

CHATHAM LODGING TRUST
COMPENSATION COMMITTEE CHARTER

The following shall constitute the Charter of the Compensation Committee of the board of trustees (“Board”) of Chatham Lodging Trust (the “Company”):

I. ORGANIZATION

There shall be constituted a standing committee of the Board to be known as the Compensation Committee.

II. COMPOSITION AND SELECTION

The Compensation Committee shall be composed of two or more trustees. The members of the Compensation Committee shall satisfy the independence requirements of the New York Stock Exchange (“NYSE”).

The Board shall, upon recommendation of the Nominating & Governance Committee (“Nominating Committee”), (a) appoint Compensation Committee members, (b) remove Compensation Committee members and (c) elect a Chairman of the Compensation Committee. The members of the Compensation Committee shall serve for one year or until their successors are duly elected and qualified.

The duties and responsibilities of Compensation Committee members contained herein shall be in addition to those duties otherwise required for members of the Board.

III. STATEMENT OF PURPOSE

The Compensation Committee is appointed by the Board to discharge the Board’s responsibilities relating to compensation of the Company’s trustees and officers. The Committee has overall responsibility for approving and evaluating the trustee and officer compensation plans, policies and programs of the Company, and approving all discretionary awards to employees and trustees under the Company’s equity incentive plans.

IV. COMMITTEE OBJECTIVES

The Compensation Committee’s primary objectives include serving as an independent and objective party to review the compensation of the Company’s trustees and officers, and evaluating and approving trustee and officer compensation plans, policies and programs.

V. COMMITTEE AUTHORITY AND RESPONSIBILITIES

The Compensation Committee shall have the sole authority to retain and terminate any compensation consultant to be used to assist in the evaluation of trustee, chief executive officer

(“CEO”) or senior executive compensation and shall have sole authority to approve the consultant’s fees and other retention terms.

The Compensation Committee also shall have authority, to the extent it deems necessary or appropriate, to obtain advice and assistance from internal or external legal, accounting or other advisors. The Compensation Committee shall have the authority to retain and compensate such advisors without seeking further approval and shall receive appropriate funding, as determined by the Compensation Committee, from the Company to compensate such advisors.

The Compensation Committee may form and delegate authority to subcommittees when appropriate, provided that all of the members of such subcommittees shall qualify as independent under NYSE rules and regulations.

The Compensation Committee shall:

1. Oversee compensation policies and plans for officers and employees of the Company.
2. (a) Review and approve annually Company’s goals and objectives relevant to CEO compensation; (b) evaluate at least once per year the CEO’s performance in light of those goals and objectives; (c) either as a committee or together with the other independent trustees (as directed by the Board), determine and approve the CEO’s compensation level based on this evaluation (including salary, bonus and long-term incentive compensation); and (d) in determining the long-term incentive component of CEO compensation, consider (among other matters that the Compensation Committee may deem relevant) (i) the Company’s performance and relative shareholder return, (ii) the value of similar incentive awards to CEOs at comparable companies and (iii) the awards given to the CEO in past years;
3. Review and approve annually the evaluation process and compensation or compensation structure for all trustees and executive officers other than the CEO;
4. Make recommendations to the Board with respect to the Company’s incentive-compensation plans and equity-based plans, and perform the administrative functions assigned to it under such plans;
5. Review and approve annually, for the senior executives of the Company not subject to an employment agreement, a Compensation Plan covering, at a minimum, (a) the annual base salary level; (b) the annual incentive opportunity level; (c) the long-term incentive opportunity level; and (d) any special or supplemental benefits;
6. Periodically review the Company’s employment agreements, severance arrangements, and change in control agreements/provisions, in each case as, when and if appropriate;
7. Produce a report on executive compensation as required by Item 407(e)(5) of Regulation S-K, promulgated by the Securities and Exchange Commission (the “Commission”), to be included in the Company’s proxy statement when so required by the Commission;
8. Report to the Board on the Compensation Committee’s activities after each meeting of the Compensation Committee;

