

## **WINTHROP REALTY TRUST**

### **CODE OF BUSINESS CONDUCT AND ETHICS FOR TRUSTEES, OFFICERS AND ALL OTHER EMPLOYEES**

#### **Introduction**

It is the general policy of Winthrop Realty Trust (the "Company") to conduct its business activities and transactions with the highest level of integrity and ethical standards and in accordance with all applicable local, state and federal laws. Obeying the law both in letter and in spirit is the foundation on which this Company's ethical standards are built. In carrying out this policy, the Company has adopted the following Code of Business Conduct (the "Code").

The Code is intended to cover not only the Company's Trustees, Officers and employees but also all directors, officers and employees of any external management company retained by the Company to provide management services to the Company (a "Management Company"). All persons covered by the Code are referred to herein as "Covered Persons."

The purposes of this Code are threefold:

- To set forth the standards expected by the Company in the conduct of Company business by Covered Persons;
- To provide reference to the various Company policies that relate to legal and ethical decision-making; and
- To provide guidance and practical examples regarding the application of these legal and ethical principles, including methods of reporting possible violations and other concerns relating to our standards of conduct.

The Code is not a contract and does not confer any rights on any Covered Person

All Covered Persons are responsible for:

- Abiding by this Code and its principles in their daily performance;
- Seeking advice with respect to any questions about the Code or other Company policies from their supervisors, the Human Resources Department or the General Counsel of the Company; and
- Reporting information in the manner set forth below about suspected violations of this Code, Company policy or of the law by any Covered Person or agent of the Company.

Senior Officers of the Company or a Management Company have additional responsibilities for:

- Setting a tone that encourages ethical behavior and invites all Covered Persons to ask questions and raise any ethical concerns;
- Showing their commitment to the Code and its principles through their words and conduct;

- Assisting other Covered Persons with questions about the Code by either responding to their questions or directing them to the appropriate source; and
- Processing reports of potential violations or concerns promptly, confidentially in the manner set forth herein.

Appropriate ethical and legal conduct is essential to the continued faith and confidence of our shareholders. The honesty, integrity and sound judgment of Covered Persons is a vital strength and essential to our reputation and success. The Company expects each Covered Person to promote proactively ethical and honest behavior within the Company's environment.

This Code covers a wide range of business practices and procedures. It does not cover every issue that may arise, but it sets out basic principles to guide all employees of the Company. If you are unclear as to a particular situation, you should consult with your supervisor, the Human Resources Department, the Internal Auditor, or the General Counsel of the Company before taking action. While the Company's Ethics and Compliance Committee will oversee the procedures designed to implement this Code, it is the individual responsibility of each Covered Person to comply with this Code.

If you are in a situation which you believe may violate or lead to a violation of this Code, follow the guidelines described in Section 15 of this Code.

## **1. Compliance with Laws, Rules and Regulations**

The Company complies with all applicable laws and regulations in the conduct of its activities and expects Covered Persons to do the same. All Covered Persons must respect and obey the laws of the cities, states and countries in which we operate. Although not all Covered Persons are expected to know the details of these laws, it is important to know enough to determine when to seek advice from supervisors, managers or other appropriate personnel. If a law conflicts with a policy in this Code, you must comply with the law; however, if a local custom or policy conflicts with this Code, you must comply with the Code. If you have any questions about these conflicts, you should ask your supervisor how to handle the situation.

## **2. Conflicts of Interest**

It is the policy of the Company to avoid situations that create an actual or potential conflict between a Covered Person's personal interests and the interests of the Company and, in this regard has established a Conflicts Committee. A conflict of interest exists when a person's loyalties or actions are divided between the interests of the Company and those of another, such as a competitor, supplier, customer or personal business. A conflict situation can arise when a Covered Person takes actions or has interests that may make it difficult to perform his or her work for the Company objectively and effectively. Conflicts of interest may also arise when a Covered Person, or members of his or her family, receives improper personal benefits as a result of his or her position in the Company. Moreover, the appearance of a conflict of interest alone can adversely affect the Company and its relations with its customers, suppliers and employees. The appearance of a conflict should also be avoided.

