

Chatham Lodging Trust  
Form 424B2  
January 31, 2014  
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**Filed pursuant to Rule 424(b)(2)  
Registration No. 333-193390**

**PROSPECTUS**

**Dividend Reinvestment and Direct Share Purchase Plan**

**Up to \$25,000,000**

**Common Shares**

This prospectus relates to up to \$25,000,000 of our common shares of beneficial interest, \$0.01 par value per share, or our common shares, of Chatham Lodging Trust registered for purchase under the Chatham Lodging Trust Dividend Reinvestment and Direct Share Purchase Plan, or the Plan.

The Plan provides our shareholders with a simple and convenient method of reinvesting cash dividends and other distributions and purchasing common shares. By participating in the Plan, you may purchase common shares by reinvesting some or all of the cash dividends and other distributions that you receive on your common shares, subject to a minimum reinvestment percentage of 10%. You may also make optional cash purchases of common shares of between \$50 and \$10,000 per month and, with our prior approval, in excess of \$10,000 per month. Highlights of the Plan include:

Any registered shareholder may elect to participate in the Plan.

Optional full or partial dividend reinvestment options, subject to a minimum reinvestment percentage of 10%.

Optional cash purchases on a weekly basis of between \$50 and \$10,000, subject to an aggregate monthly limit of \$10,000, or with our prior approval, in excess of \$10,000 per month.

Interested prospective investors who are not currently holders of our common shares may make their initial purchase through the Plan, subject to a minimum purchase of \$250.

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Up to a 5% discount on the purchase price of common shares purchased under the Plan for purchases, with our prior approval, in excess of \$10,000 per month.

Certificate safekeeping in book-entry form available at no charge to participants.

Detailed record keeping and reporting will be provided at no charge to participants.

Optional automatic investment withdrawals from your bank account.

Our common shares are listed on the New York Stock Exchange, or NYSE, under the trading symbol CLDT. On January 15, 2014, the closing price of our common shares on the NYSE was \$20.28 per share.

**Investing in our common shares involves risks. You should carefully read and consider the risks described under the section entitled Risk Factors included in our most recent Annual Report on Form 10-K and any subsequent Quarterly Reports on Form 10-Q, and in the other information that we file with the Securities and Exchange Commission before making a decision to invest in our common shares.**

**Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or passed upon the accuracy or adequacy of this prospectus. Any representation to the contrary is a criminal offense.**

**The date of this prospectus is January 30, 2014.**

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**You should rely only on the information contained in or incorporated by reference into this prospectus. We have not authorized any other person to provide you with different or additional information. If anyone provides you with different or additional information, you should not rely on it. This prospectus does not constitute an offer to sell, or a solicitation of an offer to purchase, any securities in any jurisdiction to or from any person to whom or from whom it is unlawful to make such offer or solicitation in such jurisdiction. You should assume that the information appearing in this prospectus and the documents incorporated by reference herein or therein is accurate only as of their respective dates or on the date or dates which are specified in these documents. Our business, financial condition, results of operations and prospects may have changed since those dates.**

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**INCORPORATION OF CERTAIN DOCUMENTS BY REFERENCE**

SEC rules allow us to incorporate by reference information into this prospectus. This means that we can disclose important information to you by referring you to another document. Any information referred to in this way is considered part of this prospectus from the date we file that document. Any reports filed by us with the SEC after the date of this prospectus and before the date that the offering of securities by means of this prospectus is terminated will automatically update and, where applicable, supersede any information contained in this prospectus or incorporated by reference into this prospectus. We incorporate by reference into this prospectus the following documents or information filed with the SEC (other than, in each case, documents or information deemed to have been furnished and not filed in accordance with SEC rules):

our Annual Report on Form 10-K for the fiscal year ended December 31, 2012;

our Quarterly Reports on Form 10-Q for the quarters ended March 31, 2013, June 30, 2013 and September 30, 2013;

the information specifically incorporated by reference into our Annual Report on Form 10-K for the year ended December 31, 2012 from our Definitive Proxy Statement on Schedule 14A filed on April 15, 2013; and

our Current Reports on Form 8-K filed on January 8, 2013 (solely with respect to the information reported under Item 8.01), January 14, 2013, January 30, 2013, April 29, 2013, May 17, 2013, our Current Report on Form 8-K/A filed on May 20, 2013, our Current Reports on Form 8-K filed on June 11, 2013 (solely with respect to the information reported under Item 8.01), June 12, 2013, June 18, 2013, June 21, 2013, September 24, 2013 (solely with respect to the information reported under Item 8.01 and Item 9.01(a) and (b) and Exhibit 23.1), September 30, 2013, November 1, 2013 (solely with respect to the information reported under Item 2.01 and Item 9.01(a) and (b)), November 13, 2013 and November 14, 2013, our Current Report on Form 8-K/A filed on December 11, 2013, our Current Reports on Form 8-K filed on December 13, 2013 (solely with respect to the information reported under Items 1.01, 2.03 and 9.01), and December 17, 2013 and our Current Report on Form 8-K/A filed on January 13, 2014.

All documents that we file (but not those that we furnish) pursuant to Sections 13(a), 13(c), 14 or 15(d) of the Securities Exchange Act of 1934, as amended, or the Exchange Act, after the date of the initial registration statement of which this prospectus is a part and prior to the effectiveness of the registration statement, shall be deemed to be incorporated by reference into this prospectus and will automatically update and supersede the information in this prospectus and any previously filed documents. In addition, all documents that we file (but not those that we furnish) pursuant to Sections 13(a), 13(c), 14 or 15(d) of the Exchange Act on or after the date of this prospectus and prior to the termination of the offering of any of the securities covered under this prospectus shall be deemed to be incorporated by reference into this prospectus and will automatically update and supersede the information in this prospectus and any previously filed documents.

We will provide without charge to each person, including any beneficial owner, to whom this prospectus is delivered, upon his or her written or oral request, a copy of any or all documents referred to above that have been or may be

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incorporated by reference into this prospectus, excluding exhibits to those documents unless they are specifically incorporated by reference into those documents. Requests for those documents should be directed to us as follows: Chatham Lodging Trust, 50 Coconut Row, Suite 211, Palm Beach, Florida 33480, Attn: Chief Financial Officer, Telephone: (561) 802-4477.

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**WHERE YOU CAN FIND MORE INFORMATION**

We are subject to the informational requirements of the Exchange Act, and, in accordance with those requirements, file reports, proxy statements and other information with the SEC. Such reports, proxy statements and other information, as well as the registration statement of which this prospectus is a part and the exhibits and schedules thereto, can be inspected at the public reference facilities maintained by the SEC at 100 F Street, N.E., Washington, D.C. 20549. Copies of such materials may be obtained at prescribed rates. Information about the operation of the public reference facilities may be obtained by calling the SEC at 1-800-SEC-0330. The SEC also maintains a website that contains reports, proxy statements and other information regarding registrants, including us, that file such information electronically with the SEC. The address of the SEC's website is <http://www.sec.gov>. Copies of these documents may be available on our website at [www.chathamlodgingtrust.com](http://www.chathamlodgingtrust.com). Our internet website and the information contained therein or connected thereto are not incorporated into this prospectus or any amendment or supplement thereto.

