustees, after conferring individually or via writing, adopted Board resolutions by a majority of votes via written consent. The independent trustees met in executive session once during 2014; all of the independent trustees were in attendance during this session. One of our trustees attended the 2014 annual meeting of shareholders in person and two of our trustees participated by phone.

**Board Committees**



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Our Board of Trustees has three committees: an Audit Committee, a Compensation Committee and a Nominating Committee. Each of the three committees consists solely of independent trustees in accordance with the NYSE MKT LLC Company Guide.

## Audit Committee

Our Audit Committee has been established in accordance with section 3(a)(58)(A) of the Securities Exchange Act of 1934 (the “Exchange Act”) and consists of two independent trustees, each of whom the Board of Trustees has determined is “financially literate” and “independent” under the rules of the NYSE MKT LLC: Virgil E. Wenger and Patrick R. Haynes, III. Mr. Wenger serves as chairman of the Audit Committee and the Board of Trustees has determined that Mr. Wenger meets the definition of “audit committee financial expert,” as defined in applicable SEC rules. Pursuant to its charter, the Audit Committee, among other purposes, serves to assist the Board of Trustees in overseeing:

the integrity of our financial statements;  
our compliance with legal and regulatory requirements and ethical behavior;  
the retention of independent public auditors, including oversight of their performance, qualifications and independence, as well as the terms of their engagement;  
our accounting and financial reporting processes, internal control systems and internal audit function, as applicable;  
our monitoring of compliance with laws and regulations and our code of business conduct and ethics; and  
our investigation of any employee misconduct or fraud.

The Audit Committee met four times in 2014, including three times with CohnReznick, A.C., who served as our independent registered public accounting firm until November 14 2014, audited our 2013 financial statements and performed a review the our financial statements for the first three quarters of 2014. All of the Audit Committee members were in attendance during those meetings. The Audit Committee’s charter is available on the Trust’s website at: [www.pwreit.com](http://www.pwreit.com).

## Report of the Audit Committee

The Audit Committee hereby reports as follows:

1. Management has the primary responsibility for the Trust’s financial statements and reporting process, including its system of internal accounting controls. The Audit Committee, in its oversight role, has reviewed and discussed the audited financial statements with the Trust’s management.
2. The Audit Committee has discussed with the Trust’s independent audit firm the overall scope of, and plans for, its audits. The Audit Committee has met with the independent audit firm to discuss the Trust’s financial reporting process in addition to other matters required to be discussed by the statement on Auditing Standards No. 61, as amended (AICPA, Professional Standards, Vol. 1, AU section 380), as adopted by the Public Company Accounting Oversight Board (“PCAOB”) in Rule 3200T, as may be modified or supplemented.
3. The Audit Committee has received the written disclosures and the letter from MaloneBailey, LLP required by applicable requirements of the PCAOB concerning independence, and has discussed with MaloneBailey, LLP, its independence.
4. Based on the matters and discussions referred to in paragraphs (1) through (3) above, the Audit Committee has recommended to the Board of Trustees, and the Board has approved, that the audited financial statements be included in the Trust’s annual report on Form 10-K for the year ended December 31, 2014, for filing with the Securities and Exchange Commission.
5. After considering MaloneBailey LLP’s experience and independence, the Audit Committee recommends that the Trust (a) retain MaloneBailey LLP as the Trust’s independent audit firm to perform the audit of the financial

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statements as of and for the year ending December 31, 2015 and (b) submit to shareholders the ratification of MaloneBailey LLP, as the Trust's independent audit firm at the 2015 annual meeting.

Virgil E. Wenger (chair)

Patrick R. Haynes, III

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## Compensation Committee

Our Compensation Committee consists of two independent trustees: William S. Susman and Patrick R. Haynes, III. Mr. Susman serves as chairman of the Compensation Committee. The Compensation Committee, among other purposes, serves to:

- establish and periodically review the adequacy of the compensation plans for our executive officers and other employees;
- review the performance of executive officers and adjust compensation arrangements as appropriate;
- establish compensation arrangements for our non-executive trustees; and
- evaluate and make grants under the Trust's 2012 Equity Incentive Plan pursuant to authority delegated to it by the Board of Trustees;
- review and monitor management developments and succession plans and activities.

The Compensation Committee met once in 2014, and on one other occasion during the year, after conferring individually or via writing, took one additional action by written consent. All of the Compensation Committee members were in attendance at the meeting. The Compensation Committee does not have a formal charter.

## Nominating Committee

The Nominating Committee is chaired by Patrick R. Haynes, III with Virgil E. Wenger and William S. Susman serving as members. The Nominating Committee evaluates potential nominees to serve as trustees and makes recommendations to the Board of Trustees for inclusion in the Trust's annual proxy statement.

## Trustee Nomination Process

The Nominating Committee is responsible for developing and evaluating potential trustee candidates for consideration in the event of a vacancy on the Board of Trustees, and making nominee recommendations to the Board of Trustees. The Nominating Committee seeks candidates for election and appointment that possess the integrity, leadership skills and competency required to direct and oversee the Trust's management in the best interests of its shareholders, customers and employees, as well as the communities it serves and other affected parties. Nominee candidates must be willing to regularly attend committee and Board of Trustees meetings, to develop a strong understanding of the Trust, its businesses and its requirements, to contribute his or her time and knowledge to the Trust and to be prepared to exercise his or her duties with skill and care. In addition, each candidate should have an understanding of relevant governance concepts and the legal duties of a trustee of a public company.

To propose a nominee, shareholders may contact the Nominating Committee Chairman, the Chairman of the Board or the Company's Secretary by writing to them care of the Trust at its principal executive offices. Such correspondence should include a detailed description of the proposed nominee's qualifications and a method to contact the nominee if the Nominating Committee so chooses. Candidates viewed by the Nominating Committee as qualified and suitable for service as a trustee will be contacted to determine interest in being considered to serve on the Board of Trustees and, if interested, will be interviewed and have their qualifications established and considered.

The Nominating Committee met once in 2014 to recommend nominees to the Board for inclusion within Proposal 1 of the proxy statement for the 2014 Annual Meeting of Shareholders. The Nominating Committee has established a charter outlining its purpose and the practices it follows. The charter is available on the Trust's website at [www.pwreit.com](http://www.pwreit.com).



Code of Business Conduct and Ethics

The Trust has a Code of Business Conduct and Ethics, with which all officers and trustees must comply. A copy is appended at the end of this proxy statement. In addition, the code may be viewed on our website at [www.pwreit.com](http://www.pwreit.com), and printed copies may be requested by writing to us at 301 Winding Road, Old Bethpage, NY 11804, Attention: Investor Relations.

EXECUTIVE OFFICERS

The Trust is managed by David H. Lesser, the Trust's Chief Executive Officer, with oversight from its Board of Trustees.

Name	Age	Officer Since	Company Positions
David H. Lesser	49	2011	Chairman of the Board of Trustees Chief Executive Officer, Secretary, Treasurer