Bright Lisa
Form 4
April 03, 2019

FORM 4

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

OMB APPROVAL

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STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person *
Bright Lisa

(Last) (First) (Middle)

C/O INTERCEPT PHARMACEUTICALS, INC., 10 HUDSON YARDS, FLOOR 37

(Street)

NEW YORK, NY 10001

(City) (State) (Zip)

2. Issuer Name **and** Ticker or Trading Symbol
INTERCEPT PHARMACEUTICALS, INC. [ICPT]

3. Date of Earliest Transaction (Month/Day/Year)
04/01/2019

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

_____ Director _____ 10% Owner
__X__ Officer (give title below) _____ Other (specify below)
President, International

6. Individual or Joint/Group Filing(Check Applicable Line)
_X_ Form filed by One Reporting Person
___ Form filed by More than One Reporting Person

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1.Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)		4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)			5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price			
Common Stock	04/01/2019		F		531 (1)	D	$ 111.5	21,576	D	
Common Stock	04/03/2019		S(2)		594	D	$ 115.01	20,982	D	

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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SEC 1474 (9-02)

number.

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned
(*e.g.*, puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)		5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)		6. Date Exercisable and Expiration Date (Month/Day/Year)		7. Title and Amount of Underlying Securities (Instr. 3 and 4)		8. Price of Derivative Security (Instr. 5)	9. Nu Deriv Secur Bene Owne Follo Repo Trans (Instr
								Date Exercisable	Expiration Date	Title	Amount or Number of Shares		
				Code	V	(A)	(D)						

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Bright Lisa C/O INTERCEPT PHARMACEUTICALS, INC. 10 HUDSON YARDS, FLOOR 37 NEW YORK, NY 10001			President, International	

Signatures

/s/ Mark Pruzanski, as attorney-in-fact	04/03/2019
**Signature of Reporting Person	Date

Explanation of Responses:

* If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

(1) Represents shares of common stock withheld by the Issuer to satisfy taxes associated with the partial vesting of restricted stock awards previously granted to the reporting person.

(2) This transaction was effected pursuant to a pre-existing Rule 10b5-1 trading plan adopted by the reporting person.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.
Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number. ities or offset any fluctuations in the market value of the Trust s securities, (ii) purchasing the Trust s shares on margin and (iii) selling any securities of the Trust short. The policy also prohibits employees and trustees from directly or indirectly pledging the Trust s securities as collateral for a loan. These prohibitions apply whether or not such securities were acquired through the Trust s equity compensation programs.

Clawback policy

Under the Equity Plan, if the Trust is required to prepare an accounting restatement due to its material noncompliance, as a result of misconduct, with regard to any financial reporting requirement under the securities laws, our chief executive officer, our chief financial officer and any grantee who knowingly engaged in the misconduct, was grossly negligent in engaging in the misconduct, knowingly failed to prevent the misconduct or was grossly negligent in failing to prevent the misconduct, is required to reimburse the Trust for the amount of any payment in settlement of an award earned or accrued during the 12-month period following the first public issuance or filing with the SEC (whichever first occurred) of the financial document that contained such material noncompliance. Furthermore, if the Trust is required to prepare an accounting restatement, all grantees are required to forfeit any cash or common shares received in connection with an award if the amount of the award earned or the vesting in the award was explicitly based on achievement of pre-established performance goals set forth in the award agreement that are later determined, as a result of the accounting restatement, not to have been achieved.

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Report of the Compensation Committee

The Compensation Committee of the Board has reviewed and discussed with management the foregoing Compensation Discussion and Analysis. Based on this review and discussion, the Compensation Committee recommended to the Board that the Compensation Discussion and Analysis be included in this proxy statement and incorporated by reference into the Trust s Annual Report on Form 10-K for the year ended December 31, 2018. This report is provided by the following independent trustees, who comprise the Compensation Committee:

THE COMPENSATION COMMITTEE

John W. Hill, Chair

Thomas A. Natelli

Thomas D. Eckert

Summary Compensation Table

The following table sets forth the annual base salary and other compensation paid to our named executive officers in 2018, 2017, and 2016.

Name and Principal Position	Year	Salary	Share Awards[1]	Non-Equity Incentive Plan Compensation[2]	All Other Compensation[3]	Total
James L. Francis	2018	$ 800,000	$ 3,200,000	$ 1,491,549	$ 26,096	$ 5,517,645
President and Chief Executive	2017	$ 775,000	$ 2,950,000	$ 1,351,109	$ 25,896	$ 5,102,005
Officer	2016	$ 775,000	$ 2,950,000	$ 710,690	$ 19,696	$ 4,455,386
Douglas W. Vicari	2018	$ 500,000	$ 1,300,000	$ 621,479	$ 11,096	$ 2,432,575
Executive Vice President and Chief	2017	$ 482,500	$ 1,200,000	$ 555,175	$ 10,896	$ 2,248,571
Financial Officer	2016	$ 482,500	$ 1,200,000	$ 292,025	$ 10,696	$ 1,985,221
D. Rick Adams	2018	$ 500,000	$ 1,300,000	$ 621,479	$ 11,096	$ 2,432,575
Executive Vice President and Chief	2017	$ 482,500	$ 1,200,000	$ 555,175	$ 10,896	$ 2,248,571
Operating Officer	2016	$ 482,500	$ 1,200,000	$ 292,025	$ 10,696	$ 1,985,221
Graham J. Wootten	2018	$ 375,000	$ 725,000	$ 372,887	$ 11,096	$ 1,483,983
Senior Vice President, Chief	2017	$ 350,000	$ 675,000	$ 341,700	$ 10,896	$ 1,377,596
Accounting Officer and Secretary	2016	$ 350,000	$ 675,000	$ 179,736	$ 10,696	$ 1,215,432

(1) Represents the value of time-based and performance-based restricted share awards, assuming that the maximum level of performance is achieved for such performance-based restricted share awards. The aggregate grant date fair value of the performance-based restricted share awards is computed in accordance with Accounting Standards Codification 718, Compensation Stock Compensation (ASC 718) based on the assumptions set forth in note 10 to the Trust s 2018 audited financial statements.

(2) Represents cash incentive compensation amounts earned by Messrs. Francis, Vicari, Adams and Wootten pursuant to our cash bonus plans for each year. For information on how the amounts were determined, see Compensation Discussion and Analysis Elements of 2018 executive compensation Annual cash bonus and Grants of Plan-Based Awards.

(3) Amounts reported in this column include (i) $15,000 paid in 2018 to Mr. Francis pursuant to his employment agreement for reimbursement of certain financial planning services; (ii) matching contributions to the 401(k) accounts of Messrs. Francis, Vicari, Adams and Wootten in 2018 of $11,000 each, respectively; and (iii) life insurance premiums paid by the Trust.

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Grants of Plan-Based Awards

The following table sets forth the bonuses payable under our 2018 cash bonus plan and the awards of restricted shares granted to each of our named executive officers in 2018 under our Equity Plan.