We have filed with the SEC a registration statement on Form S-3 under the Securities Act with respect to the common shares offered by this prospectus. You may review a copy of the registration statement and its exhibits and schedules at the SEC's public reference room in Washington, D.C. as well as through the SEC's website. Please be aware that statements in this prospectus referring to a contract or other document are summaries and you should refer to the exhibits that are part of the registration statement for a copy of the contract or other document.

**CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS**

When used in this prospectus, in future filings with the SEC or in press releases or other written or oral communications, statements which are not historical in nature, including those containing words such as believe, expect, anticipate, estimate, plan, continue, intend, should, may or similar expressions, are intended to be forward-looking statements within the meaning of Section 27A of the Securities Act and Section 21E of the Exchange Act, and, as such, may involve known and unknown risks, uncertainties and assumptions. These forward-looking statements include information about possible or assumed future results of our business, financial condition, liquidity, results of operations, plans and objectives. Statements regarding the following subjects, among others, are forward-looking by their nature:

our business and investment strategy;

our forecasted operating results;

completion of hotel acquisitions;

our ability to obtain future financing arrangements;

our expected leverage levels;

our understanding of our competition;

market and lodging industry trends and expectations;

our investment in joint ventures;

anticipated capital expenditures; and

our ability to maintain our qualification as a REIT for U.S. federal income tax purposes.

The forward-looking statements are based on our beliefs, assumptions and expectations of our future performance, taking into account all information available to us at the time the forward-looking statements are made. These beliefs, assumptions and expectations can change as a result of many possible events or factors, not all of which are known to us. If a change occurs, our business, prospects, financial condition, liquidity and results

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of operations may vary materially from those expressed in our forward-looking statements. You should carefully consider this risk when you make an investment decision concerning our common shares. Additionally, the following factors could cause actual results to vary from our forward-looking statements:

the factors discussed or incorporated by reference into this prospectus, including those set forth under the sections titled "Risk Factors" in our most recently filed Annual Report on Form 10-K and any subsequent Quarterly Reports on Form 10-Q and in the other information that we file with the SEC;

general volatility of the capital markets and the market price of our common shares;

performance of the lodging industry in general;

changes in our business or investment strategy;

availability, terms and deployment of capital;

availability of and our ability to attract and retain qualified personnel;

our leverage levels;

our capital expenditures;

changes in our industry and the markets in which we operate, interest rates or the general U.S. or international economy;

our ability to maintain our qualification as a REIT for U.S. federal income tax purposes; and

the degree and nature of our competition.

All forward-looking statements speak only as of the date on which they are made. New risks and uncertainties arise over time and it is not possible to predict those events or how they may affect us. Except as required by law, we are not obligated to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

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**OUR COMPANY**

We are a self-advised hotel investment company organized in October 2009 to invest in premium-branded upscale extended-stay and select-service hotels. We commenced operations in April 2010, upon completion of the initial public offering, or IPO, of our common shares. We expect that a significant portion of our portfolio will consist of hotels in the upscale extended-stay or select-service categories, including brands such as Homewood Suites by Hilton®, Residence Inn by Marriott®, Hyatt Place®, Courtyard by Marriott®, Hampton Inn® and Hampton Inn and Suites®.

We currently focus our hotel investments primarily in the 25 largest metropolitan markets in the United States.

We are the sole general partner of our operating partnership, Chatham Lodging, L.P. Substantially all of our assets are held by, and all of our operations are conducted through, our operating partnership.

Our principal executive offices are located at 50 Coconut Row, Suite 211, Palm Beach, Florida 33480. Our telephone number is (561) 802-4477. Our website is [www.chathamlodgingtrust.com](http://www.chathamlodgingtrust.com). Our website and the information contained therein or connected thereto do not constitute a part of this prospectus.

**RISK FACTORS**

Before purchasing the common shares offered by this prospectus you should carefully read and consider all of the information contained or incorporated by reference into this prospectus, including the risk factors described below as well as the risk factors incorporated by reference in this prospectus from our most recently filed Annual Report on Form 10-K, as amended and supplemented from time to time, as updated by those risk factors included in our subsequent Quarterly Reports on Form 10-Q and our other filings with the SEC under the Exchange Act (which information is incorporated by reference into this prospectus). For a description of these reports and documents, and information about where you can find them, see [Where You Can Find More Information](#) and [Incorporation of Certain Documents By Reference](#). Any one of the risks discussed could cause actual results to differ materially from expectations and could adversely affect our business, financial condition and results of operations. Additional risks and uncertainties not presently known to us or not identified, may also materially and adversely affect our business, prospects, financial condition and results of operations.

***You will not know the price of our common shares at the time you make an investment decision.***

Although we describe generally in this prospectus how the price of any common shares you purchase will be determined, you will not know the price of the common shares you are purchasing under the Plan at the time you authorize the investment or elect to have your dividends reinvested.

***The price of our common shares may fluctuate between the time you make an investment decision and the time our common shares are purchased or sold by you.***

The price of our common shares may fluctuate between the time you decide to purchase common shares under the Plan and the time of actual purchase. In addition, during this time period, you may become aware of additional information that might affect your investment decision.

If you instruct the Plan Administrator to sell common shares under the Plan, you may not be able to direct the time or price at which your shares are sold. The price of our common shares may decline between the time you decide to sell common shares and the time of actual sale.



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**USE OF PROCEEDS**

We cannot determine precisely the number of common shares that ultimately may be sold pursuant to the Plan, the extent to which shares will be purchased directly from us rather than in the open market, or the prices at which shares will be sold. We will use the net proceeds from any purchases of common shares directly from us under the Plan for general business purposes, including funding our investment activity, repayment of indebtedness and working capital. We will not receive any proceeds from any common shares purchased in open market transactions.

**DIVIDEND REINVESTMENT AND DIRECT SHARE PURCHASE PLAN**

Details of the Plan are set forth below in question and answer format. Further questions and correspondence should be directed to either Chatham Lodging Trust or the plan administrator, Wells Fargo Shareowner Services (the Plan Administrator or Wells Fargo ) through one of the methods identified below:

Chatham Lodging Trust  
50 Cocoanut Row, Suite 211  
Palm Beach, Florida 33480  
(561) 227-1344  
www.chathamlodgingtrust.com

Wells Fargo Shareowners Services  
1110 Centre Point Curve, Suite 101  
Mendota Heights, MN 55120  
(800) 468-9716  
www.shareowneronline.com

The Company may replace the Plan Administrator at any time upon written notice to the Plan Administrator and may designate another qualified administrator as successor Plan Administrator for all or a part of the Plan Administrator's functions under the Plan. All participants would be notified of any such change. If the Company changes the Plan Administrator, references in this prospectus to Plan Administrator shall be deemed to be references to the successor Plan Administrator, unless the context requires otherwise.