Covered Persons are expected to use good judgment, to adhere to high ethical standards and to avoid situations that create an actual or potential conflict of interest. It is almost always a conflict of interest for a Covered Person (other than a Trustee) to work simultaneously for a competitor, customer or supplier. Covered Persons are not allowed to work for a competitor as a consultant or board member without prior disclosure to and approval from the Chief Executive Officer or, in the case of a Trustee (including a Trustee who is also an Executive Officer), a vote of a majority of the Trustees other than the Trustee in question and any Trustee who is an employee of Fur Advisors. The best policy is to avoid any direct or indirect business connection with our customers, suppliers or competitors, except on our behalf. So long as the Exclusivity Services Agreement between the Company and Michael L. Ashner is in effect, the restriction set forth in the second sentence of this paragraph does not apply to a Covered Person's employment by, or representation of, Winthrop Realty Partners, L.P. or other affiliates of Michael L. Ashner.

Conflicts of interest can also arise with respect to employment of relatives and persons with close personal relationships. Further, if an employee or someone with whom an employee has a close relationship (a family member or close companion) has a financial or employment relationship with a competitor, supplier, or potential supplier, the employee must disclose this fact in writing to the Chief Financial Officer and to the Company's Conflicts Committee.

Federal law now prohibits most loans or extensions of credit from a company whose stock is publicly traded to its Trustees or executive officers. The Company will not directly or indirectly extend any loan or credit to any Trustee or executive officer except as permitted by law and approved by a vote of the disinterested members of the Board of Trustees.

### **3. Corporate Opportunities**

Covered Persons are prohibited from taking for themselves opportunities that are discovered through the use of Company property, information or position without the consent of the Board of Trustees. No Covered Person may use corporate property, information, or position for personal gain, and no Covered Person (other than a Trustee but solely with respect to transactions developed by the Trustee exclusive of information provided to such Trustee by the Company) may compete with the Company directly or indirectly. Each Covered Person shall take all reasonable steps to ensure that any persons or entities to which it subcontracts any of its services hereunder shall agree, as a condition to their acting in such capacities, and except as otherwise specifically authorized by the Company, to offer to the Company any business opportunities related to real property or assets related thereto that are offered to or generated by such person or entity during the term of such engagement. Covered Persons owe a duty to the Company to advance its legitimate interests when the opportunity to do so arises.

### **4. Personal Securities Transactions.**

**As indicated in Section 3, Covered Persons may not take personal advantage of any opportunity properly belonging to the Company. This principle applies to the acquisition of securities or other property for the Covered Person's own account that would be suitable and could be purchased for the account of the Company, or the disposition of securities from a Covered Person's account prior to selling a position for the Company.**

**In the case of securities in which the Covered Person’s investment activity will not affect the Company’s investment opportunities, a Covered Person may trade for his own account. Special considerations apply in the case of executive officers of the Management Company (“Investment Persons”) who are involved in or may have knowledge of investments made on behalf of the Company. To avoid potential conflicts of interest, Investment Persons may trade only in accordance with the principles set forth in this section.**

**If an Investment Person wishes to trade in a security that could be suitable for investment by the Company, he or she must first ascertain whether the Company will be trading in the security on the same trading day by checking with Michael Ashner no later than [time] on such trading day. If both the Investment Person and the Company propose to trade in the same security, the following rules apply:**

**a. An Investment Person must trade in the same way as the Company (i.e, both must be purchasing or selling) on the same trading day. In addition, unless the Company has no intention of purchasing a security, an Investment Person may not purchase such security unless the Company is also purchasing that security on the same day and if the Company owns a security, an Investment Person may not sell such security unless the Company is also selling that security on the same day.**

**b. If both the Company and the Investment Person propose to purchase or sell the same security on the same day, the amount of securities sought to be transacted will be specified as to each participant in the trade before the trade is placed with the broker, and the orders will be aggregated for execution.**