		Estimated Future Payouts Under Non-Equity Incentive Plan Awards(1)			Estimated Future Payouts Under Equity Incentive Plan Awards(5)			All Other Awards: Number of Shares of Stock or Units(7)	Grant-Date Fair Value of Stock and Option Awards(8)
Name	**Grant Date**	**Threshold(2)**	**Target(3)**	**Maximum(4)**	**Threshold**	**Target**	**Maximum(6)**		
James L. Francis	1/2/2018	$ 600,000	$ 1,200,000	$ 2,400,000					
	1/2/2018							46,495	$ 1,280,000
	1/2/2018				44,365	88,731	177,461		$ 1,920,000
Douglas W. Vicari	1/2/2018	$ 250,000	$ 500,000	$ 1,000,000					
	1/2/2018							18,888	$ 520,000
	1/2/2018				18,023	36,047	72,093		$ 780,000
D. Rick Adams	1/2/2018	$ 250,000	$ 500,000	$ 1,000,000					
	1/2/2018							18,888	$ 520,000
	1/2/2018				18,023	36,047	72,093		$ 780,000
Graham J. Wootten	1/2/2018	$ 150,000	$ 300,000	$ 600,000					
	1/2/2018							10,534	$ 290,000
	1/2/2018				10,052	20,103	40,206		$ 435,000

(1) Represents amounts payable under our 2018 cash bonus plan. For actual amounts paid to each named executive officer under our 2018 cash bonus plan, see Compensation Discussion and Analysis Elements of 2018 executive compensation Annual cash bonus and Summary Compensation Table.

(2) Represents amounts payable under our 2018 cash bonus plan if the threshold level had been achieved for all metrics.

(3) Represents amounts payable under our 2018 cash bonus plan if the target level had been achieved for all metrics.

(4) Represents amounts payable under our 2018 cash bonus plan if the maximum level had been achieved for all metrics.

(5) Represents performance-based restricted share awards that will vest upon our achievement of specified performance metrics. See Narrative Disclosure to Summary Compensation Table and Grants of Plan-Based Awards Table 2018 Performance-based Restricted Shares.

(6) The maximum amount of performance-based restricted share awards eligible to vest on December 31, 2020 is further limited in accordance with the terms set forth below under Narrative Disclosure to Summary Compensation Table and Grants of Plan-Based Awards Table 2018 Performance-based Restricted Shares. The maximum value that may be earned under the 2018 performance-based restricted share grant is 1.75 times the

starting share price multiplied by the maximum number of shares granted to each executive.

(7) Represents time-based restricted share awards, each of which will vest as to one third of the award per year on each of the first three anniversaries of the grant date.

(8) Represents the estimated grant-date fair value of the restricted share awards.

Narrative Disclosure to Summary Compensation Table and Grants of Plan-Based Awards Table

Overview of the Long-Term Equity Incentive Plan

As described above, the Trust s long-term equity incentive compensation program is comprised of annual awards of both time-based restricted shares vesting ratably over a multi-year period and performance-based restricted shares vesting, if at all, based on the Trust s TSR relative to those generated by a market-cap weighted index comprised of certain of the Trust s lodging REIT peers. All of the awards are granted pursuant to the Trust s Equity Plan. In 2018, 60% of the grant-date fair value of each executive s equity grant was provided in the form of performance-based restricted share awards. The following summarizes the terms of each component of the long-term equity incentive compensation program and the awards granted under the program in 2018.

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Time-based Restricted Shares

The time-based restricted shares granted in each of January 2016, 2017, and 2018 vest in equal annual installments on each of the first three anniversaries of the grant date. Vesting accelerates upon the occurrence of any of the following events (each, an Accelerated Vesting Event): (i) termination due to the participant s death or disability; (ii) termination without cause not in connection with a change in control; or (iii) a change in control (i.e., Corporate Transaction), if either the successor entity does not assume or substitute equivalent securities, or the participant experiences an Involuntary Termination (i.e., termination by the Trust without Cause or by participant with Good Reason as defined in employment agreements) within 12 months following the change in control.

2016 Performance-based Restricted Shares

The performance-based restricted shares granted in January 2016 vest based on the Trust s TSR relative to the total return of the SNL Index over a three-year performance period (each, a Performance Period) beginning on January 1 of such year. The actual number of performance-based restricted shares that vest at the end of the respective Performance Period will be determined by comparing the Trust s TSR to the total return of the SNL Index over the respective Performance Period. For this purpose, the Trust s TSR shall be calculated as follows:

TSR = (Ending Date Share Price * Adjusted Share Count) Beginning Date Share Price

Beginning Date Share Price

The term Adjusted Share Count means one share plus the number of shares received in connection with the assumed reinvestment of all dividends paid during the period at the closing price of the Trust s common shares on the ex-dividend date for each such dividend.

The term Beginning Date means the last trading day of the prior calendar year.

The term Ending Date means the last trading day of the respective three-year Performance Period.

The term Share Price means, as of a particular date, the arithmetic mean of the closing share price as reported by the NYSE over the ten (10) consecutive trading days prior to, and including, such date (or, if such date is not a trading day, the most recent trading day immediately preceding such date). The total return generated by the SNL Index will be calculated using a ten (10) consecutive trading day averaging period similar to the Trust s TSR calculation.

If the Trust s TSR is positive for the respective Performance Period, the performance-based restricted shares will vest only as follows, with linear interpolation for performance between 67% and 100%, and between 100% and 133% of the SNL Index:

Trust TSR as % of SNL US REIT Hotel Index Total Return	Payout (% of Maximum)
<67%	0%
67%	25%

100%	50%
³133%	100%

If the Trust s TSR is negative for the respective Performance Period, no performance-based restricted shares will vest. If the Trust s TSR is positive for the respective Performance Period and the total return produced by the SNL Index is negative, 100% of the performance-based restricted shares subject to vesting will vest. The maximum value that may be earned under the 2016 performance-based restricted share grants is 1.75 times the starting share price multiplied by the maximum number of shares granted to each executive. Vesting accelerates at the maximum level upon the occurrence of an Accelerated Vesting Event (as defined above under Time-based Restricted Shares).

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2017 and 2018 Performance-based Restricted Shares

The performance-based restricted shares granted in each of January 2017 and January 2018 vest based on the Trust s TSR relative to the total return of a peer group, established for each year and weighted by market capitalization, over a three-year performance period beginning on January 1 of the year of grant. The mechanics of performance measurement generally are the same as for the 2016 performance-based restricted share awards, except that the Trust s TSR is measured relative to the total return of a peer group as detailed below for the 2017 and 2018 performance-based restricted shares, whereas the Trust s TSR is measured relative to the total return of the SNL Index for the 2016 performance-based restricted share awards.

The 2017 Performance Peer Group comprised the following lodging REITs:

Braemar Hotels & Resorts, Inc.	Host Hotels & Resorts, Inc.	RLJ Lodging Trust[1]
DiamondRock Hospitality Company	LaSalle Hotel Properties[2]	Sunstone Hotel Investors
FelCor Lodging Trust[1]	Pebblebrook Hotel Trust	Xenia Hotels & Resorts

(1) FelCor Lodging Trust merged with RLJ Lodging Trust in August 2017. The combined entity operates under the name of RLJ Lodging Trust.

(2) LaSalle Hotel Properties merged with Pebblebrook Hotel Trust in November 2018. The combined entity operates under the name of Pebblebrook Hotel Trust.

The 2018 Performance Peer Group comprised the following lodging REITs:

Braemar Hotels & Resorts, Inc.	LaSalle Hotel Properties[1]	Sunstone Hotel Investors
DiamondRock Hospitality Company	Pebblebrook Hotel Trust[1]	Xenia Hotels and Resorts
Host Hotels & Resorts	RLJ Lodging Trust	

(1) LaSalle Hotel Properties merged with Pebblebrook Hotel Trust in November 2018. The combined entity operates under the name of Pebblebrook Hotel Trust.

The mergers of FelCor Lodging Trust and LaSalle Hotel Properties with other members of the 2017 and 2018 peer groups, and any other transaction or other event that results in the common shares of any peer group member ceasing to be listed for trading on the NYSE or another national securities exchange for any reason which occurs before the end of any Performance Period (a Delisting Event), trigger an adjustment of the calculation of the applicable peer group TSR, as follows:

TSR shall be calculated for the member of the applicable peer group experiencing the Delisting Event from the Beginning Date of the applicable Performance Period through the date of the Delisting Event (any such date, a Calculation Date) for such member of the applicable peer group.