***Purpose***

**1. What is the purpose of the Plan?**

The purpose of the dividend reinvestment component of the Plan is to provide our shareholders with a simple and convenient method of investing cash dividends and other distributions in additional common shares. The optional cash purchase component of the Plan permits current shareholders and prospective investors to purchase common shares on a weekly basis in amounts, subject to certain exceptions, ranging from \$50 to \$10,000, subject to an aggregate monthly limit of \$10,000 or, with our prior approval, in excess of \$10,000 (see Question 15). Participants in the Plan may have cash dividends and other distributions automatically reinvested without charges for recordkeeping, and may take advantage of the custodial and reporting services provided by the Plan Administrator, at no additional cost. The Plan is intended to benefit long-term investors who want to increase their investment in our common shares over time.

**2. What are the advantages of participating in the Plan?**

The Plan provides participants with the opportunity to purchase additional common shares, if desired, by automatically reinvesting through the Plan all or a portion of the cash dividends they receive on our common

shares, subject to a minimum reinvestment percentage of 10%.

The Plan provides participants with the opportunity to purchase additional common shares directly from us, if desired, by investing additional cash on a weekly basis ranging from \$50 to \$10,000, subject to an aggregate monthly limit of \$10,000, or, with our prior approval, in excess of \$10,000, with or without enrolling in the dividend reinvestment portion of the Plan.

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There are no transaction or processing fees, expenses or service charges on common shares purchased under the Plan with reinvested dividends. Participants will, however, pay certain transaction and processing fees in connection with the optional cash purchase portion of the Plan and the sale of your shares. See Summary of Plan Options and Fees below.

Funds invested in the Plan are fully invested through the purchase of fractional shares, as well as whole shares, and proportionate cash dividends on fractional shares are used to purchase additional shares.

There is a safekeeping service that allows participants to deposit common share certificates with the Plan Administrator and have their share ownership maintained on the Plan Administrator's records as part of the Plan account. There is no charge for this service.

Participants will receive statements containing year-to-date information on all Plan transactions in their account within a reasonable time after a transaction occurs, designed to simplify their record keeping.

### **3. What are the disadvantages of participating in the Plan?**

For federal income tax purposes, a shareholder is generally treated as having received dividend income on the dividend payment date.

With respect to participants who elect to reinvest their dividends, such dividend generally will give rise to a tax liability even though no cash was actually paid. See the section entitled Material U.S. Federal Income Tax Considerations below.

No interest will be paid by us or the Plan Administrator on dividends held pending reinvestment or on optional cash purchase payments held pending investment. See Question 18.

Participants bear the risk of loss and the benefits of gain from market price changes for all of their common shares. **NEITHER WE NOR THE PLAN ADMINISTRATOR CAN GUARANTEE THAT COMMON SHARES PURCHASED UNDER THE PLAN WILL, AT ANY PARTICULAR TIME, BE WORTH MORE OR LESS THAN THEIR PURCHASE PRICE.**

The price of our common shares may fluctuate in the interim between your investment decision and the time of the actual purchase and may decline between the time you decide to sell and the time at which your common shares are actually sold.

We may, in our sole discretion and without prior notice to participants, change our determination as to whether common shares will be purchased by the Plan Administrator directly from us or through market

purchases. This determination will be made by us based upon general market conditions, the relationship between purchase price and book value per share, regulatory requirements and other factors.

**4. Is there a cost to participate in the Plan?**

We will pay all administrative costs associated with the reinvestment of dividends under the Plan. There are no transaction or processing fees, expenses or service charges under the Plan in connection with purchases under the dividend reinvestment portion of the Plan; however, if you enroll in the plan through a broker, bank or other nominee, they may charge you a fee for participating on your behalf. If the Plan purchases shares with reinvested dividends in market transactions instead of directly from us, we will pay any brokerage fees or commissions on such purchases.

With respect to the optional cash purchase portion of the Plan, we generally will pay all administrative costs. There are generally no transaction or processing fees, commissions, expenses or service charges under the Plan in connection with purchases under the optional cash purchase portion of the Plan; however, a participant will be responsible for paying certain fees associated with the sale of any shares held in their Plan account and for certain other administrative matters. See [Summary of Plan Options and Fees](#) below for a summary of the fees that apply to your participation in the Plan and the sale of your shares.

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### ***Administration***

#### **5. What does the Plan Administrator do?**

The Plan Administrator administers the Plan for participants, keeps records, sends statement of accounts to participants, and performs other duties relating to the Plan, including the safekeeping of the shares purchased for each participant. The Plan Administrator also acts as the dividend disbursing agent, transfer agent and registrar for our common shares.

### ***Participation and Enrollment***

#### **6. Who is eligible to participate?**

You may participate in the Plan if: (a) you are a registered holder ; that is, your shares are registered in your name on our share transfer books, (b) you are a beneficial owner ; that is, your shares are registered in a name other than your name (for example, in the name of a broker, bank or other nominee) (see Question 8), or (c) you are a new investor.

If you live outside the United States, you should first determine if there are any laws or governmental regulations that would prohibit your participation in the Plan, or affect the terms of the Plan. We have the right to terminate participation of any shareholder if we deem it advisable under any foreign laws or regulations. Tax consequences of Plan participation may vary under foreign laws or regulations, and you should determine the tax treatment of Plan features before you decide to invest through the Plan.

The Plan is intended for the benefit of our investors and not for persons or entities who engage in transactions that cause or are designed to cause aberrations in the price or trading volume of our common shares. Notwithstanding anything in the Plan to the contrary, we reserve the right to exclude from participation in the Plan at any time any persons or entities, as determined in our sole discretion.

#### **7. How do I enroll in the Plan?**

The Plan is an opt-in plan. If you are a registered holder of our common shares, you may join the Plan by signing an Account Authorization form and returning it to the Plan Administrator or by going online to the Plan Administrator's website, **[www.shareowneronline.com](http://www.shareowneronline.com)**. If you are enrolling for dividend reinvestment, the Account Authorization Form must be received by the Plan Administrator prior to the dividend record date in order to take effect as of the related dividend payment. A dividend record date is, with respect to any dividend or other distribution authorized by our Board of Trustees and declared by us, the date set by our Board of Trustees for determining shareholders of record entitled to receive the dividend or other distribution.

If you are a beneficial holder of our common shares, you should follow the procedure described in the answer to Question 8.

If you are a new investor, that is, you do not currently own common shares, you may join the Plan in either of the following ways:

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- (a) Going to the Plan Administrator's website at **www.shareowneronline.com**, and following the instructions provided for opening a Plan account online. You will be asked to complete an Account Authorization Form and to submit an initial optional cash purchase between \$250 and \$10,000. To make an initial optional cash purchase you may authorize a one-time online bank debit from your U.S. or Canadian financial institution account or you may authorize a minimum of five consecutive monthly automatic deductions of at least \$50 each from your U.S. bank account.
  