**c. If an order is executed in multiple transactions at varying prices, the Company and any Investment Persons participating in the trade will receive the average price of all such transactions, calculated taking into account the amount executed at each such price. Transaction costs will be charged pro rata to each account participating in the trade on an account-by-account basis.**

**d. If for any reason the aggregated order is not fully filled on the date on which it is placed, the portion of the order that is filled will be allocated pro rata to the participants in the trade based on the amounts of the orders specified for each of them prior to placement of the trade, and each will receive the weighted average price of such partially filled order calculated as described in paragraph c.**

**e. Any exceptions to this policy (including any reallocation of securities among participants in a trade after execution) must be approved by the Conflicts Committee of the Board.**

**Investment Persons will certify annually as to compliance with the policies in this Section 4 when they file the quarterly Certification of Receipt and Acknowledgment of Compliance with this Code.**

## **5. Competition and Fair Dealing**

We seek to outperform our competition fairly and honestly. Stealing proprietary information, possessing secret trade information that was obtained without the owner's consent, or inducing such disclosures by past or present employees of other companies is prohibited. Each Covered Person should endeavor to respect the rights of and deal fairly with the Company's customers, suppliers, competitors and employees. No Covered Person should take unfair advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation of material facts, or any other intentional unfair-dealing practice.

Company personnel should not engage a competitor in discussions, agreements or understandings concerning proprietary or specific information with regards to tenant lease terms, investors, interest rates, transaction structures, similar business related arrangements or any other business of the Company. In addition, Company personnel should avoid discussing with a competitor any other agreements inhibiting free and open competition or involving tie-in sales or reciprocal transactions.

The purpose of business entertainment and gifts in a commercial setting is to create good will and sound working relationships, not to gain an unfair advantage with customers. No gift or entertainment should ever be offered, given, provided or accepted by any Covered Person or its family member unless it: (1) is not a cash gift, (2) is consistent with customary business practices, (3) is not excessive in value, (4) cannot be construed as a bribe or payoff and (5) does not violate any laws or regulations. Any proposed gift to a Covered Person or its family member which is other than of nominal value (greater than \$100 when taken with all other gifts given from such person during the preceding 12 month period) should be discussed first with the Company's Ethics and Compliance Committee for appropriate resolution, in advance of the receipt of such proposed gift.

Covered Persons are prohibited from offering bribes, kickbacks or questionable payments of any kind, directly or indirectly, to any customers, suppliers, vendors, government employees or officials, or other parties. This policy is intended to be interpreted broadly, and encompasses giving anything of value to a third party for a corrupt purpose or under circumstances which might appear to suggest corruption. Covered Persons should conduct their business affairs in such a manner that the Company's reputation will not be impugned if the details of their dealings should become a matter of public discussion.

## **6. Equal Employment and Working Conditions**

Each of us has a fundamental responsibility to show respect and consideration to our fellow employees. The diversity of the Company's employees is a tremendous asset. We are firmly committed to providing equal opportunity in all aspects of employment and will not tolerate any illegal discrimination or harassment of any kind. All employment practices and decisions, including those involving recruiting, hiring, transfers, promotions, compensation, benefits, discipline and termination, will be conducted without regard to race, creed, color, religion, national origin, sexual orientation, sex or age and will comply with all applicable laws.

The Company is further committed to protecting the dignity and respect of all of its employees. Discrimination or harassment in any form – verbal, physical or visual – is strictly against Company policy. It is the responsibility of all Covered Persons to follow conscientiously the Company’s antidiscrimination and anti-harassment policy and to bring to the Company’s attention immediately any concern they may have regarding any discrimination or sexual harassment they believe they may have experienced or witnessed. Sexual Harassment is defined as unwanted sexual advances, requests for sexual favors and other verbal, visual or physical conduct of a sexual nature. This conduct is unlawful whenever: (1) submission to such conduct is expressly or implicitly made a condition of employment or advancement; (2) submission to or rejection of such conduct is used as the basis for making employment decisions affecting a Covered Person; or (3) such conduct reasonably interferes with a person’s work performance or creates an intimidating, hostile or offensive working environment.