Immediately following such Calculation Date, the initial market capitalization weighting of the applicable peer group (the Initial Weighting) shall be adjusted relative to the aggregate common equity market capitalization of all such remaining peer group members as of such Calculation Date (a Reweighting). The weighting afforded to any member experiencing a Delisting Event shall be zero for all periods following the Calculation Date associated with such member s Delisting Event.

The foregoing process shall be repeated for each Delisting Event that may occur during the Performance Period.

As of the Ending Date, the Trust shall calculate the weighted average of the Initial Weighting and any Reweighting for each member of the applicable peer group based on the number of days in the

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Performance Period for which the Initial Weighting and any Reweighting shall be in effect (each, an Adjusted Weighting).

The TSR for the applicable Performance Period shall be calculated by multiplying the TSR produced by each member of the applicable peer group as of the applicable Calculation Date by the Adjusted Weighting determined for such member, and adding all of the products together.

Outstanding Equity Awards at Fiscal Year End

The following table sets forth information with respect to outstanding equity awards held by our named executive officers as of December 31, 2018. Market values have been determined based on the closing price of our common shares on December 31, 2018 of $24.35 per share.

Outstanding Equity Awards at Fiscal Year End

Name		Number of Common Shares That Have Not Vested	Market Value of Shares That Have Not Vested		Equity Incentive Plan Awards: Number of Unearned Shares That Have Not Vested	Equity Incentive Plan Awards: Market or Payout Value of Unearned Shares That Have Not Vested
James L. Francis	(1)	20,019	$ 487,463			
	(2)	37,546	$ 914,245			
	(3)	46,495	$ 1,132,153			
				(4)	147,703	$ 3,596,568
				(5)	177,461	$ 4,321,175
Douglas W. Vicari	(1)	8,144	$ 198,306			
	(2)	15,273	$ 371,898			
	(3)	18,888	$ 459,923			
				(4)	60,083	$ 1,463,021
				(5)	72,093	$ 1,755,465
D. Rick Adams	(1)	8,144	$ 198,306			
	(2)	15,273	$ 371,898			
	(3)	18,888	$ 459,923			
				(4)	60,083	$ 1,463,021
				(5)	72,093	$ 1,755,465
Graham J. Wootten	(1)	4,580	$ 111,523			
	(2)	8,591	$ 209,191			
	(3)	10,534	$ 256,503			
				(4)	33,796	$ 822,933
				(5)	40,206	$ 979,016

(1) Amounts shown represent the number of time-based restricted shares granted to each executive officer in January 2016 that had not vested as of December 31, 2018. Awards granted in January 2016 vest ratably on each of the first three anniversaries of the grant date in accordance with the terms set forth above under Narrative Disclosure to Summary Compensation Table and Grants of Plan-Based Awards Table Time-based Restricted Shares. Subsequent to December 31, 2018, all of these time-based restricted shares vested.
(2) Amounts shown represent the number of time-based restricted shares granted to each executive officer in January 2017 that had not vested as of December 31, 2018. Awards granted in January 2017 vest ratably on each of the first three anniversaries of the grant date.
(3) Amounts shown represent the number of time-based restricted shares granted to each executive officer in January 2018 that had not vested as of December 31, 2018. Awards granted in January 2018 vest ratably on each of the first three anniversaries of the grant date.
(4) Amounts shown represent the number of performance-based restricted shares granted to each executive officer in January 2017 that had not vested as of December 31, 2018, assuming achievement of the

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maximum level of performance. These shares will be eligible for vesting at December 31, 2019, in accordance with the terms set forth above under Narrative Disclosure to Summary Compensation Table and Grants of Plan-Based Awards Table 2017 and 2018 Performance-based Restricted Shares.

(5) Amounts shown represent the number of performance-based restricted shares granted to each executive officer in January 2018 that had not vested as of December 31, 2018, assuming achievement of the maximum level of performance. These shares will be eligible for vesting at December 31, 2020, in accordance with the terms set forth above under Narrative Disclosure to Summary Compensation Table and Grants of Plan-Based Awards Table 2017 and 2018 Performance-based Restricted Shares.

Option Exercises and Shares Vested

The Trust has not granted any option awards to its named executive officers. The table below sets forth information regarding the vesting in 2018 of time-based and performance-based restricted shares previously granted to the Trust s named executive officers.

	Restricted Share Awards	
Name	**Number of Shares Acquired on Vesting**	**Value Realized on Vesting**
James L. Francis	191,543	$ 4,814,614
Douglas W. Vicari	77,916	$ 1,958,493
D. Rick Adams	77,916	$ 1,958,493
Graham J. Wootten	43,611	$ 1,095,629

Equity Plan Information

We have adopted an Equity Plan, which provides for the issuance of equity-based awards, including share options, share appreciation rights (SARs), restricted shares, share units, unrestricted shares and other awards based on our common shares that may be granted by us to our trustees and employees and to our advisors and consultants who are providing services to us as of the grant date. The following table summarizes information, as of December 31, 2018, relating to the Equity Plan pursuant to which awards of options, restricted shares, restricted units or other rights to acquire shares may be granted from time to time.

Plan Category	**Number of Securities to be Issued upon Exercise of Outstanding Options, Warrants and Rights[(1)]**	**Weighted-average Exercise Price of Outstanding Options, Warrants and Rights**	**Number of Securities Remaining Available for Future Issuance Under Equity Compensation Plans**
Equity compensation plans approved by security holders	663,518		1,582,954
Equity compensation plans not approved by security holders			

Total	663,518	1,582,954

(1) The amount shown represents performance-based restricted shares which will vest, if at all, based on the Trust s TSR, measured at performance levels and over performance periods determined by the Compensation Committee relative to the 2017 Performance Peer Group Index, in the case of the 2017 performance-based restricted shares, and the 2018 Performance Peer Group Index, in the case of the 2018 performance-based restricted shares. The amount shown includes the maximum number of performance-based restricted shares issuable in respect of unvested performance-based restricted share awards outstanding at December 31, 2018.

Employment Agreements

On January 27, 2015, in connection with its regular review of the Trust s executive compensation program, the Compensation Committee approved and the Trust entered into new employment agreements with Messrs.

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Francis, Vicari, Adams and Wootten, in each case replacing the agreements previously delivered with each such officer in connection with his employment following the Trust s initial public offering in 2010. The terms of the new employment agreements generally remain consistent with the terms established in 2010, but were updated to give effect to the passage of time, the development of the Trust s executive compensation program and Mr. Adams promotion.

The agreements provide for an annual minimum base salary established at 2015 levels, payable in approximately equal semi-monthly installments. The agreements automatically extend for an additional year on each anniversary of the date of the agreement unless either party gives 90 days prior notice of non-renewal.

Each of these executives is entitled to receive benefits under the agreements if (1) we terminate the executive s employment without cause, or (2) if there is a change in control during the term of the agreements and the executive resigns for good reason or is terminated without cause within 12 months following such change in control. Under these scenarios, each of the executives is entitled to receive (1) any accrued but unpaid salary and bonuses under the Trust s then-current annual cash bonus plan, (2) reimbursement for any outstanding reasonable business expense, (3) vesting as of the executive s last day of employment of any unvested options or restricted shares previously granted to the executive, (4) continued life and health insurance as described below, and (5) a severance payment calculated as described below. The term cause includes termination due to fraud, misappropriation or embezzlement, the conviction of any felony, breach of fiduciary duties, and breach of any material term of the employment agreement. The term good reason includes termination due to a substantial diminution of duties, relocation beyond fifty (50) miles from the Trust s address, and a substantial reduction in base salary and other compensation other than as a result of the Trust s failure to achieve performance targets.