- (b) Completing and signing an Account Authorization Form and submitting an initial investment in the amount between \$250 and \$10,000. To make an initial optional cash purchase in this manner, you may enclose a check, payable in U.S. funds and drawn against a U.S. or Canadian financial institution, to Shareowner Services or you may complete the Account Authorization Form and authorize a

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minimum of five consecutive monthly automatic deductions of at least \$50 each from your U.S. bank account by following the instructions provided.

If you are enrolling by making an optional cash purchase of less than \$10,000, the Account Authorization Form and investment funds must be received by the Plan Administrator at least two business days before the date such funds are to be invested for a particular week (see Question 12). Account Authorization Forms may be obtained at any time by telephonic, Internet or written request to the Plan Administrator.

### **8. How do I enroll in the Plan if I am a beneficial owner?**

If you are a beneficial owner, that is your shares are held on the books of the Plan Administrator in the name of a broker, bank or other nominee (a Nominee), your distributions will be reinvested automatically by the Nominee in additional shares under the Plan only if your Nominee provides such a service and you elect to participate in the Plan. Many Nominees do not provide such a service and routinely request dividends and other distributions to be paid in cash on all shares registered in their names. Therefore, if your shares are held for your account by a Nominee and you would like to participate in the Plan, then, in addition to enrolling in the Plan as provided in Question 7, you must either make appropriate arrangements for your Nominee to participate on your behalf, or you must become a shareholder of record by having a part or all of your shares transferred to your own name. If your shares are held in the name of a Nominee, you should contact the Nominee for details.

### ***Reinvestment of Dividends under the Plan***

### **9. How does reinvestment of dividends under the Plan work?**

As a participant, when our Board of Trustees authorizes, and the Company declares, a dividend or other distribution, on the payment date for such dividend or other distribution you will have credited to your Plan account the number of whole and fractional shares (computed to three decimal places) that could be obtained, at the price determined in accordance with the answer to Question 14, with the cash, net of any applicable withholding taxes, that would have been paid to you if you were not a participant enrolled in the dividend reinvestment portion of the Plan. See Question 11 for more information regarding the dividend reinvestment options available to you under the Plan. Such shares will be acquired by the Plan Administrator for participants either (i) directly from the Company through the issuance of common shares or (ii) through open market transactions. Open market purchases may be made on any securities exchange where the common shares are traded, in the over-the-counter market or in privately negotiated transactions with third persons, and may be on such terms as to price, delivery and otherwise as we may determine. We will determine, in our sole discretion, in accordance with applicable law, whether the Plan Administrator will acquire these shares from us or on the open market. Dividends will be invested beginning on the dividend or other distribution payment date, subject to certain exceptions as required by applicable law. If the common shares are to be newly issued shares, such shares will be issued or delivered on the dividend or other distribution payment date. If our common shares are to be purchased by the Plan Administrator in the open market, the Plan Administrator will make every effort to invest any dividends it receives promptly beginning on each dividend or other distribution payment date, and in no event later than 30 days from such date, except where reinvestment of such funds at a later date is necessary or advisable under any applicable securities laws.

### **10. What if a shareholder would rather receive cash instead of reinvesting their dividends?**

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If you would rather receive a cash dividend, you should not enroll in the dividend reinvestment portion of the Plan. If you are enrolled in the dividend reinvestment portion of the Plan and no longer desire to reinvest dividends, you must notify the Plan Administrator through the Internet, by telephone or in writing that you would like to terminate your participation in the dividend reinvestment portion of the Plan. You may terminate your participation in the dividend reinvestment portion of the Plan, and the Plan generally, at any time. The procedure for terminating participation in the Plan is explained in the answer to Question 29.

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**11. What dividend reinvestment options are available to participants in the dividend reinvestment portion of the Plan?**

A shareholder that desires to participate in the dividend reinvestment portion of the Plan has the option to reinvest all or a portion of the cash dividends payable on common shares held in the Plan in the manner described below. A participant can make or change its selection of either option set forth immediately below by completing and submitting to the Plan Administrator an Account Authorization Form and indicating your preference for full or partial dividend reinvestment, by accessing your Plan account at the Plan Administrator's website, **www.shareowneronline.com**, or by calling the Plan Administrator and changing your election. Changes to your election must be received by the Plan Administrator prior to the dividend payment date.

**Full Dividend Reinvestment.** All cash dividends payable on shares held in the Plan, along with any shares held in physical certificate form or through book-entry Direct Registration Shares (DRS), will be used to purchase additional common shares. The participant will not receive cash dividends from us on shares held in the Plan or held in physical certificate form or through book-entry DRS; instead, all dividends payable on these shares will be reinvested pursuant to the Plan. Whole and fractional shares will be allocated to the Plan account.

**Partial Dividend Reinvestment by Percentage.** A participant may elect to reinvest a portion of the cash dividends payable on shares held in the Plan or held in physical certificate form or through book-entry DRS and to receive the remainder in cash, subject to a minimum reinvestment percentage of 10%. The reinvestment percentage elected by the participant will be applied to the total number of common shares held in the Plan, along with any shares held in physical certificate form or held through book-entry DRS.

***Purchase of Shares under the Plan***

**12. How can I make an optional cash purchase?**

Participants may make optional cash purchases on a weekly basis of \$50 to \$10,000, subject to an aggregate monthly limit of \$10,000, in aggregate per month or, with our prior approval, in excess of \$10,000 in any month. Question 13 describes the process for making optional cash purchases in excess of \$10,000 in any month.

Participants may make payment for an optional cash purchase of \$50 to \$10,000 in one of three ways:

(a) ***By Check.*** Participants can send a check in the amount of such participant's optional cash purchase payable to Shareowner Services, in U.S. dollars drawn on a U.S. or Canadian financial institution. **Cash, traveler's checks, money orders or third party checks are not acceptable.** Checks should be mailed to the Plan Administrator pursuant to the Account Authorization Form (for new participants) or the tear-off portion of the account statement (for current participants). Checks must be received by the Plan Administrator at least two business days before a Purchase Date (we describe a Purchase Date more fully in the answer to Question 14 below) in order to be invested on that date. When investing by check, participants do not need to invest the same amount each time they choose to purchase shares in the Plan. Participants are under no obligation to make investments in any week or month or otherwise participate in the Plan on an ongoing basis.

(b) ***By One-Time Online Bank Debit.*** A registered holder of our common shares can make an optional cash purchase of \$50 to \$10,000 online by logging on to **www.shareowneronline.com** and following the online instructions. Registered holders should refer to the online confirmation for their bank account debit date and Purchase Date. When making an optional cash purchase by one-time online bank debit, registered holders do not need to invest the same amount each time and are under no obligation to make investments in any week, month or otherwise participate in the

plan on an ongoing basis.