## **7. Relationships with Co-workers**

The Company expects everyone to provide co-workers with information that is accurate, complete, objective, relevant, timely and understandable and to share knowledge and maintain skills important and relevant to each co-workers' needs.

The Company expects all supervisory personnel to promote ethical behavior in the work environment.

## **8. Health and Safety**

The Company strives to provide each employee with a safe and healthy work environment. Each employee has an individual responsibility for maintaining a safe and healthy workplace for all employees by following safety and health rules and practices and reporting accidents, injuries and unsafe equipment, practices or conditions.

Violence and threatening behavior are not permitted. Covered Persons should report to work in condition to perform their duties, free from the influence of illegal drugs or alcohol. The use of illegal drugs in the workplace will not be tolerated and any Covered Person using illegal drugs will be subject to disciplinary action up to and including immediate discharge.

## **9. Disclosures in Periodic Reports; Insider Trading**

As a public company, the Company is required to file various periodic reports with the Securities and Exchange Commission. It is Company policy to make full, fair, accurate, timely and understandable disclosure in compliance with all applicable laws and regulations in all required periodic reports.

All Covered Persons are responsible for complying with applicable federal and state insider trading and securities laws and regulations. The purchase or sale of Company securities, which includes options or diversification of stock in your retirement account, while aware of material, nonpublic information, or the disclosure of material, nonpublic information to others who then trade in the Company’s securities, is prohibited by federal and state securities laws and

regulations, as is recommending to others that they trade in our securities based on such information. As set forth in more detail in the Company's Insider Trading Policy, material, nonpublic information is any information that has not been publicly disseminated and that a reasonable investor would consider important in making a decision to buy, hold, or sell securities. Any information that, if publicly disclosed, could be expected to affect the Company's stock price, whether it is positive or negative, should be considered material.

Anyone who violates these laws may face considerable penalties, including imprisonment, criminal fines or civil penalties. It is Company policy that all Covered Persons pre-clear any transactions in Company securities with the Company's general counsel.

## **10. Record Keeping**

The Company requires honest and accurate recording and reporting of information in order to make responsible business decisions. All of the Company's books, records, accounts and financial statements must be maintained in reasonable detail, must appropriately reflect the Company's transactions and must conform both to applicable legal requirements and to the Company's system of internal controls. All company business data, records and reports must be prepared truthfully and accurately.

Business records and communications often become public, and we should avoid exaggeration, derogatory remarks, guesswork, or characterizations of people and companies that are inappropriate or can be misunderstood. This applies equally to e-mail, internal memos and formal reports. Records should always be retained or destroyed according to the Company's record retention policies.

## **11. Confidentiality of Company Information and Trade Secrets of Others**

Persons who come into possession of Company information must safeguard the information from the public and not intentionally or inadvertently communicate it to any person (including family members and friends) unless the person has a need to know the information for legitimate, Company-related reasons. This duty of confidentiality is important both as to the Company's competitive position and with respect to the securities laws applicable to the Company as a public company.

Consistent with the foregoing, all Company personnel should be discrete with respect to inside information and not discuss it in public places. Such information should be divulged only to persons having a need to know it in order to carry out their job responsibilities. To avoid even the appearance of impropriety, Company personnel should refrain from providing advice or making recommendations regarding the purchase or sale of the Company's securities.

Confidential information related to the Company can include a variety of materials and information regarding the ongoing operations and plans of the Company. For example, confidential information can include information regarding the financial health of the Company, salary and personnel information, and marketing and sales plans. Confidential information will be held in the strictest confidence, and such confidential information should not be disclosed by any Covered Persons to any third party unless the third party has signed a nondisclosure

agreement approved by the Company's general counsel and the specific disclosure also has been approved by the Company's general counsel. The confidential information can only be disclosed by an employee for limited purposes when such disclosure is needed.