If we terminate the executive without cause the severance payment is equal to two times in the case of Messrs. Francis, Vicari and Adams, or one times in the case of Mr. Wootten, his then current salary plus two times in the case of Messrs. Francis, Vicari and Adams, or one times in the case of Mr. Wootten, the greater of (1) the average of all bonuses paid to them during the preceding 36 months and (2) the most recent bonus paid to the executive. In addition, the executive is eligible to receive payment of life and health insurance coverage for a period of 24 months for Messrs. Francis, Vicari and Adams, and 12 months for Mr. Wootten, following such executive s termination of employment.

If there is a change in control during the term of the agreements and within 12 months following a change in control, we terminate the executive without cause or he resigns for good reason, the severance payment is equal to three times in the case of Messrs. Francis, Vicari and Adams, or two times in the case of Mr. Wootten, his then current salary plus three times in the case of Messrs. Francis, Vicari and Adams, or two times in the case of Mr. Wootten, the greater of (1) the average of all bonuses paid to the executive during the preceding 36 months and (2) the most recent bonus paid to the executive. In addition, in the event of a termination or resignation following a change in control as described above, the executive will be eligible to receive payment of life and health insurance coverage for a period of 36 months for Messrs. Francis, Vicari and Adams, and 24 months for Mr. Wootten, following termination of employment. None of the agreements requires that the Trust make any gross up payments to compensate the executive for additional taxes, if any, imposed under Section 4999 of the Internal Revenue Code for receipt of excess parachute payments in the event of a termination or resignation following a change in control; however, each agreement provides that if (in the determination of a nationally recognized accounting firm engaged by the Trust to analyze this issue) such excise taxes may be imposed as a result of payments made to any executive in the event of a future change in control, the amount of such payments to such executive will be reduced to a level that will not exceed the amount that would trigger such excise taxes, if such reduction would put the executive in a better after-tax position.

Bonus payments will be made in one lump sum within 60 days following the end of the fiscal year in which such termination occurs. Severance payments will be paid in approximately equal installments on the Trust s scheduled payroll dates and will be subject to the executive signing a general release.

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In addition, the employment agreements for Messrs. Francis, Vicari and Adams provide up to $10,000 annually for a comprehensive physical and medical examination and up to $15,000 annually for financial planning services. These benefits will not continue beyond termination of the agreements. The employment agreements contain customary non-competition and non-solicitation covenants that apply during the term and for stated periods after the term of each executive s employment with the Trust, ranging from one to two years.

Potential Payments to Executive Officers Upon Termination

The following table indicates the cash amounts, accelerated vesting and other payments and benefits that the named executive officers would be entitled to receive upon termination under various circumstances pursuant to the terms of the Equity Plan, the restricted share agreements made under the Equity Plan and their respective employment agreements. The table assumes that termination of the named executive officer from the Trust under the scenario shown occurred on December 31, 2018. The table also does not give effect to any reduction in payments to any executive that might occur under his employment agreement in the event that such reduction would put the executive in a better after-tax position than if his payments were not reduced and as a result he would become subject to additional taxes under Section 4999 of the Internal Revenue Code for receipt of excess parachute payments in the event of a termination or resignation following a change in control.

	Cash Severance Payment	Life/ Health Insurance Benefits(4)	Acceleration of Equity Awards(5)	Total Termination Benefits
James L. Francis(1)				
Involuntary termination without cause(2)	$ 4,583,098	$ 38,452	$ 10,451,604	$ 15,073,154
Voluntary termination or involuntary termination with cause				
Involuntary or good reason termination in connection with change in control(2)	$ 6,874,647	$ 57,677	$ 10,451,604	$ 17,383,928
Death or disability(3)			$ 10,451,604	$ 10,451,604
Douglas W. Vicari(1)(6)				
Involuntary termination without cause(2)	$ 2,242,958	$ 192	$ 4,248,612	$ 6,491,762
Voluntary termination or involuntary termination with cause				
Involuntary or good reason termination in connection with change in control(2)	$ 3,364,437	$ 288	$ 4,248,612	$ 7,613,337
Death or disability(3)			$ 4,248,612	$ 4,248,612
D. Rick Adams(1)				
Involuntary termination without cause(2)	$ 2,242,958	$ 38,452	$ 4,248,612	$ 6,530,022
Voluntary termination or involuntary termination with cause				
Involuntary or good reason termination in connection with change in control(2)	$ 3,364,437	$ 57,677	$ 4,248,612	$ 7,670,726
Death or disability(3)			$ 4,248,612	$ 4,248,612
Graham J. Wootten(1)				
Involuntary termination without cause(2)	$ 747,887	$ 19,226	$ 2,379,165	$ 3,146,278

Voluntary termination or involuntary termination with cause				
Involuntary or good reason termination in connection with change in control(2)	$ 1,495,774	$ 38,452	$ 2,379,165	$ 3,913,391
Death or disability(3)			$ 2,379,165	$ 2,379,165

(1) The amounts shown in this table do not include accrued salary, earned but unpaid bonuses or reimbursement of reasonable business expenses. Those amounts are payable to the executive officer upon any termination of his employment, including an involuntary termination with cause and a resignation without good reason.

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(2) Amounts in this row are calculated in accordance with provisions of the applicable employment agreement as described more fully under Employment Agreements.
(3) A termination of this executive officer s employment due to death or disability entitles this executive officer to benefits under our life insurance and disability insurance plans. In addition, restricted shares immediately vest upon this executive officer s termination of employment due to death or disability.
(4) The amounts shown in this column are estimates of the cash payments to be made under the applicable employment agreement based on the annual premiums to be paid by the Trust for health care and life insurance benefits expected to be provided to each executive officer.
(5) For purposes of this table, the market value per restricted share is assumed to be $24.35, the closing market price per common share on December 31, 2018.
(6) Mr. Vicari does not participate in the Trust s health insurance plan.

CEO Compensation Ratio

Under rules adopted by the SEC pursuant to the Dodd-Frank Wall Street Reform and Consumer Protection Act, the Trust is required to disclose the ratio of the annual total compensation of its median employee to that of its Principal Executive Officer (PEO). The Trust s PEO is our President and Chief Executive Officer, Mr. Francis. As identified above in the Summary Compensation Table, Mr. Francis total compensation for the 2018 fiscal year was $5,517,645. The total compensation of our median employee in 2018 was $412,000. Based on the foregoing, the ratio of the annual total compensation of Mr. Francis to that of our median employee in 2018 was approximately 13:1.

The median employee was determined by comparing the annual total compensation, as defined in Item 402(c)(2)(x) of Regulation S-K, of all 11 of the Trust s employees other than Mr. Francis, as of December 31, 2018.

Non-Executive Trustee Compensation

Our philosophy is to pay non-executive trustees competitively and fairly for the work performed. The design of our non-executive trustee compensation program reflects recognized best practices, incorporating the following provisions:

- Retainer-only cash compensation with no fees for attending meetings, which is an expected part of Board service.

- Approximately half of total compensation in full-value equity awards, fostering alignment with shareholders, with annual grants made based on a fixed-value formula with short vesting periods, to avoid entrenchment.

- Additional retainers for special roles such as non-executive Chairman and committee chairs to recognize their incremental time and effort.

- Meaningful share ownership requirements of five times the annual cash retainer.

Under our trustee compensation program, our non-executive trustees are paid an annual retainer fee of $75,000, our Compensation Committee chairman is paid an additional annual retainer of $15,000, and our Nominating and Corporate Governance Committee chairman is paid an additional annual retainer of $10,000. Our Audit Committee chairman is paid an additional annual retainer of $15,000 and Mr. Natelli, who serves as our non-executive Chairman of the Board, is paid an additional annual retainer of $20,000.