9. Review and reassess the adequacy of this Charter annually and recommend any proposed changes to the Board for approval;
10. Annually review its own performance;
11. Perform such other duties and responsibilities as may be delegated to the Compensation Committee by the Board from time to time; and
12. Retain or obtain, at its sole discretion, the advice of a compensation consultant, independent legal counsel or other adviser. The Committee shall be directly responsible for the appointment, compensation and oversight of the work of any compensation consultant, independent legal counsel or other adviser retained by the Committee. The Company shall provide for appropriate funding, as determined by the Committee, for payment of reasonable compensation to a compensation consultant, independent legal counsel or any other adviser retained by the Committee. Except as set forth below, the Committee may select a compensation consultant, legal counsel or other adviser to the Committee only after taking into consideration all factors relevant to such person's independence from management, including the following factors (it being understood that the Committee shall not be required to retain an independent adviser):
 - (a) the provision of other services to the Company by the person that employs the compensation consultant, legal counsel or other adviser;
 - (b) the amount of fees received from the Company by the person that employs the compensation consultant, legal counsel or other adviser, as a percentage of the total revenue of the person that employs the compensation consultant, legal counsel or other adviser;
 - (c) the policies and procedures of the person that employs the compensation consultant, legal counsel or other adviser that are designed to prevent conflicts of interest;
 - (d) any business or personal relationship of the compensation consultant, legal counsel or other adviser with a member of the Committee;
 - (e) any stock of the Company owned by the compensation consultant, legal counsel or other adviser; and
 - (f) any business or personal relationship of the compensation consultant, legal counsel, other adviser or the person employing the adviser with an executive officer of the Company.

Notwithstanding the foregoing, the Committee shall not be required to conduct the above-described independence analysis with respect to any compensation consultant, legal counsel or other adviser who is an in-house legal counsel or whose role is limited to the following activities for which no disclosure would be required under Item 407(e)(3)(iii) of SEC Regulation S-K: consulting on any broad-based plan that does not discriminate in scope, terms, or operation, in favor of executive officers or Trustees of the Company and that is available generally to all salaried employees; or, in the case of compensation consultants, providing information that either is not customized for the Company or that is customized based on parameters that are not developed by the compensation consultant, and about which the compensation consultant does not provide advice.

VI. MEETINGS

The Compensation Committee shall meet as often as may be deemed necessary or appropriate in its judgment and that of the Board, but no less than one (1) time per year. The Chairman or a majority of the members of the Compensation Committee may call meetings of the Committee, upon reasonable notice to all members of the Committee and otherwise in the manner provided for in the Company's Bylaws. The provisions set forth in the Company's Bylaws for meetings of the Board and its committees shall govern the quorum and voting requirements for all meetings of the Compensation Committee. Following each meeting, the Chairman of Compensation Committee shall report and, if appropriate, make recommendations to the Board at the next regularly scheduled Board meeting, or sooner, as circumstances may dictate.

VII. COMPENSATION

The Compensation Committee members shall be entitled to compensation for being members of the Compensation Committee as such fees are established from time to time by the Board in accordance with its Code of Governance. Each member of the Compensation Committee shall be entitled to be reimbursed for reasonable out-of-pocket expenses incurred by such member in attending meetings of the Compensation Committee and in performing his or her duties as a member of the Compensation Committee. No member of the Compensation Committee shall receive from the Company any compensation other than his or her fees for serving as a trustee and a member of the Compensation Committee or any other committee of the Board.

VIII. CONSISTENCY WITH DECLARATION OF TRUST

To the extent that any provision or section of this Charter may be inconsistent with any article, provision or section of the Amended and Restated Declaration of Trust or the Bylaws of the Company, the Amended and Restated Declaration of Trust or the Bylaws, as appropriate, shall fully control.

IX. CERTIFICATION

This Compensation Committee Charter was duly approved and adopted by the Board of the Company on the 9th day of April, 2010 and amended and restated effective on the 28th day of June, 2013.

/s/ Eric Kentoff

Secretary