(c) ***By Recurring Automatic Debits from a U.S. Bank Account.*** A registered holder may authorize the Plan Administrator to make optional cash purchases of \$50 to \$10,000 by recurring monthly purchase of a

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specified dollar amount paid for by automatic withdrawal from the registered holder's U.S. bank account. Participants can authorize the Plan Administrator to make the recurring withdrawals by completing and delivering to the Plan Administrator an Account Authorization Form or by following instructions on the Plan Administrator's website, **www.shareowneronline.com**. Under this process, a participant's funds will be withdrawn from such participant's bank account, via electronic funds transfer, on the 5th and/or the 20th day of each month (or the next business day if the 5th or the 20th day is not a business day). Requests will be processed and will become effective as promptly as practicable; *however*, registered holders should allow four to six weeks for the first purchase to be initiated when using this form of payment. Automatic deductions will continue at the level set until a registered holder changes his or her instructions by notifying the Plan Administrator. To terminate automatic withdrawal, written, signed instructions must be sent to the Plan Administrator. Alternatively, you can terminate monthly or semi-monthly deductions through **www.shareowneronline.com**. It is the responsibility of the registered holder to notify the Plan Administrator if any direct debit information changes. To be effective with respect to a particular investment date, a change request must be received by the Plan Administrator at least 15 trading days prior to the investment date.

**13. How do I make optional cash purchases in excess of \$10,000?**

Participants may make optional cash purchases in excess of \$10,000 in any month with our prior approval, by the following process:

**Request for Waiver.** Cash purchases of more than \$10,000 in any month may be made only pursuant to our acceptance of a request to make such a purchase. If participants wish to make an optional cash purchase in excess of \$10,000 (or other maximum amount established by us) for any month, participants must obtain our prior written approval with a form, or a Request for Waiver, and a copy of such written approval must accompany any such optional cash purchase. We have sole discretion to grant any approval for optional cash purchases in excess of the allowable maximum amount. Unless the participant has complied with these procedures, any amount submitted for investment over \$10,000 will be returned without interest. Participants may make a Request for Waiver by contacting us at (561) 227-1344. Completed Request for Waiver forms should be submitted to us via email to [cldtpurchases@cl-trust.com](mailto:cldtpurchases@cl-trust.com) no later than three business days prior to the applicable Pricing Period (defined below). We will notify the participant as to whether the Request for Waiver has been granted or denied, either in whole or in part, within one business day of the receipt of the request. If the Request for Waiver is granted in part, we will advise the participant of the maximum amount that will be accepted in connection with the purchase. If the request is approved, the Plan Administrator must receive the funds for the purchase prior to or on the applicable date specified by the Plan Administrator for the relevant Pricing Period (which typically will be one business day prior to the applicable Pricing Period). If a response is not received in connection with the Request for Waiver, the participant should assume that the request has been denied. We may alter, amend, supplement or waive, in our sole discretion, the time periods and/or other parameters relating to optional cash purchases in excess of \$10,000 made by one or more participants in the Plan or new investors, at any time and from time to time, prior to the granting of any Request for Waiver. For more information regarding a particular Pricing Period (including applicable Pricing Period start dates), please contact us at (561) 227-1344.

Participants may make payment for an optional cash purchase in excess of \$10,000 in accordance with the instructions contained in the Request for Waiver.

We may alter, amend, supplement or waive, in our sole discretion, the time periods and/or other parameters relating to optional cash purchases in excess of \$10,000 made by one or more participants in the Plan or new investors, at any time and from time to time, prior to the granting of any request for waiver.

**14. At what price will shares be purchased under the Plan?**

Purchase Price of Shares for Optional Cash Purchase from \$50 to \$10,000. The price at which our authorized and unissued common shares will be purchased from us will be the average of the high and low price per share paid on the last day on which our common shares were traded preceding the investment date as reported on the consolidated tape for New York Stock Exchange, or NYSE listed securities administered

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by the Consolidated Tape Association. The purchase price of shares purchased in the open market will be the weighted average price per share of all shares purchased for a particular investment.

**Purchase Price of Shares for Optional Cash Purchases in Excess of \$10,000.** Shares purchased pursuant to an approved Request for Waiver will be purchased directly from us as described herein. If we grant the request to purchase shares pursuant to a Request for Waiver, there will be a Pricing Period, which will generally consist of one to 12 consecutive separate days as determined by us in our sole discretion during which our common shares are traded on the NYSE following our grant of the Request for Waiver; however, we do not expect that any part of a Pricing Period will occur during the period that commences on the date we go ex-dividend and ends on the dividend record date for our common shares. We expect that If we grant your request to purchase shares pursuant to a Request for Waiver, the dates of the Pricing Period will be set forth in the approved Request for Waiver. Each of these separate days will be a Purchase Date, and an equal proportion of your optional cash purchase will be invested on each trading day during such Pricing Period, subject to the qualifications listed below. The purchase price for shares acquired on a particular Purchase Date will be equal to 100% (subject to change as provided below) of the composite volume weighted average price, rounded to four decimal places, as traded on the composite exchanges during regular NYSE hours on the Purchase Date. The Plan Administrator will apply all optional cash purchases made pursuant to a Request for Waiver for which good funds are received on or before the first business day before the Pricing Period to the purchase of common shares on each Purchase Date of the applicable Pricing Period. The Purchase Price may be subject to a Threshold Price and may be reduced by the Waiver Discount, each as more fully described below.

**Threshold Price.** We may establish for a Pricing Period a minimum price, or the Threshold Price, applicable to optional cash purchases made pursuant to a Request for Waiver. At least three business days prior to the first day of the applicable Pricing Period, we will determine whether to establish a Threshold Price, and if the Threshold Price is established, its amount, and will so notify the Plan Administrator. This determination will be made by us in our discretion after a review of current market conditions, the level of participation in the Plan, and our current and projected capital needs. If established for any Pricing Period, the Threshold Price will be stated as a dollar amount that the composite volume weighted average price, rounded to four decimal places, of our common shares as traded on the composite exchanges during regular NYSE hours on the Purchase Date. Except as provided below, we will exclude from the Pricing Period any trading day that the unsolicited composite volume weighted average price is less than the Threshold Price. We also will exclude from the Pricing Period and from the determination of the purchase price any day in which no common shares are quoted on the composite exchanges. For example, if the Threshold Price is not met for two of the trading days in a 10 day Pricing Period, then we will return 20% of the funds you submitted in connection with your Request for Waiver unless we have activated the pricing period extension feature for the Pricing Period which is described below. See Question 16 for more information relating to the return of unsubscribed funds.

