

**CHATHAM LODGING TRUST**  
**AMENDED AND RESTATED CORPORATE GOVERNANCE GUIDELINES**

The following shall constitute the Amended and Restated Governance Guidelines (the “Governance Guidelines”) of the board of trustees (“Board”) of Chatham Lodging Trust (the “Company”):

**I. TRUSTEE QUALIFICATIONS**

A majority of the trustees serving on the Board must be “independent”, as such term is defined by the rules and regulations of the New York Stock Exchange in effect from time to time and the Amended and Restated Declaration of Trust of the Company (the “Declaration of Trust”).

The Board will make an affirmative determination as to the independence of each trustee and disclose those determinations. An independent trustee must be determined by the Board to have no material relationship with the Company (either directly or as a partner, shareholder or officer of an organization that has a relationship with the Company). Moreover, a trustee will not be considered independent if:

- (a) currently:
  - (i) the trustee is a partner or employee of a firm that is the Company's internal or external auditor; or
  - (ii) an immediate family member of the trustee is a partner of a firm that is the Company's internal or external auditor; or
- (b) within the preceding three years:
  - (i) the trustee was employed by the Company;
  - (ii) an immediate family member of the trustee was an executive officer of the Company;
  - (iii) the trustee, or an immediate family member of the trustee, received, during any twelve-month period, more than \$120,000 in direct compensation from the Company, other than trustee and committee fees and pension or other forms of deferred compensation for prior service (provided such compensation is not contingent in any way on the trustee’s continued service);
  - (iv) the trustee, or an immediate family member of the trustee, was a partner or employee of a firm that is the Company's internal or external auditor and personally worked on the Company's audit within that time;
  - (v) the trustee, or an immediate family member of the trustee, was employed as an executive officer of another company where any of the Company’s present executive officers at the same time served on that company’s compensation committee;

- (vi) the trustee was an employee or an executive officer of a company that made payments to, or received payments from, the Company for property or services in an amount which, in any single fiscal year, exceeded the greater of \$1 million, or 2% of such other company's consolidated gross revenues; or
  - (vii) an immediate family member of the trustee was an executive officer of a company that made payments to, or received payments from, the Company for property or services in an amount which, in any single fiscal year, exceeded the greater of \$1 million, or 2% of such other company's consolidated gross revenues; or
- (c) he or she has a material relationship with the Company (either directly or as a partner, shareholder or officer of an organization that has a relationship with the Company), including, but not limited to, commercial, industrial, banking, consulting, legal, accounting, charitable and familial relationships.

For the purposes of these independence guidelines, the term "immediate family member" means any of the person's spouse, parents, children, siblings, mothers- and fathers-in-law, sons- and daughters-in-law, and brothers- and sisters-in-law and anyone (other than domestic employees) who shares the person's home.

The Nominating & Governance Committee ("Governance Committee") of the Board is responsible for reviewing with the Board the requisite skills and characteristics of new Board members as vacancies occur. The Governance Committee shall also be responsible for reviewing with the Board, on an annual basis, an assessment of (i) the composition of the Board as a whole, (ii) whether a majority of the trustees are "independent" and (iii) the trustees' diversity, age, skills and experience in the context of the Board's needs. Nominees for trusteeship will be reviewed in connection with this assessment. Nominees for trusteeship will be selected by the Governance Committee in accordance with the policies and principles in its charter. The invitation to join the Board should be extended by the Board itself, by the Chairman of the Governance Committee and the Chairman of the Board.

The Board believes that the Board should be of sufficient size to include a range of substantive experience but not so large as to impede its efficient operation. The Board presently has seven (7) members. It is the sense of the Board that a size of six (6) to nine (9) is appropriate and most effective. The Board would be willing to expand to a somewhat larger size, however, to accommodate the availability of an outstanding candidate. The Board also recognizes that a change in circumstance may warrant expanding or decreasing the size of the Board.

It is not the sense of the Board that in every instance a trustee who retires or changes from the position he or she held when joining the Board should necessarily leave the Board. However, it is the sense of the Board that individual trustees who change the responsibility they held when they were elected to the Board should promptly inform the Board.

No trustee may serve on more than five (5) other public company boards. Trustees should advise the Chairman of the Board and the Chairman of the Governance Committee in advance of accepting an invitation to serve on another public company board.

The Board believes that consistent quality in the trustees of the Company can be achieved without term limits. The Governance Committee will review the strengths and weaknesses of the Board as a whole and each trustee regularly and will review each trustee's continuation on the Board every three years before the expiration of his or her three-year term. This will allow each trustee the opportunity to conveniently confirm his or her desire to continue as a member of the Board.