Although we reimburse our trustees for reasonable out-of-pocket expenses incurred in connection with performance of their duties as trustees, including, without limitation, travel expenses in connection with their attendance at Board and committee meetings, we do not pay any trustee a separate fee for meetings attended. Furthermore, trustees do not receive any perquisites.

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Our non-executive trustees may elect to receive their annual retainers and chair committee fees in whole or in part in the form of cash or immediately vested common shares based on the closing market price of our common shares on the grant date.

At each of our annual meetings, each of our non-executive trustees also receives an award of restricted shares, the number of which is determined based on the closing market price of our common shares on the date of such annual meeting as reported on the NYSE, with a value of $85,000, except that our non-executive Chairman receives an award of restricted shares valued at $110,000 in recognition of his expanded responsibilities as our non-executive Chairman. Accordingly, at our 2018 Annual Meeting, each of our non-executive trustees received an award of 2,669 restricted shares, except that Mr. Natelli received 3,454 restricted shares. Vesting for these awards will occur on the date of the subsequent annual meeting of shareholders, with acceleration upon termination due to death, disability or involuntary termination of service as a result of a change in control. Dividends will be paid on the unvested restricted shares when declared and paid on our common shares generally. Each of our non-executive trustees will receive an award of restricted shares at our 2019 Annual Meeting and each annual meeting thereafter under similar terms as described above. The table below reflects the amount of the share awards and retainer fees paid to our non-executive trustees in 2018:

Summary of Non-Executive Trustee 2018 Compensation

Name	Fees Earned or Paid in Cash	Share Awards[1]	Total
Thomas A. Natelli	$ 90,467	$ 110,000	$ 200,467
Angelique G. Brunner[2]	$ 41,003	$ 85,000	$ 126,003
Thomas D. Eckert	$ 85,467	$ 85,000	$ 170,467
John W. Hill	$ 85,467	$ 85,000	$ 170,467
George F. McKenzie[3]	$ 33,997		$ 33,997
Jeffrey D. Nuechterlein	$ 75,934	$ 85,000	$ 160,934

(1) All share awards were granted pursuant to our Equity Plan. The amounts in this column reflect the estimated grant-date fair value of the restricted share awards.

(2) Ms. Brunner received a pro-rated annual retainer fee calculated according to the date of her election as a Trustee at the 2018 Annual Meeting.

(3) Mr. McKenzie resigned from the Board upon the expiration of his one-year term expiring on the date of the 2018 Annual Meeting. Accordingly, he did not receive a share award in 2018. Mr. McKenzie s compensation reflects a pro-rated annual retainer fee through the date of his resignation.

Trustee Share Ownership Guidelines

Our Board has established share ownership guidelines for our non-executive trustees because we believe that encouraging our non-executive trustees to attain and maintain a meaningful ownership interest in the Trust further aligns the interests of our trustees with those of our shareholders in creating long-term value for the Trust. Under the guidelines, each of our non-executive trustees is expected to own our common shares having an aggregate value equal to or greater than five times the amount of the annual cash retainer currently paid to each non-executive trustee. The Board expects any persons joining the Board will accumulate the minimum level of share ownership within three years of joining the Board. Under the guidelines, non-executive trustees are expected to retain common shares acquired by them pursuant to awards granted under our Equity Plan until the minimum ownership level has been attained. Once the Board has determined that a non-executive trustee has met the required level of share ownership, declines in the market value of those shares following the Board s determination will not change that determination. Notwithstanding the foregoing, the guidelines do not prevent a non-executive trustee from selling or disposing of any common shares purchased directly or indirectly in the open market at any time. As of the record date for the 2019 Annual Meeting, the Board has determined that all of the independent trustees other than Ms. Brunner, who was elected to the Board at the Trust s 2018 Annual Meeting, have attained the requisite level of share ownership.

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Trustees are subject to the Trust s policy regarding hedging, short-selling and pledging of Trust securities as more fully described under Anti-hedging, anti-short-selling, and anti-pledging policy.

Compensation Committee Interlocks and Insider Participation

As noted earlier, the Compensation Committee consists of Messrs. Hill, Natelli and Eckert. None of the members of the Compensation Committee is or has been one of our employees or officers. None of our executive officers currently serves, or during the past fiscal year has served, as a director or member of the compensation committee of the board of directors of another entity that has one or more executive officers serving on our Board or Compensation Committee.

PROPOSAL 3

NON-BINDING ADVISORY VOTE TO APPROVE EXECUTIVE COMPENSATION

As required by the Dodd-Frank Act we are asking shareholders to approve on an advisory basis, our executive compensation programs as described in this proxy statement in the Compensation Discussion and Analysis section, the tabular disclosures regarding such compensation and the accompanying narrative disclosure. At least once every six years, we are required by the Dodd-Frank Act to provide shareholders with an opportunity to cast a non-binding, advisory vote on the frequency of future advisory votes on executive compensation. As discussed below, the Board recommends that you vote to approve the proposed resolution.

The Trust s goal for our executive compensation program is to hire, retain and motivate our senior management to grow our business and create long-term value. We believe that our compensation programs have been effective in creating the appropriate incentives for our named executive officers, as evidenced by the Trust s accomplishments in 2018.

The Compensation Committee considered the following accomplishments by the Trust and the named executive officers in 2018 in reaching its decision on the amounts to be paid pursuant to the individual bonus criteria of the 2018 cash bonus plan:

- We generated one-, three- and five-year total shareholder returns that significantly outperformed the comparable returns generated by the SNL Index;

- We generated a dividend yield of 6.6%, which exceeds the 6.2% average dividend yield of our 2018 Performance Peer Group, and our 31.7% five-year dividend return was the highest among our peers and significantly above the 20.6% average generated by the other members of the peer group;

- We sold the 200-room Hyatt Centric Santa Barbara for $90.0 million on July 26, 2018, a price $31.1 million above our acquisition cost, generating an unleveraged internal rate of return of 15.3%;

- We amended and restated our $300.0 million revolving credit facility, extending the maturity date to May 2022 and lowering our borrowing costs by reducing the floating interest rate equal to LIBOR plus 1.45%-2.20%;

We finished 2018 with a strong balance sheet and industry leading credit statistics, including a fixed charge coverage ratio of 3.33x, a leverage ratio of 33.1% and a weighted-average interest rate on our outstanding debt of 3.91%;

We capitalized on the opportunistic investments made in many of our hotels during 2017, delivering RevPAR growth of 4.3%;

We continued to enhance the quality of our hotel portfolio during 2018. Our work during 2018 included guestroom renovations at the Hotel Indigo San Diego Gaslamp Quarter and the Hotel Adagio San Francisco, Autograph Collection, and renovations of public spaces at the Hyatt Regency Mission Bay Spa and Marina, the JW Marriott San Francisco Union Square, the W Chicago City Center, the Homewood Suites Seattle Convention Center and the Hilton Checkers Los Angeles; and

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Our investor relations efforts, including one-on-one meetings as well as numerous property tours for investors, analysts and lenders, continued throughout 2018.

Based on our performance, the Board has concluded that our executive compensation program should be approved by shareholders, and asks them to approve the following resolution.

RESOLVED, that the compensation paid to the Trust s named executive officers, as disclosed pursuant to the rules of the Securities and Exchange Commission in the Compensation Discussion and Analysis section, compensation tables and accompanying narrative discussion, is hereby APPROVED.

The vote to approve our executive compensation programs is advisory and non-binding on the Trust. However, the Compensation Committee, which is responsible for designing and administering the Trust s executive compensation programs, values the opinions expressed by the Trust s shareholders and will consider the outcome of the vote when making future compensation decisions.