**Pricing Period Extension Feature.** We may elect to activate for any particular Pricing Period a pricing period extension feature which will provide that the initial Pricing Period will be extended by the number of days that the Threshold Price is not satisfied, or on which no common shares are quoted on the composite exchanges, subject to a maximum of five trading days. If we elect to activate the pricing period extension feature and the Threshold Price is satisfied for any additional day that has been added to the initial Pricing Period, that day will be included as one of the trading days for the Pricing Period in lieu of the day on which the Threshold Price was not met or trades of our common shares were not reported. For example, if the determined Pricing Period is 10 days, and the Threshold Price is not satisfied for three out of those 10 days in the initial Pricing Period, and we had previously announced at the time of the Request for Waiver acceptance that the pricing period extension feature was activated, then the Pricing Period will automatically be extended, and if the Threshold Price is satisfied on the next three trading days (or a subset thereof), then those three days (or a subset thereof) will become Purchase Days in lieu of the three days on which the Threshold Price was not met. As a result, because there were 10 trading days during the initial and extended Pricing Period on which the Threshold Price was satisfied, all of the optional cash purchase will be invested.



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**Waiver Discount.** Each month, at least three business days prior to the first day of the applicable Pricing Period, and at the same time the Threshold Price is determined, if any, we may establish a discount from the market price applicable to optional cash purchases made pursuant to a Request for Waiver. This discount (or the Waiver Discount) may be between 0% and 5% of the purchase price, and may vary each month and for each Pricing Period. The Waiver Discount will be established at our sole discretion after a review of current market conditions, the level of participation in the Plan, the attractiveness of obtaining such additional funds through the sale of common shares as compared to other sources of funds and current and projected capital needs. Under no circumstances will the price of the common shares purchased from us pursuant to the Plan be at a price less than 95% (taking into account as part of the Waiver Discount and any discount, brokerage fees or commissions paid by us on your behalf in connection with the purchase) of the composite volume weighted average price, rounded to four decimal places, or other common shares as quoted and obtained from Bloomberg, LP, or the Minimum Purchase Price. If the methods by which the Plan Administrator calculates the purchase price for any common shares to be purchased pursuant to the Plan would result in a price lower than the Minimum Purchase Price, the purchase price for those shares shall be the Minimum Purchase Price. You may obtain the Waiver Discount applicable to the next month by contacting us via email at [cldtpurchases@cl-trust.com](mailto:cldtpurchases@cl-trust.com). Setting a Waiver Discount for a particular month shall not affect the setting of a Waiver Discount for any subsequent month. The Waiver Discounts will apply only to optional cash purchases of more than \$10,000 (or other applicable maximum monthly amount). The Waiver Discounts will apply to the entire optional cash purchase and not just the portion of the optional cash purchase that exceeds \$10,000.

**15. When will common shares be purchased under the Plan?**

**Initial and Optional Cash Purchases up to \$10,000.** We expect that any initial, recurring, or one-time optional cash investment will be invested within five (5) trading days, and in no event, later than 35 trading days, except where postponement is necessary to comply with Regulation M under the Securities Exchange Act of 1934 or other applicable provisions of securities law. In making purchases for the participant's account, the Plan Administrator may commingle the participant's funds with those of other participants of the Plan. Purchases may be subject to certain fees and conditions (see Summary of Plan Options and Fees below). Once a participant has placed an order, he or she may not request a cash refund or otherwise change the order. No interest will be paid on funds pending investment held by the Plan Administrator.

**Optional Cash Purchases in Excess of \$10,000.** If we grant the request to purchase shares pursuant to a Request for Waiver, there will be a Pricing Period, which will generally consist of one to 12 consecutive separate days as determined by us in our sole discretion during which our common shares are traded on the NYSE following our grant of the Request for Waiver. If we grant your request to purchase shares pursuant to a Request for Waiver, the dates of the Pricing Period will be set forth in the approved Request for Waiver. Each of these separate days will be a Purchase Date. See the answer to Question 14 for additional information regarding the specific dates in the Pricing Period when shares will be purchased under the Plan.

**16. What happens with dishonored payments or unsubscribed funds?**

**Dishonored Payments.** If any check, draft or electronic funds transfer that is tendered or ordered by a participant as payment to the Plan Administrator to purchase common shares is dishonored, refused or returned, such participant agrees that the purchased shares when credited to the participant's account may be sold, on the Plan Administrator's order, without the participant's consent or approval, to satisfy the amount owing on the purchase. The amount owing will include the purchase price paid, any purchase and sale transaction fees, any brokerage commissions and the Plan Administrator's returned check or failed electronic payment fee of \$35.00. If the sale proceeds of purchased shares are

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insufficient to satisfy the amount owing, such participant authorizes the Plan Administrator to sell additional shares then credited to the participant's account as necessary to cover the amount owing, without the participant's further consent or authorization. The Plan Administrator may sell shares to cover an amount owing as a result of the participant's order in any manner consistent with applicable securities laws. Any sale for that purpose on a national securities market will be considered to be commercially reasonable. A participant grants the Plan

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Administrator a security interest in all shares credited to such participant's account, including securities subsequently acquired and held or tendered for deposit, for purposes of securing any amount owing as described in this paragraph.

**Return of Unsubscribed Funds.** We will return a portion of each optional cash purchase in excess of \$10,000 for each trading day of a Pricing Period or extended Pricing Period, if applicable, for which the Threshold Price is not met or for each day in which no common shares are traded on the New York Stock Exchange. We refer to this portion of the optional cash purchase as unsubscribed funds. Any unsubscribed funds will be returned within five business days after the last day of the Pricing Period, or if applicable, the extended Pricing Period, without interest. The amount returned will be based on the number of days during which the Threshold Price was not met compared to the number of days in the Pricing Period or extended Pricing Period. For example, the returned amount in a 10 day Pricing Period will equal one-tenth (1/10) of the total amount of such optional cash purchase (not just the amount exceeding \$10,000) for each trading day that the Threshold Price is not met or for each trading day in which sales are not reported. Setting a Threshold Price for a Pricing Period will not affect the setting of a Threshold Price for any other Pricing Period. We may waive our right to set a Threshold Price for any particular Pricing Period. Neither we nor the Plan Administrator is required to give you notice of the Threshold Price for any Pricing Period.

### **17. What is the source of shares purchased under the Plan?**

All optional cash purchases or reinvested dividends will be used to purchase, in our sole discretion, either newly issued shares directly from us or shares on the open market. Open market purchases may be made on any securities exchange where the common shares are traded, in the over-the-counter market or in privately negotiated transactions with third persons, and may be on such terms as to price, delivery and otherwise as we may determine.

### **18. Will I earn interest on funds in my Plan account prior to investment or return to me?**

No. Interest will not be paid on funds deposited by you in your Plan account pending investment or return to you.

### **19. Are funds held in my Plan account insured?**

No. Funds held in your Plan account pending investment or return are not treated as a bank deposit or account and are not insured by the Federal Deposit Insurance Corporation or any other governmental agency or instrumentality.