## **II. TRUSTEE RESPONSIBILITIES**

All trustees, as well as officers and employees, are expected to act ethically at all times and adhere to the Company's Code of Conduct. All trustees, and entities in which a trustee is an officer or director or has an ownership interest, are expected to deal with the Company on an arm's length basis. All transactions between the Company and a trustee or any such entities should be approved in advance by the disinterested members of the Audit Committee and disclosed to the entire Board.

Trustees are expected to attend Board meetings and meetings of committees on which they serve, to spend the time needed and meet as frequently as necessary to discharge properly their responsibilities. Trustees are expected to attend in person all regularly scheduled Board meetings, although participation by telephone is permitted in exigent circumstances. Trustees may not vote or act by proxy. Information and data that are important to the Board's understanding of the business to be conducted at a Board or committee meeting should generally be distributed in writing to the trustees before the meeting. Trustees should review these materials in advance of the meeting. Trustees will be asked regularly by the Governance Committee to evaluate the scope, quality and relevance of the information being provided to the Board.

Trustees are encouraged to attend the annual shareholders meeting in person.

The Board has no policy with respect to the separation of the offices of Chairman and the Chief Executive Officer. These positions may be filled by one individual or two separate individuals, as the Board determines is in the best interests of the Company from time to time. If filled by one individual, a lead or presiding outside trustee shall be designated.

The Chairman will establish the agenda for each Board meeting, after consultation with the lead or presiding trustee, if a lead or presiding trustee has been designated. At the beginning of the year the Chairman will establish a schedule of significant agenda subjects to be discussed during the year (to the degree this can be foreseen). Each Board member is encouraged to suggest the inclusion of items on the agenda. Each Board member is free to raise at any Board meeting subjects that are not on the agenda for that meeting. The Board will review the Company's long-term strategic plans and the principal issues that the Company will face in the future during at least one Board meeting each year.

The non-management trustees will meet in executive session at least quarterly. The trustee who presides at these meetings, and the process for determining who will preside, will be determined by the non-management trustees, and the name of the chairman, or the process for designating the chairman, will be disclosed in the annual proxy statement. The independent trustees (excluding any non-management trustee who does not qualify as an independent trustee) will meet in executive session at least annually. To facilitate the ability of interested parties to communicate their concerns or questions, the Company will publish an address on its website. All concerns or questions will be forwarded to the Chairman of the Governance Committee or the Nominating & Governance Committee as a whole, and will be reviewed by the entire Board and management in the normal course if appropriate.

The Board believes that the management speaks for the Company. Individual Board members may, from time to time, meet or otherwise communicate with various constituencies that are involved with the Company. It is expected that Board members would do this only with the prior knowledge of management and, absent unusual circumstances or as contemplated by the committee charters, only at the request of management.

Board and Committee proceedings are confidential, and each trustee shall maintain the confidentiality of information received in connection with his or her service as a trustee.

### **III. BOARD COMMITTEES**

The Board will have at all times an Audit Committee, a Compensation Committee and a Governance Committee. The members of these committees will comply with any requirements of the New York Stock Exchange as then in effect. Committee members will be appointed by the Board upon recommendation of the Governance Committee with consideration of the desires of individual trustees. It is the sense of the Board that consideration should be given to rotating committee members periodically, but the Board does not feel that rotation should be mandated as a policy.

Each committee will have its own charter. The charters will set forth the purposes, goals and responsibilities of the committees as well as qualifications for committee membership, procedures for committee member appointment and removal, committee structure and operations and committee reporting to the Board. The charters will also provide that each committee will annually evaluate its performance.

The Chairman of each committee, in consultation with the committee members, will determine the frequency and length of the committee meetings consistent with any requirements set forth in the committee's charter. The Chairman of each committee, in consultation with the appropriate members of the committee and management, will develop the committee's agenda. At the beginning of the year each committee will establish a schedule of the principal agenda subjects to be discussed during the year (to the degree these can be foreseen). The schedule for each committee will be furnished to all trustees.

The Board may, from time to time, establish or maintain additional committees as necessary or appropriate.

#### **IV. TRUSTEE ACCESS TO OFFICERS AND EMPLOYEES**

Trustees have full and free access to officers and employees of the Company and, as necessary and appropriate, to the Company's independent advisors. Any meetings or contacts that a trustee wishes to initiate may be arranged through the CEO or the Secretary or directly by the trustee. The trustees will use their judgment to ensure that any such contact is not disruptive to the business operations of the Company and will, to the extent not inappropriate, copy the CEO on any written communications between a trustee and an officer or employee of the Company, or advise the CEO of any such oral communications.

The Board and each of its committees have the authority to retain such outside counsel, experts and other advisors as they deem necessary to assist them in performing their functions.