The Board recommends that you vote FOR the resolution to approve our executive compensation programs as described in this proxy statement.

PROPOSAL 4

Set forth below is a shareholder proposal submitted by UNITE HERE, 275 Seventh Avenue, New York, New York 10001, the beneficial owner of 165 shares of the Trust s common shares of beneficial interest, along with its supporting statement. The shareholder proposal is required to be voted upon at the annual meeting only if properly presented at the annual meeting by UNITE HERE.

Shareholder Proposal

RESOLVED, the shareholders of Chesapeake Lodging Trust (the Company) recommend that the Board of Directors take all steps necessary to prepare an annual report for shareholders on sexual harassment complaints related to employees and guests at hotels on all properties owned by the Company. The report shall be prepared at reasonable cost and omit private and proprietary information, and shall be made available on the Company s website no later than the annual meeting of shareholders, starting in 2020.

Shareholder s Supporting Statement

Sexual harassment is both pervasive and illegal. Nearly half of working women in the United States say they have experienced sexual harassment in the workplace, according to a 2017 NBC/Wall Street Journal Poll. In a June 2016 report, the Equal Employment Opportunity Commission reported on thousands of charges alleging harassment on the basis of sex. In the last decade, more than 25% of sexual harassment charges came from industries with large numbers of service-sector workers. Sexual harassment charges can expose employers, hotel operators and owners to significant risks, including when there are complaints made against management and against guests.

For investors, there is a lack of information about the extent of the sexual harassment problem in the hospitality industry. Neither hotel owners nor operators report on costs or incidence of sexual harassment. Settlement agreements frequently contain non-disclosure clauses, and in some cases, complainants leave their jobs as complaints are resolved, all of which reinforces a lack of accurate information about this risk. While there have been a few high profile cases of harassment and assault involving hotels over the last decade, investors have little information about how companies are mitigating risks.

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The Council of Institutional Investors has recently made recommendations for Boards to address the risks of sexual harassment cases, including: 1) Ensure all payouts to settle harassment cases are reported to the board. 2) Review with the legal team when information on incidents of sexual harassment should be reported to shareholders and how much information should be shared.

Since hotel owners like Chesapeake Lodging Trust may pay the costs of complaints in hotel operating expenses, we urge the Company to request information from their hotel operating contractors detailing the incidence and costs of sexual harassment, and to provide that information to shareholders. Disclosure of such information will assist the Company in managing its risk.

We urge shareholders to vote FOR this proposal, recommending that the Company provide comprehensive disclosures to shareholders about sexual harassment complaints in its hotels.

Board s Statement Opposing the Shareholder Proposal

First and foremost, Chesapeake Lodging Trust opposes any form of harassment and discrimination. While the Trust strongly supports the goal of ridding the lodging industry of the problems caused by sexual harassment, the Board has carefully considered the proposal and concluded that it is not in the best interest of our shareholders for a number of reasons, including (without limitation) the following:

- its adoption is unnecessarily duplicative of the Trust s efforts to deter incidents of sexual harassment at the Trust s hotels through the Trust s anti-harassment policies and practices;

- the report requested by the proposal is incapable of being efficiently and effectively generated in a manner certain to elicit and provide the information sought to be reported, or solving the underlying problem; and

- the proposal is intended to advance the particular interests of the proponent, UNITE HERE, a labor union that represents employees working in the hotel industry (the Union), at the expense of our other shareholders.

Accordingly, the Board unanimously recommends a vote AGAINST this proposal.

Sexual harassment is a serious issue. The Trust has supported and will continue to support its third-party hotel management companies in adopting programs and policies designed to prevent sexual harassment, and encourage reporting on any incidents that may occur.

The Trust has been and continues to be committed to the safety of employees of the third-party management companies that operate our hotels, guests at our hotels, and our employees at our headquarters. The Trust s policy is that harassment of any type or nature has no place in our workplace and is strictly prohibited, whether directed to or perpetrated by employees or applicants for employment with the Trust or the management companies operating the Trust s hotels, hotel guests or other customers, vendors, independent contractors or suppliers.

The Trust has taken many steps to proactively address and prevent sexual harassment, and is actively engaged with the management companies operating our hotels to help prevent and reduce incidents of sexual harassment. The Trust fully supports and encourages all of our hotel operators to adopt and abide by the principles of the American Hotel &

Lodging Association s 5-Star Promise. The 5-Star Promise was first introduced in September 2018 and is part of an industry-wide commitment to advance hotel safety, security and hospitality. The 5-Star Promise includes the following five important components: (i) build on the lodging industry s longstanding commitment to hospitality and a people culture by continuing to provide industry-wide training and materials on safety and security, and retain expert guidance to work with the industry on diversity and safety matters, (ii) ensure mandatory anti-sexual harassment policies are in place in multiple languages, (iii) provide ongoing training and education for employees on identifying and reporting sexual harassment,

(iv) provide U.S. hotel employees with employee safety devices to help them feel safe on the job, and (v) broaden vital partnerships with wide-ranging national organizations that target sexual violence and assault and trafficking and promote workplace safety.

This pledge elevates the industry standard for the safety of those employed at hotels and specifically targets sexual harassment. The Trust has dedicated a significant amount of resources to assist our management companies with sexual harassment awareness, training and avoidance programs, and will continue to engage with our hotel management companies to provide any resources needed to further assist them in ensuring the safety of hotel employees and guests.

The Union s proposal is misdirected because the Trust lacks access to the information needed to prepare the requested report.

The Trust has elected to be taxed as a real estate investment trust (REIT) for U.S. federal income tax purposes. The U.S. internal revenue code and related Treasury regulations impose strict limitations on the type of activities that a REIT may undertake. As it relates to all REITs in the lodging industry, chief among these limitations is that the REIT is not permitted to operate or directly manage the hotels it owns, but instead must engage an eligible independent contractor to do so. To comply with this REIT rule, the Trust entered into management agreements with third parties to manage our hotels.

Under the terms of the agreements, our hotel management companies retain the sole right and responsibility for hiring, training and supervising hotel employees and ensuring their safety, along with the safety of hotel guests. While we continue to encourage and support our hotel management companies to address and prevent sexual harassment, we cannot compel operators to take any actions or measures, or interfere with their day-to-day management or supervision of employees, in any way that would jeopardize our qualification as a REIT. Consequently, we generally have no ability to impact our management companies employment decisions or training practices, or their operational policies relating to the reporting of an incident of sexual harassment if one were to occur at one of our hotels.

In addition, under the terms of the management agreements, our hotel management companies generally have sole responsibility and authority for the hotel s day-to-day operations and oversee operations and maintenance, prepare reports, budgets and projections and provide other administrative and accounting support services. As a result, our hotel management companies generally are not required to provide the Trust with information on individual complaints by hotel guests or employees about safety or harassment incidents, nor does the Trust have a contractual right to compel such information. Under limited scenarios, the Trust has the right to receive notice from operators when matters or claims exceed certain financial thresholds, but sexual harassment complaints are unlikely to exceed those thresholds, and thus the Trust typically would not be made aware of any such complaint.

Accordingly, without either direct involvement in the operation of our hotels or a contractual right to compel our hotel management companies to provide the necessary information, the Trust simply is not in position to prepare a report of the sort requested by the proposal with the level of detail, review and vetting required of a NYSE-listed company in its public disclosures.

We believe the Union has submitted this proposal to advance its organizing agenda at the expense of shareholder value.

In its proposal, the Union reports ownership of 165 of our common shares, representing less than 0.0003% of our common shares outstanding. The Union s shares have a total value of approximately $4,673 based on the closing price of a common share as of April 18, 2019.