Company personnel must maintain the confidentiality of confidential or proprietary information entrusted to them by the Company or others, except when disclosure is authorized in writing by the Company's general counsel or required by law or regulations. Confidential information includes all non-public information that might be of use to competitors, or harmful to the Company or its shareholders, customers or suppliers, if disclosed. The obligation to preserve confidential information continues even after a Covered Person ceases to be a Covered Person.

Covered Persons must not intentionally or inadvertently breach any agreement to keep knowledge or data in confidence or in trust prior to his or her becoming a Covered Person. As long as a person is a Covered Person, no confidential or proprietary information or material belonging to any previous employer or other parties shall be improperly used or disclosed to the Company. Covered Persons must not bring onto the premises of the Company or use in the performance of his or her responsibilities any unpublished documents or any property belonging to any previous employer or any other person to whom such Covered Person has an obligation of confidentiality unless consented to in writing by that previous employer or person.

## **12.. Protection and Proper Use of Company Assets**

No secret or unrecorded fund of Company assets or cash shall be established or maintained for any purpose. Anyone spending or obligating Company funds should be sure that the transaction is properly and appropriately documented, and that the Company receives the appropriate value in return.

All Covered Persons should endeavor to protect the Company's assets and ensure their efficient use. Theft, carelessness, and waste have a direct impact on the Company's profitability. Any suspected incident of fraud or theft should be immediately reported for investigation to the Human Resources Director or Internal Auditor. Company equipment should not be used for non-Company business, though incidental personal use may be permitted.

The Company licenses the use of much of its computer software from a variety of outside companies. The Company does not own this software or its related documentation and, unless authorized by the software developer, does not have the right to reproduce it. With regard to the use of software on local area networks or on multiple machines, employees shall only use the software in accordance with the license agreement.

## **13. Political Contributions and Payments to Government Personnel**

The U.S. Foreign Corrupt Practices Act prohibits giving anything of value, directly or indirectly, to officials of foreign governments or foreign political candidates in order to obtain or retain business. It is strictly prohibited to make illegal payments to government officials of any country.

In addition, the U.S. government has a number of laws and regulations regarding business gratuities which may be accepted by U.S. government personnel. The promise, offer or delivery to an official or employee of the U.S. government of a gift, favor or other gratuity in violation of these rules would not only violate Company policy but could also be a criminal offense. State and local governments, as well as foreign governments, may have similar rules.

#### **14. Waivers of the Code of Business Conduct and Ethics**

Any request for a waiver of this Code by a Trustee, the Chief Executive Officer, President, Chief Financial Officer, General Counsel, the Chief Accounting Officer or other person holding a position of similar authority, shall be considered by the Board or the Board committee responsible for corporate governance matters and will be promptly disclosed as required by law or regulation. Any request for a waiver by all other Covered Persons shall be considered by the Company's Ethics and Compliance Committee and will be promptly disclosed as required by law or regulation

#### **15. Reporting any Illegal or Unethical Behavior or Other Violations of this Code**

As part of its commitment to conducting business in an ethical and legal manner, the Company requires all Covered Persons to report, in good faith, information about suspected violations of this Code or of the law by a Covered Person in the manner set forth below. This Code requires Covered Persons to come forward with any such information, regardless of the identity or position of the suspected offender.

You have a duty to adhere to this Code and to all existing Company policies and to report any known or suspected violations as set forth herein. All such reports will be investigated by the Company. The Company shall evaluate reported violations on a case-by-case basis. Covered Persons are expected to cooperate in internal investigations of misconduct and in all Company audits.

We must all work to ensure prompt and consistent action against violations of this Code. However, in some situations it is difficult to know right from wrong. Since we cannot anticipate every situation that will arise, it is important that we have a way to approach a new question or problem. These are the steps to keep in mind:

- Make sure you have all the facts. In order to reach the right solution, we must be as fully informed as possible.
- Ask yourself: What specifically am I being asked to do? Does it seem unethical or improper? This will enable you to focus on the specific question you are faced with, and the alternatives you have. Use your judgment and common sense; if something seems unethical or improper, it probably is.
- Clarify your responsibility and role. In most situations, there is shared responsibility. Are your colleagues informed? It may help to get others involved and discuss the problem.