The Board welcomes regular attendance at each Board meeting of the Company's senior officers. If the CEO wishes to have additional Company personnel attend on a regular basis, this suggestion should be brought to the Board for approval.

#### **V. TRUSTEE COMPENSATION**

The form and amount of trustee compensation will be determined by the Board based on a recommendation of the Compensation Committee in accordance with the policies and principles set forth in its charter. The Compensation Committee will conduct a review of trustee compensation at least once every three (3) years. The Compensation Committee will consider that trustees' independence may be jeopardized if trustee compensation and perquisites exceed customary levels, if the Company makes substantial charitable contributions to organizations with which a trustee is affiliated, or if the Company enters into consulting contracts with (or provides other indirect forms of compensation to) a trustee or an organization with which the trustee is affiliated.

#### **VI. TRUSTEE ORIENTATION AND CONTINUING EDUCATION**

All new trustees must participate in an orientation session, which should be conducted within two (2) months of the annual meeting at which new trustees are elected. This orientation will include presentations by senior management to familiarize new trustees with the Company's industry, assets, strategic plans, its significant financial, accounting and risk management issues, its compliance programs, these Guidelines, its Code of Conduct, its principal officers and its internal and independent auditors. In addition, the orientation sessions may include visits to Company headquarters and, to the extent practical, certain of the Company's hotels. All other trustees are also invited to attend the orientation sessions. In addition, the Company supports trustees' participation in periodic continuing education programs that are relevant to their service on the Board.

## **VII. CEO EVALUATION AND MANAGEMENT SUCCESSION**

The Compensation Committee will conduct an annual review of the CEO's performance, as set forth in its charter. The non-management members of the Board of Trustees will review the Compensation Committee's report in order to ensure that the CEO is providing the best leadership for the Company in the long- and short-term.

The Governance Committee should make an annual report to the Board on succession planning. The entire Board will work with the Governance Committee to nominate and evaluate potential successors to the CEO. The CEO should at all times make available his or her recommendations and evaluations of potential successors, along with a review of any development plans recommended for such individuals.

## **VIII. ANNUAL PERFORMANCE EVALUATION**

The Board of Trustees will conduct an annual self-evaluation to determine whether it and its committees are functioning effectively. The Governance Committee will receive comments from all trustees and report annually to the Board with an assessment of the Board's performance. This will be discussed with the full Board following the end of each fiscal year. The assessment will focus on the Board's contribution to the Company and specifically focus on areas in which the Board or management believes that the Board can improve. The annual self-evaluation will address the performance of the board as a whole, each of the three committees and each of the individual Board members.

## **IX. CEO, TRUSTEE AND EXECUTIVE OFFICER STOCK OWNERSHIP GUIDELINES**

The CEO must own, within five years of his or her initial election or appointment, an amount of the Company's shares or stock units having a value equal to six times the annual salary of the CEO as approved by the Board in the year the CEO was initially elected or appointed.

Each non-management trustee must own, within five years of his or her initial election or appointment to the Board, an amount of the Company's shares or stock units having a value equal to three times the annual retainer of the non-management trustee's compensation approved by the Board in the year the trustee was initially elected or appointed.

The Chief Operating Officer (“COO”) must own, within five years of his or her initial election or appointment, an amount of the Company’s shares or stock units having a value equal to three times the annual salary of the COO as approved by the Board in the year the COO was initially elected or appointed. Each of the Chief Financial Officer (“CFO”), Chief Investment Officer (“CIO”) and General Counsel (“GC”, and together with the COO, CFO, and CIO, the “Executive Officers”) must own, within five years of his or her initial election or appointment, an amount of the Company’s shares or stock units having a value equal to two times the annual salary of the applicable office approved by the Board in the year the officer was initially elected or appointed.

These guidelines will be re-calculated for the CEO and the Executive Officers when such officer’s base salary is increased. In addition, the guidelines will be re-calculated as of the first trading day of each calendar year, using each of the CEO’s and Executive Officer’s base salary then in effect, each Non-management trustee’s annual cash retainer then in effect and the closing price of the Company’s common stock on that day.

#### **X. MODIFICATIONS**

These Governance Guidelines shall be reviewed annually by the Governance Committee and may be revised, amended and modified by the Board based on recommendations of the Governance Committee.

#### **XI. CONSISTENCY WITH DECLARATION OF TRUST**

To the extent that any provision or section of these Governance Guidelines may be inconsistent with any article, provision or section of the Declaration of Trust or the Bylaws of the Company, the Declaration of Trust or the Bylaws, as appropriate, shall fully control.

#### **XII. CERTIFICATION**

These Governance Guidelines were duly approved and adopted by the Board of the Company on the 16th day of February 2017.

/s/ Eric Kentoff  
Secretary