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Despite this nominal economic stake in the Trust s shares, the Union has put forth more than a dozen proposals to the Trust s shareholders in the last six years, including proposals advanced by the Union through two hostile proxy solicitations made outside the customary shareholder proposal process used by the Union this year. For context, the Trust has not received a single proposal for inclusion in its proxy materials from any other shareholder since its initial public offering in 2010.

Since 2005, the Union has submitted more than 50 shareholder proposals to 20 other lodging REITs and hotel operators, and has submitted substantially similar proposals to several other lodging REITs and hotel operators for consideration at their 2019 annual meetings. Without exception, all of the targets of these proposals and solicitation efforts have been, like the Trust, companies that could employ Union labor, or could employ Union labor to a larger degree. In each case, again like it has with the Trust, the Union has pursued these efforts despite not having any material economic stake in the ownership of these other publicly traded companies.

The Union s boycotts have caused inconvenience to guests at our properties and direct economic harm to the Trust and our shareholders. In 2018, the Union led several highly publicized large-scale protests on a nationwide basis which included disruptive tactics such as strikes, demonstrations with drums and other noisemaking devices, picket lines, and other nuisance activities. This type of disruptive and self-interested activity results in guest dissatisfaction.

While the Trust acknowledges and supports the importance of prevention and awareness regarding sexual harassment, approving this proposal will encourage the Union to continue to use the shareholder proposal process in order to further its own agenda at the expense of shareholder value.

For the reasons stated above, the Board recommends that you vote AGAINST the proposal.

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SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

The following table sets forth certain information, as of April 24, 2019, regarding the ownership of our common shares by:

- each of our trustees;
- each of our named executive officers;
- each holder of 5% or more of each class of our shares; and
- all of our trustees and executive officers as a group.

In accordance with SEC rules, each listed person s beneficial ownership includes:

- all common shares the investor actually owns beneficially or of record;
- all common shares over which the investor has or shares voting or dispositive control (such as in the capacity as a general partner of an investment fund); and
- all common shares the investor has the right to acquire within 60 days (such as restricted shares which are scheduled to vest within 60 days).

Unless otherwise indicated, the address of each named person is c/o Chesapeake Lodging Trust, 4300 Wilson Boulevard, Suite 625, Arlington, Virginia 22203. No common shares beneficially owned by any executive officer or trustee have been pledged as security.

Beneficial Owner	Common Shares Owned	Percentage[(1)]
James L. Francis	604,048	*
Douglas W. Vicari	434,784	*
D. Rick Adams	210,357	*
Graham J. Wootten	86,293	*
Thomas A. Natelli	151,384	*
Thomas D. Eckert	40,154	*
John W. Hill	26,154	*
Jeffrey D. Nuechterlein	14,654	*
Angelique Brunner	4,274	*
All trustees and executive officers as a group (9 persons)	1,572,102	2.6%

The Vanguard Group[(2)]	9,406,681	15.5%
Goldman Sachs Asset Management[(3)]	5,987,450	9.9%
BlackRock, Inc.[(4)]	10,486,206	17.3%

* Represents less than 1% of the common shares outstanding as of the date of filing.

(1) Percentages are based on 60,765,796 common shares outstanding as of April 24, 2019.

(2) On February 11, 2019, The Vanguard Group filed a Schedule 13G/A to report beneficial ownership of an aggregate of 9,406,681 common shares, of which it has sole voting power for 110,827 shares, shared voting power for 67,310 shares, sole dispositive power for 9,286,732 shares and shared dispositive power for 119,949 shares. The address for this shareholder is 100 Vanguard Boulevard, Malvern, Pennsylvania 19355.

(3) On February 4, 2019, Goldman Sachs Asset Management, L.P. and GS Investment Strategies, LLC jointly filed a Schedule 13G/A to report beneficial ownership of 5,987,450 common shares, of which it has shared voting power for 5,740,709 shares and shared dispositive power for all 5,987,450 shares. The address for this shareholder is 200 West Street, New York, New York 10282.

(4) On January 24, 2019, BlackRock, Inc. filed a Schedule 13G/A to report beneficial ownership of 10,486,206 common shares, of which it has sole voting power for 10,304,280 shares and sole dispositive power for all 10,486,206 shares. The address for this shareholder is 55 East 52nd Street, New York, New York 10055.

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CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

Related Party Transactions

During the last fiscal year, we have not entered into any transaction in which the amount involved exceeds $120,000 and in which any related person had or will have a direct or indirect material interest, and no such transactions are currently proposed.

Conflict of Interest Policy

We have adopted policies to reduce potential conflicts of interest. A conflict of interest occurs when a trustee s, officer s or employee s personal interest interferes with our interest. Generally, our policies provide that any transaction, agreement or relationship in which any of our trustees, officers or employees has an interest must be approved by our Audit Committee or a majority of our disinterested trustees.

Applicable Maryland law provides that a contract or other transaction between a Maryland real estate investment trust and any of that entity s trustees or any other entity in which that trustee is also a trustee or director or has a material financial interest is not void or voidable solely on the grounds of the common board membership or interest, the fact that the trustee was present at the meeting at which the contract or transaction is approved or the fact that the trustee s vote was counted in favor of the contract or transaction, if:

the fact of the common board membership or interest is disclosed to the board or a committee of the board, and the board or that committee authorizes the contract or transaction by the affirmative vote of a majority of the disinterested members, even if the disinterested members constitute less than a quorum;

the fact of the common board membership or interest is disclosed to shareholders entitled to vote on the contract or transaction, and the contract or transaction is approved by a majority of the votes cast by the shareholders entitled to vote on the matter, other than votes of shares owned of record or beneficially by the interested director, corporation, firm or other entity; or

the contract or transaction is fair and reasonable to the trust. Our declaration of trust specifically adopts these provisions of Maryland law.

SECTION 16(a) BENEFICIAL OWNERSHIP REPORTING COMPLIANCE

We believe that all of our trustees, executive officers and beneficial owners of more than 10% of our common shares reported on a timely basis all transactions required to be reported by Section 16(a) of the Exchange Act during 2018.

ANNUAL REPORT ON FORM 10-K

All shareholders receiving this proxy statement should have also received a paper copy or access to an electronic copy of the 2018 Annual Report, which includes our Annual Report on Form 10-K for the year ended December 31, 2018. **Shareholders may request a free copy of our 2018 Annual Report on Form 10-K, including applicable financial statements and schedules, by sending a written request to: 4300 Wilson Boulevard, Suite 625, Arlington, Virginia 22203. Alternatively, shareholders can access the 2018 Annual Report on Form 10-K and other**

financial information on our website at: http://www.chesapeakelodgingtrust.com. We will also furnish any exhibit to the 2018 Annual Report on Form 10-K upon written request and payment of a copying charge of 20 cents per page.

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DEADLINES FOR RECEIPT OF SHAREHOLDER PROPOSALS FOR

CONSIDERATION AT OUR 2020 ANNUAL MEETING

Any proposal that a holder of our common shares wishes to submit for inclusion in the Chesapeake Lodging Trust Proxy Statement for the 2020 Annual Meeting (2020 Proxy Statement) pursuant to SEC Rule 14a-8 must be received by Chesapeake Lodging Trust no later than January 2, 2020. Such proposals also must comply with SEC regulations under Rule 14a-8 regarding the inclusion of shareholder proposals in company-sponsored proxy materials. In addition, notice of any proposal that a holder of our common shares wishes to propose for consideration at the 2020 Annual Meeting, but does not seek to include in the 2020 Proxy Statement pursuant to Rule 14a-8, must be delivered to Chesapeake Lodging Trust no earlier than February 20, 2020 and no later than March 21, 2020 if the proposing holder of our common shares wishes for Chesapeake Lodging Trust to describe the nature of the proposal in its 2020 Proxy Statement. Any shareholder proposals or notices submitted to Chesapeake Lodging Trust in connection with our 2020 Annual Meeting should be addressed to: Corporate Secretary, Chesapeake Lodging Trust, 4300 Wilson Boulevard, Suite 625, Arlington, Virginia 22203.