- Discuss the problem with your supervisor. This is the basic guidance for all situations. In many cases, your supervisor will be more knowledgeable about the question, and will appreciate being brought into the decision-making process. Remember that it is your supervisor's responsibility to help solve problems. If you are not satisfied with the response you receive from your supervisor, you should bring your grievance to an appropriate senior officer within the Company.
- Seek help from Company resources. In the case where it may not be appropriate to discuss an issue with your supervisor or where you do not feel comfortable approaching your supervisor with your question, discuss it with the Human Resources Director or Internal Auditor.
- You may report violations of this Code in confidence and without fear of retaliation. If your situation requires that your identity be kept secret, your anonymity will be protected. The Company does not permit retaliation of any kind against employees for good faith reports of possible ethical violations. Further, the Company has adopted a policy for the protection of whistleblowers that prohibits any form of retaliation against an individual who reports violations.
- Always ask first, act later. If you are unsure of what to do in any situation, seek guidance before you act.

You must report the following to the Company's General Counsel, your supervisor or manager, senior management, the Company's anonymous, confidential Compliance Hotline at: **866-241-4955** or the Internet at : **[www.openboard.info/fur/WebSubmit.cfm](http://www.openboard.info/fur/WebSubmit.cfm)**: (i) any suspicious activity or behavior (including concerns regarding questionable accounting or auditing matters), (ii) possible violations of the Code, Company policy, law or regulation, (iii) if another Covered Person asks you to do something that would constitute a violation of law, regulation, the Code or any applicable Company policy, or (iv) any other illegal act. When in doubt about the best course of action in a particular situation, report the observed violations of the Code or any other potentially illegal or unethical behavior as set forth in the preceding sentence. Covered Persons who use the Internet site or the Compliance Hotline may do so in an anonymous manner, and all reports will be kept confidential to the extent reasonably possible. Reporting the activity will not subject you to discipline unless you knowingly file a false report.

Those who are found to have violated this Code or other Company policies or applicable law are subject to disciplinary action, including (but not limited to) termination of employment as discussed below. Violations may also result in legal prosecution.

## 16. **Discipline for Violations**

The failure to comply with the standards and requirements set out in this Code may result in discipline, up to and including possible termination of employment of Covered Persons and monetary penalties for Investment Persons for violations of Section 4, subject to applicable law. The failure of Trustees to comply with the standards and requirements set out in this Code may result in their removal from the Board.

In addition to violating the provisions of the Code, Company policy or law, the following are some examples of other types of conduct that may result in discipline, including possible termination of employment:

- Failing to report promptly a known or suspected violation of the Code, Company policy or the law;
- Failing to cooperate fully with Company investigations or audits;
- Permitting others to violate the Code, Company policy or applicable law or requesting that they do so;
- Aiding another Covered Person in violating the Code, Company policy or the law; and
- Retaliating against another Covered Person or third party for reporting a suspected violation or for cooperating in a Company investigation or audit.

**CERTIFICATION OF RECEIPT AND  
ACKNOWLEDGMENT OF COMPLIANCE WITH**

**CODE OF CONDUCT AND ETHICS POLICY FOR TRUSTEES, OFFICERS AND ALL  
OTHER EMPLOYEES**

I hereby certify and acknowledge to Winthrop Realty Trust (the “Company”) the following:

**I have received a copy of the Company’s Code of Conduct and Ethics Policy for Trustees, Officers and All other Employees (“Policy”).**

**I have read, understood and agree to comply with all terms, conditions and provisions of the Policy.**

**I have not violated the terms, conditions and provisions of the Policy at any time in the past while serving as an employee, officer or Trustee of the Company, FUR Advisors LLC or Winthrop Realty Partners, L.P. or any of their respective affiliates.**

The undersigned declares that he or she has examined this Certification of Receipt and Acknowledgement of Compliance, and, to the best of his or her knowledge and belief, it is true, correct and complete.

Signature: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Date: \_\_\_\_\_