

VORNADO REALTY TRUST  
Form 8-K  
January 21, 2015

**UNITED STATES**  
**SECURITIES AND EXCHANGE COMMISSION**

Washington, DC 20549

**FORM 8-K**

**CURRENT REPORT**

**PURSUANT TO SECTION 13 OR 15(d) OF THE**  
**SECURITIES EXCHANGE ACT OF 1934**

Date of Report (Date of earliest event reported):

**January 14, 2015**

**VORNADO REALTY TRUST**

(Exact Name of Registrant as Specified in Charter)

**Maryland**  
(State or Other  
Jurisdiction of  
Incorporation)

**No. 001-11954**  
(Commission  
File Number)

**No. 22-1657560**  
(IRS Employer  
Identification No.)

**VORNADO REALTY L.P.**

(Exact Name of Registrant as Specified in Charter)

**Delaware**

**No. 001-34482**

**No. 13-3925979**

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(State or Other  
Jurisdiction of  
Incorporation)

(Commission  
File Number)

(IRS Employer  
Identification No.)

**888 Seventh Avenue**  
**New York, New York**  
(Address of Principal Executive offices)

**10019**  
(Zip Code)

Registrant's telephone number, including area code: **(212) 894-7000**

Former name or former address, if changed since last report: **N/A**

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instructions A.2.):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
  - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
  - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
  - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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**Item 8.01. Other Events.**

On January 14, 2015, the Compensation Committee (the Committee) of the Board of Trustees of Vornado Realty Trust (Vornado) approved Vornado's 2015 Outperformance Plan, a multi-year, performance-based equity compensation plan and related form of award agreement (the 2015 OPP). Awards under the 2015 OPP constitute awards under Vornado's shareholder approved 2010 Omnibus Share Plan.

Under the 2015 OPP, participants, including Vornado's Chairman, have the opportunity to earn compensation payable in the form of equity awards if and only if Vornado outperforms a predetermined total shareholder return (TSR) and/or outperforms the market with respect to relative total TSR during a three-year performance period. Specifically, awards under our 2015 OPP may potentially be earned if Vornado (i) achieves a TSR above that of the SNL US REIT Index (the Index) over a three-year performance period (the Relative Component), and/or (ii) achieves a TSR level greater than 7% per annum, or 21% over the three-year performance period (the Absolute Component). To the extent awards would be earned under the Absolute Component but Vornado underperforms the Index, such awards earned under the Absolute Component would be reduced (and potentially fully negated) based on the degree to which Vornado underperforms the Index. In certain circumstances, in the event Vornado outperforms the Index but awards would not otherwise be earned under the Absolute Component, awards may still be earned under the Relative Component. Moreover, to the extent awards would otherwise be earned under the Relative Component but Vornado fails to achieve at least a 6% per annum absolute TSR level, such awards earned under the Relative Component would be reduced based on Vornado's absolute TSR performance, with no awards being earned in the event Vornado's TSR during the applicable measurement period is 0% or negative, irrespective of the degree to which it may outperform the Index. If the designated performance objectives are achieved, OPP Units are also subject to time-based vesting requirements. Dividend payments on awards issued accrue during the performance period and are paid to participants if and only if awards are ultimately earned based on the achievement of the designated performance objectives. In addition, all of Vornado's senior executive officers are required to hold any earned OPP awards (or related equity) for at least one year following vesting. The form of award agreement is attached as Exhibit 99.1 hereto and incorporated herein by reference.

In addition, on January 14, 2015, the Committee approved an amendment to Vornado's previously issued outperformance awards to provide that (i) upon an executive's retirement, the earnings criteria under the award will be measured as of the regular valuation date(s) as if the retirement had not occurred without a prorated reduction for the portion of the measurement period remaining after retirement and (ii) time-based vesting shall no longer apply. However, the retiree will not have the right to cash out the award until such date as the related award would normally have vested. The form of award agreement amendment approved by the Committee is attached as Exhibit 99.2 hereto and incorporated herein by reference.

**Item 9.01. Financial Statements and Exhibits.**

(d) Exhibits.

99.1 Form of Vornado Realty Trust 2015 Outperformance Plan Award Agreement.

99.2 Form of Vornado Realty Trust Outperformance Plan Award Agreement Amendment.

**SIGNATURE**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

**VORNADO REALTY TRUST**  
(Registrant)

By: /s/ Stephen W. Theriot  
Name: Stephen W. Theriot  
Title: Chief Financial Officer

Date: January 21, 2015

**SIGNATURE**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

**VORNADO REALTY L.P.**  
(Registrant)

By: VORNADO REALTY TRUST,  
Sole General Partner  
  
By: /s/ Stephen W. Theriot  
Name: Stephen W. Theriot  
Title: Chief Financial Officer of Vornado Realty Trust, sole  
general partner of Vornado Realty L.P.

Date: January 21, 2015



**Exhibit Index**

- 99.1 Form of Vornado Realty Trust 2015 Outperformance Plan Award Agreement.
- 99.2 Form of Vornado Realty Trust Outperformance Plan Award Agreement Amendment.