## ***Reports to Participants***

### **20. What accounts are maintained for participants and what reports on these accounts do participants receive?**

The Plan Administrator will maintain a separate Plan account for each participant. All shares issued to participants under the Plan will be credited to their Plan account. The Plan Administrator will mail to each participant a statement confirming the issuance of shares within five days after the allocation of shares is made. The statement will show the amount of the dividend or distribution, the price at which shares were credited, the number of full and fractional shares credited, the number of shares previously credited and the cumulative total of shares credited. For market order sales, the time of sale will be provided. In addition, participants will receive copies of our annual and quarterly reports to shareholders, proxy statements and dividend income information for tax purposes. Participants may also view

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year-to-date transaction activity in their Plan account under the Plan for the current year, as well as activity in prior years, by accessing their Plan account at **[www.shareowneronline.com](http://www.shareowneronline.com)**.

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***Voting of Shares***

**21. How will a participant's shares be voted at meetings of shareholders?**

Participants will receive a proxy card covering the total number of shares held, including shares credited to their Plan account. If a proxy card is returned properly signed, but without indicating instructions as to the manner in which shares are to be voted with respect to any item thereon, the corresponding shares will be voted in accordance with the recommendation of our Board of Trustees. If the proxy card is not returned, or it is unexecuted or improperly executed, the corresponding shares will not be voted unless the participant or their duly appointed representative votes in person at the meeting.

***Certificates for Shares/Safekeeping***

**22. Will certificates be issued for shares issued under the Plan?**

No. Certificates for shares issued under the Plan will not be furnished until the Plan account is terminated or unless the participant requests certificates through the Internet, by telephone or in writing for a specified number of shares credited to their Plan account. All written requests for certificates should be directed to the Plan Administrator, allowing two weeks for processing. The issuance of certificates for shares credited to a Plan account will not terminate participation in the Plan. No certificate for a fractional share will be issued. If the participant terminates participation in the Plan (see Question 29), the Plan Administrator will sell for the account any fractional share and send a check for the proceeds, valued at the then current market price for our common shares, less a service charge, any applicable processing fees and any other costs of sale. See *Summary of Plan Options and Fees* below.

**23. In whose name will certificates be registered when issued?**

The Plan account will be maintained in the name in which the share certificates were registered at the time you became a participant. Certificates for whole shares issued at your request from your Plan account will be similarly registered.

**24. Can share certificates be deposited into a shareholder's Plan account for safekeeping?**

Yes. A participant can deposit certificate(s) for common shares into their Plan account. To deposit shares, send the certificate(s) to the Plan Administrator, at the address provided on page 2 of this prospectus, by registered or certified mail, with return receipt requested, or some other form of traceable mail, and properly insured for at least 2% of the current value. Do not sign the certificate(s) or complete the assignment section. When submitting certificate(s) for deposit into the Plan account, be sure to include a written request to have the certificate(s) deposited. Shares that are deposited will be credited in book-entry form to the Plan account. The advantages of holding shares in book-entry form include protection against certificate loss, theft and damage.

Instructions for Mailing Certificates. Regardless of the mailing method used, you bear the full risk of loss if the certificates are lost or stolen. Please do not endorse your certificates prior to mailing.

Optional Mail Loss Insurance. The participant is advised that choosing registered, express or certified mail alone will not provide full protection, should the certificates become lost or stolen. Mail loss insurance provides the coverage needed to replace and reissue the shares should they become lost or stolen through the mail. As the Plan Administrator, we can provide low-cost loss insurance for certificates being returned for conversion to book-entry form. Replacement transaction fees may also apply.

To take advantage of the optional mail loss insurance, simply include a check in the amount of \$10.00, made payable to WFSS Surety Program , along with the certificates and instructions. Choose an accountable mail delivery service such as Federal Express, United Parcel Service, DHL, Express Mail, Purolator, TNT, or United States Postal Service Registered Mail. Any one shipping package may not contain certificates exceeding a total value of \$100,000. The value of certificate shares is based on the closing market price of the common stock on the trading day prior to the documented mail date.

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Claims related to lost certificates under this service must be made within 60 days of the documented delivery service mail date. A copy of the certificate(s) mailed, along with proof that it was sent by trackable mail should be submitted with the claim. This is specific coverage for the purpose of converting shares to book-entry form and the surety is not intended to cover certificates being tendered for certificate breakdown or exchange for other certificates.

**25. How do I sell or transfer shares in my account?**

Participants may sell or transfer shares in their account by contacting the Plan Administrator. Shares may be sold through a market order or a batch order, depending on how the sale request is submitted.

**Market Order.** A market order is a request to sell shares promptly at the current market price. Market order sales may be requested through the Plan Administrator's website, **www.shareowneronline.com**, or by calling the Plan Administrator directly at (800) 468-9716 (within the United States and Canada). Market order sale requests received at **www.shareowneronline.com** or by telephone will be placed promptly upon receipt during market hours (normally 9:30 a.m. to 4:00 p.m., Eastern Time). Any orders received after 4:00 p.m., Eastern Time, or any order received prior to 4:00 p.m., Eastern Time for which all or a portion of the order remains unsold at the market close will be placed promptly on the next day the market is open. The price shall be the market price of the sale obtained by the Plan Administrator's broker, less a service charge of \$25 and sale trading commissions, currently \$0.12 per share.

**Batch Order.** A batch order is an accumulation of all sales requests for a security submitted together as a collective request. Batch orders are submitted on each market day, assuming there are sale requests to be processed. Sale instructions for batch orders received by the Plan Administrator will be processed no later than five business days after the date on which the order is received (except where deferral is required under applicable federal or state laws or regulations), assuming the applicable market is open for trading and sufficient market liquidity exists. Batch order sales may be requested through the Plan Administrator's website, **www.shareowneronline.com**, or by calling the Plan Administrator directly at (800) 468-9716 (within the United States and Canada). The Plan Administrator will cause a participant's shares to be sold on the open market within five business days of receipt of a request. To maximize cost savings for batch order sale requests, the Plan Administrator will seek to sell shares in round lot transactions. For this purpose, the Plan Administrator may combine each selling participant's shares with those of other selling participants. In every case of a batch order sale, the price to each selling program participant shall be the weighted average sale price obtained by the Plan Administrator's broker for each aggregate order placed by the Plan Administrator and executed by the broker, less a service charge of \$15 and sale trading commissions, currently \$0.12 per share. Proceeds are normally paid by check, which are distributed within 24 hours after a participant's sale transaction has settled.

**Day Limit Order (online or telephone).** Sale requests for a Day Limit Order will be promptly submitted by the Plan Administrator to a broker. The sale will be executed when and if our common shares reach, or exceed, the specified price on the day the order was placed. The request will be automatically canceled if the price is not met by the end of the trading day.

**Good- Til-Date (GTD) or Good- Til-Canceled (GTC) Limit Orders (online or telephone).** Requests to sell shares with a GTD and GTC Limit Order will be promptly submitted by the Plan Administrator to a broker. The sale will be executed when and if the stock reaches, or exceeds, the specified price at any time while the order remains open (up to the date requested or 90 days for GTC Limit Orders). The request is automatically canceled if the price is not met by the end of the order period.