Arlington, Virginia

April 30, 2019

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ATTENDING THE 2019 ANNUAL MEETING

Only shareholders or their legal proxy holders who comply with the admission requirements described below may attend the 2019 Annual Meeting. Due to space constraints and other security considerations, we will not be able to accommodate the guests of either shareholders or their legal proxy holders.

Admission to the 2019 Annual Meeting

To be admitted to the 2019 Annual Meeting, you must present an admission ticket, valid proof of ownership of the Trust s common shares as of April 24, 2019 or a valid legal proxy. All attendees must also provide a form of government-issued photo identification. If you arrive at the 2019 Annual Meeting without the required items, we will admit you only if we are able to verify that you are a shareholder of the Trust as of April 24, 2019.

Shareholders of record may gain admittance to the 2019 Annual Meeting by presenting the admission ticket that is attached to their proxy card delivered with their proxy statement or by providing other proof of ownership of the Trust s common shares as of April 24, 2019. The admission ticket is non-transferable. If your shares are held in the name of a bank, broker, trustee or other nominee and you plan to attend the 2019 Annual Meeting, you will need to bring the admission ticket provided by your bank, broker, trustee or other nominee, as well as proof of ownership as of April 24, 2019, such as a recent bank or brokerage account statement. If you are not a shareholder but attending as proxy for a shareholder, you may attend the 2019 Annual Meeting by presenting a valid legal proxy. Shareholders may appoint only one proxy holder to attend on their behalf.

If you are representing an entity that is a shareholder, you must provide evidence of your authority to represent that entity at the 2019 Annual Meeting. Shareholders holding shares in a joint account will be admitted to the 2019 Annual Meeting if they provide proof of joint ownership and otherwise follow the admission requirements described above.

Directions to the 2019 Annual Meeting

Our 2019 Annual Meeting will be held at the offices of Polsinelli PC, located at 1401 Eye Street, NW, Suite 800, Washington, DC 20005. Polsinelli is accessible from Reagan National Airport, Dulles International Airport and Baltimore/Washington International Airport as follows:

From Reagan National Airport (DCA): Take George Washington Parkway North, and exit at I-395 North towards Washington, DC. Take the US-1 N Exit toward Downtown, and continue on US-1/14th Street, NW. Turn left onto I Street, NW. Polsinelli is located in the Franklin Tower office building, on the Northwest corner of 14th and I Streets.

From Dulles International Airport (IAD): Take the Dulles Airport Access Road, and merge onto I-66 East towards Washington, DC. Take the E Street Expressway Exit. Turn left on 18th Street, NW, and then turn right on H Street, NW. Turn left on 14th Street, NW and at the first intersection, turn left on I Street, NW. Polsinelli is located in the Franklin Tower office building, on the Northwest corner of 14th and I Streets.

From Baltimore/Washington International Airport (BWI): Take I-195 West. Merge onto MD-295 South (which becomes I-295 South) via Exit 2B towards Washington, DC. Continue on MD-295 South, then merge onto US-50 W/New York Avenue, NE, towards Washington, DC. Continue on US-50 W/New York Avenue, NE, and then turn left on 6th Street, NW. Turn right on K Street, NW, and continue on New York Avenue, NW. Turn right on I Street, NW. Polsinelli is located in the Franklin Tower office building, on the Northwest corner of 14th and I Streets.

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ANNUAL MEETING OF SHAREHOLDERS OF

CHESAPEAKE LODGING TRUST

JUNE 19, 2019

GO GREEN

e-Consent makes it easy to go paperless. With e-Consent, you can quickly access your proxy material, statements and other eligible documents online, while reducing costs, clutter and paper waste. Enroll today via www.astfinancial.com to enjoy online access.

IMPORTANT NOTICE REGARDING THE AVAILABILITY OF PROXY MATERIAL:

The Notice of Meeting, proxy statement and proxy card

are available at https://materials.proxyvote.com/165240

Please sign, date and mail your proxy card in the envelope provided as soon as possible.

i Please detach along perforated line and mail in the envelope provided. i

THE BOARD OF TRUSTEES RECOMMENDS THAT YOU VOTE FOR EACH OF THE TRUSTEE NOMINEES,

FOR PROPOSAL 2, FOR PROPOSAL 3, AND AGAINST PROPOSAL 4.

PLEASE SIGN, DATE AND RETURN PROMPTLY IN THE ENCLOSED ENVELOPE. PLEASE MARK YOUR VOTE IN BLUE OR BLACK INK AS SHOWN HERE

1. Consider and vote upon a proposal to elect seven trustees to the Trust s Board of Trustees.

	FOR	AGAINST	ABSTAIN
James L. Francis			
Douglas W. Vicari			
Thomas A. Natelli			
Angelique G. Brunner			
Thomas D. Eckert			

John W. Hill

Jeffrey D. Nuechterlein

	FOR	AGAINST	ABSTAIN
2. Consider and vote upon a proposal to ratify the appointment of Ernst & Young LLP as the Trust s independent registered public accounting firm for 2019.			
	FOR	AGAINST	ABSTAIN
3. Consider and vote upon a non-binding advisory proposal to approve the Trust s executive compensation programs as described in the Trust s 2019 proxy statement.			
	FOR	AGAINST	ABSTAIN
4. Consider and vote upon a non-binding shareholder proposal, if properly presented at the 2019 Annual Meeting.			

To change the address on your account, please check the box at right and indicate your new address in the address space above. Please note that changes to the registered name(s) on the account may not be submitted via this method.

Signature of Shareholder Date: Signature of Shareholder Date:

Note: Please sign exactly as your name or names appear on this Proxy. When shares are held jointly, each holder should sign. When signing as executor, administrator, attorney, trustee or guardian, please give full title as such. If the signer is a corporation, please sign full corporate name by duly authorized officer, giving full title as such. If signer is a partnership, please sign in partnership name by authorized person.

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ADMISSION TICKET

ANNUAL MEETING OF SHAREHOLDERS OF
CHESAPEAKE LODGING TRUST

JUNE 19, 2019

WASHINGTON, DC OFFICES OF POLSINELLI PC
AGENDA

1. ELECTION OF TRUSTEES

2. RATIFICATION OF ERNST & YOUNG LLP AS INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

3. ADVISORY VOTE TO APPROVE EXECUTIVE COMPENSATION

4. CONSIDERATION OF NON-BINDING SHAREHOLDER PROPOSAL

5. TRANSACTION OF OTHER BUSINESS AS MAY PROPERLY COME BEFORE THE 2019 ANNUAL MEETING

Shareholders of record may present this Admission Ticket to the Chesapeake Lodging Trust representative at the entrance to gain admittance to the 2019 Annual Meeting.

CHESAPEAKE LODGING TRUST

Proxy for Annual Meeting of Shareholders on June 19, 2019

Solicited on Behalf of the Board of Trustees

The undersigned hereby appoints James L. Francis, Douglas W. Vicari and Graham J. Wootten, and each of them, with full power of substitution and power to act alone, as proxies to vote all the Common Shares of Beneficial Interest which the undersigned would be entitled to vote if personally present and acting at the Annual Meeting of Shareholders of Chesapeake Lodging Trust, to be held June 19, 2019 at the offices of Polsinelli PC, 1401 Eye Street, NW, Suite 800, Washington, DC 20005, and at any adjournments or postponements thereof, as follows:

(Continued and to be signed on the reverse side.)