

**CHATHAM LODGING TRUST**  
**NOMINATING & GOVERNANCE COMMITTEE CHARTER**

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

**I. ORGANIZATION**

The Governance Committee shall be a standing committee of the Board.

**II. COMPOSITION AND SELECTION**

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

The Board shall, upon recommendation of the Governance Committee, or acting without recommendation, (a) appoint members to the Governance Committee, (b) remove Governance Committee members when appropriate and (c) elect a Chairman of the Governance Committee. The members of the Governance Committee shall serve for one year or until their successors are duly elected and qualified.

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

**III. STATEMENT OF PURPOSE**

The Governance Committee is appointed by the Board (1) to assist the Board by identifying individuals qualified to become Board members consistent with criteria approved by the Board, to recommend to the Board the trustee nominees for the next annual meeting of shareholders, and to fill vacancies on the Board that may arise from time to time; (2) to oversee the governance of the Company including recommending to the Board (a) corporate governance guidelines (the “Corporate Governance Guidelines”) and (b) a code of business conduct and ethics (the “Code of Business Conduct and Ethics”) for the Company (and periodically reviewing and recommending revisions to the Corporate Governance Guidelines and/or Code of Business Conduct and Ethics); (3) to lead the Board in its annual review of the Board’s performance; and (4) to recommend to the Board trustee nominees for each committee.

**IV. COMMITTEE OBJECTIVES**

The Governance Committee’s objectives shall include serving as an independent and objective party to identify and nominate qualified candidates for trustee and board committee placement; nominating members for each of the Board’s committees; taking a leadership role in shaping the Company’s governance; and overseeing the evaluation of the Board and management.

## **V. COMMITTEE AUTHORITY AND RESPONSIBILITIES**

The Governance Committee shall have the sole authority to retain and terminate any search firm to be used to identify trustee candidates and shall have sole authority to approve the search firm's fees and other retention terms.

The Governance 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 Governance Committee shall have the authority to retain and compensate such advisors without seeking further approval and shall receive appropriate funding, as determined by the Governance Committee, from the Company to compensate such advisors.

The Governance 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 Governance Committee shall:

1. Review the size and composition of the Board, taking into account the Corporate Governance Guidelines;
2. Actively seek, identify and recommend to the Board individuals qualified to fill vacancies on the Board or any its committees as they occur, consistent with the Corporate Governance Guidelines and other criteria approved by the Board;
3. Recommend to the Board nominees for each of the Board's committees, including a Chairman of each committee;
4. Recommend to the Board prior to each annual meeting of shareholders a slate of nominees for election or reelection to the Board seats which are then up for election;
5. Consider suggestions for Board membership submitted by shareholders in accordance with the notice provisions and procedures set forth in the Company's Bylaws;
6. Make recommendations to the Board regarding tenure, classification, retirement and removal of trustees on the Board and its committees;
7. Receive comments from all trustees and report annually to the Board with an assessment of the Board's performance, to be discussed with the full Board following the end of each year; consider, discuss and recommend ways to improve the Board's effectiveness;
8. Annually review and reassess the adequacy of the Corporate Governance Guidelines of the Company and recommend any proposed changes to the Board for approval; consider changing conditions, new legislation, and other governance and related issues;

9. Review periodically the Company's Code of Business Conduct and Ethics and recommend any proposed changes to the Board for approval; evaluate the adequacy of the dissemination, operation and enforcement of the Code of Business Conduct and Ethics; evaluate the adequacy of the Company's conflict of interest policies when business opportunities arise that potentially may give rise to the appearance of impropriety; consider changing conditions, new legislation and other related issues;
10. Making initial determinations for recommendation to the Board as to whether each trustee or trustee candidate is independent for purposes of service on the Board and on the Board's committees; making initial determinations for recommendation to the Board as to whether an Audit Committee member or Audit Committee member-nominee is an "audit committee financial expert", as that term is determined from time to time in the rules and regulations promulgated by the Securities and Exchange Commission or the NYSE; and making initial determinations for recommendation to the Board as to whether each Audit Committee member or Audit Committee member candidate has the requisite financial knowledge to serve on the Audit Committee;
11. Review and reassess the adequacy of this Charter annually and recommend any proposed changes to the Board for approval;
12. Annually review its own performance;
13. Report to the Board on the Governance Committee's activities after each meeting of the Governance Committee;
14. Perform such other functions as the Board may request.

The selection and nomination process for individual candidates for membership on the Board or committees of the Board shall not apply to nominees selected (a) by a specified equity holder or group of equity holders pursuant to an agreement approved by the Board and (b) by the holders of any class of the Company's preferred shares of beneficial interest pursuant to the Company's Amended and Restated Declaration of Trust ("Declaration of Trust"), except to the extent required, or permitted and not inconsistent with, the agreement or Declaration of Trust, as the case may be.

## **VI. MEETINGS**

The Governance 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 Governance Committee may call meetings of the Governance Committee, upon reasonable notice to all members of the Governance 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 Governance Committee. Following each meeting, the Chairman of Governance 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 Governance Committee members shall be entitled to compensation for being members of the Governance Committee as such fees are established from time to time by the Board in accordance with its Governance Guidelines. Each member of the Governance Committee shall be entitled to be reimbursed for reasonable out-of-pocket expenses incurred by such member in attending meetings of the Governance Committee and in performing his or her duties as a member of the Governance Committee. No member of the Governance Committee shall receive from the Company any compensation other than his or her fees for serving as a trustee and a member of the Governance 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 Declaration of Trust or the Bylaws of the Company, the Declaration of Trust or the Bylaws, as appropriate, shall fully control.

## **IX. CERTIFICATION**

This Nominating & Governance Committee Charter was duly approved and adopted by the Board of the Company on the 9th day of April, 2010.

/s/ Peter Willis  
Secretary