**Stop Order (online or telephone).** Requests to sell shares will promptly submitted by the Plan Administrator to a broker for a Stop Order. The sale will be executed when our common shares reach a specified price, at which time the

order becomes a Market Order and the sale will be at the prevailing market price when the trade is executed. The price specified in the order must be below the current market price (generally used to limit a market loss).

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The Plan Administrator may, for various reasons, require a transaction request to be submitted in writing. Participants should contact the Plan Administrator to determine if their particular request, including any sales request, must be submitted in writing. The Plan Administrator reserves the right to decline to process a sale if it determines, in its sole discretion, that supporting legal documentation is required. In addition, no one will have any authority or power to direct the time or price at which shares for the Plan are sold and no one, other than the Plan Administrator, will select the broker(s) or dealer(s) through or from whom sales are to be made.

Participants should be aware that the price of the Company's common shares may rise or fall during the period between a request for sale, its receipt by the Plan Administrator and the ultimate sale on the open market. Instructions sent to the Plan Administrator to sell shares are binding and may not be rescinded. If a participant prefers to have complete control as to the exact timing and sales prices, participants can request to transfer the shares to a broker.

**First-In, First-Out Method Used to Determine Tax Basis of Shares Sold.** This Plan assumes that each participant will use the first-in, first-out ( FIFO ) method when determining the tax basis of any shares sold. Participants may designate their preference for a different method of determining the tax basis of shares by identifying this preference in writing to the Plan Administrator. Participants may designate their preference for specific identification cost at any time.

### **26. How do I transfer shares to another person?**

You may transfer ownership of some or all of your Plan shares to another person, whether by gift, private sale, or otherwise. In order to transfer some or all of your shares, you must properly complete a Transfer of Ownership Form, or an executed Stock Power Form, and return it to the Plan Administrator. Transfers may be made in book-entry or certificated form.

Requests for transfer of book-entry shares held under the Plan are subject to the same requirements as the transfer of our common shares certificates, including the requirement of a medallion signature guarantee. You may request a copy of the Transfer of Ownership Form by contacting the Plan Administrator at (800) 468-9716 or by downloading the forms from the Plan Administrator's website at [www.shareowneronline.com](http://www.shareowneronline.com).

### ***Dividends and Share splits***

### **27. What happens if we issue a share dividend or declare a share split?**

Any share dividends or split shares we distribute on our common shares with respect to both certificated and book-entry (whole and fractional) shares will be credited automatically to the participant's Plan account in book-entry form.

### ***Federal Tax Consequences of Acquiring Shares Under the Plan***

### **28. What are some of the tax consequences of my participation in the plan?**

The federal tax treatment of dividend reinvestment and share purchase programs is not entirely clear. You are encouraged to consult your tax advisor with specific reference to your own tax situation and potential changes in the applicable law as to all federal, state, local, foreign and other tax matters in connection with the reinvestment of dividends and purchase of shares under the Plan, your tax basis and holding period for shares acquired under the Plan

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and the character, amount and tax treatment of any gain or loss realized on the disposition of shares. The following is a brief summary of the material federal income tax considerations applicable to the Plan, is for general information only, and does not constitute tax advice.

The information in this section is based on the Internal Revenue Code of 1986, as amended, or the Internal Revenue Code, existing, temporary and proposed regulations under the Internal Revenue Code, the legislative history of the Internal Revenue Code, current administrative rulings and practices of the Internal

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Revenue Service, or IRS, and court decisions, all as of the date hereof. We cannot assure you that new laws, interpretations of law, or court decisions, any of which may take effect retroactively, will not cause any statement in this section to be inaccurate. No assurance can be given that the IRS would not assert, or that a court would not sustain, a position contrary to any of the tax consequences described below. We have not sought and will not seek an advance ruling from the IRS regarding any matter in this prospectus.

If you participate in the dividend reinvestment feature under the Plan, you will be treated for federal income tax purposes as having received, on the investment date, a distribution in an amount equal to the sum of (a) the fair market value of the shares on the date the shares were acquired with reinvested dividends, (b) your *pro rata* share of any brokerage commissions paid by us in connection with the purchase of common shares by the plan administrator from parties other than us, either on the open market or in privately negotiated transactions and (c) any cash distributions actually received by you with respect to common shares not included in the Plan. The tax basis of shares purchased under the Plan will be equal to the fair market value of the shares on the date the shares were acquired plus your *pro rata* share of any brokerage fees paid by us.

The treatment of direct share purchase programs is not entirely clear, with most of the guidance being private letter rulings issued by the IRS on which other taxpayers are not entitled to rely. In the most recent private letter ruling (involving a plan which did not use open market purchases), the IRS concluded that there is no deemed distribution in connection with shares acquired through a direct share purchase plan. In that ruling, the IRS did not make any distinction between persons who participate only in the direct share purchase plan and persons who participate in the dividend reinvestment plan and the direct share purchase plan. In earlier private letter rulings, the IRS has suggested that a participant in both plans is treated as receiving a distribution with respect to the optional cash payment, which is taxed as described below, in an amount equal to (i) any excess of the fair market value of the shares on the investment date over the amount of the optional cash payment, plus (ii) the amount of any brokerage commissions, mark-ups, and other fees or expenses incurred by the REIT on the participant's behalf in connection with purchases on the open market. Shares acquired through the optional share purchase feature under the Plan should have a tax basis equal to the amount of the payment plus the total amount of distributions, if any, you are treated as receiving as described above.

Distributions that you receive as a result of dividend reinvestment and/or optional share purchases will be taxable as dividends and/or as a distribution that reduces the basis in your shares or is treated as gain from the sale of common shares as discussed in [Material U.S. Federal Income Tax Considerations – Taxation of Taxable U.S. Shareholders](#) and [Taxation of Non-U.S. Shareholders](#) below.

Your holding period for shares acquired pursuant to either program under the Plan will begin on the day following the investment date. Dividends received by corporate shareholders will not be eligible for the dividends received deduction.

You will not realize any taxable income upon receipt of certificates for whole shares credited to your account, either upon your request for certain of those shares or upon termination of participation in the Plan. You will realize gain or loss upon the sale or exchange of shares acquired under the Plan. You will also realize gain or loss upon receipt, following termination of participation in the Plan, of a cash payment for any fractional share equivalent credited to your account. The amount of any such gain or loss will be the difference between the amount that you received for the shares or fractional share equivalent and the tax basis thereof. See [Material U.S. Federal Income Tax Considerations – Taxation of U.S. Shareholders on the Disposition of our Common Shares](#) and [Taxation of Non-U.S. Shareholders](#).

Withholding taxes or backup withholding will apply to dividends that are subject to the dividend reinvestment feature of the Plan in the same manner as withholding taxes and backup withholding apply to cash dividends. See [Material](#)

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U.S. Federal Income Tax Considerations Information Reporting Requirements and Withholding, Shares Held Offshore and Taxation of Non-U.S. Shareholders. In the case of participants that are subject to withholding tax or backup withholding in respect of amounts deemed