



POLICY NO: CCHR-GOV-COM-CGN001	SUBJECT TITLE: Compensation, Governance and Nominations Committee Charter
EFFECTIVE DATE: November 2005	AUTHORIZED BY: Board of Directors REVISION DATES: August 2015, November 2016

I. PURPOSE

The purpose of the Compensation, Governance and Nominating Committee (the “Committee”) of the Board of Directors (the “Board”) of Chartwell Master Care Corporation (Chartwell Master Care Corporation and Chartwell Retirement Residences collectively referred to herein as “Chartwell”) is:

1. To discharge the responsibilities of the Board relating to compensation of Chartwell’s senior executives and directors;
2. To produce an annual report on executive compensation for inclusion in Chartwell’s Information Circular;
3. To conduct performance reviews on senior executives and to review and provide guidance on succession planning;
4. To identify individuals qualified to become Board members, consistent with criteria approved by the Board;
5. To oversee the organization of the Board to discharge the Board’s duties and responsibilities properly and effectively;
6. To ensure that Chartwell maintains a high standard of corporate governance; and
7. To perform such other duties and responsibilities as are enumerated in and consistent with this charter.

II. MEMBERSHIP AND PROCEDURES

1. Membership and Appointment. The Committee shall consist of at least three members of the Board consisting entirely of independent directors. The Board, upon the recommendation of the Chair of the Committee, shall appoint the members of the Committee.

2. Meetings and Procedures. The Committee will meet as often as may be deemed necessary or appropriate in its judgment, but in no event shall the Committee convene fewer than four times per year. The Committee may meet either in person or telephonically, and at such times and places as the Committee determines. The majority of the members of the Committee shall

be present to constitute a quorum for the transaction of business. The affirmative vote of a majority of Committee members is necessary for adoption of a resolution. The Committee shall report regularly to the full Board with respect to its activities. As a matter of practice, the Committee expects to discuss significant matters, as determined by the Committee, with the full Board prior to taking final action on such matters.

3. Removal. The entire Committee or any individual Committee member may be removed from office with or without cause by the affirmative vote of the majority of the Board. Any Committee member may resign upon giving oral or written notice to the Chairman of the Board, which resignation shall be effective at the time such notice is given (unless the notice specifies a later time for the effectiveness of such resignation). If the resignation of a Committee member is effective at a future time, the Board may elect or appoint a successor to take office when the resignation becomes effective.

4. Chairperson. A chairperson of the Committee (the "Chairperson") may be designated by the Board based upon recommendations by the Committee, if any. In the absence of such designation, the members of the Committee may designate the Chairperson by majority vote of the full Committee membership. The Chairperson shall determine the agenda, the frequency and length of meetings and shall have unlimited access to management and information. Such Chairperson shall establish such other rules, as may from time to time be necessary and proper for the conduct of the business of the Committee.

5. Secretary. The Committee may appoint a Secretary whose duties and responsibilities shall be to keep appropriate records of the proceedings of the Committee for the purposes of reporting Committee activities to the Board and to perform all other duties as may from time to time be assigned to him or her by the Committee, or otherwise at the direction of a Committee member. The Secretary need not be a director.

6. Independence. Each member shall be independent within the meaning of any applicable law or stock exchange listing standard or rule, as determined by the Board.

7. Delegation. The Committee may, by resolution passed by a majority of the Committee, designate one or more subcommittees, each subcommittee to consist of one or more members of the Committee. Any such subcommittee, to the extent provided in the resolutions of the Committee and to the extent not limited by applicable law or stock exchange listing standard, shall have and may exercise all the powers and authority of the Committee. Each subcommittee shall have such name as may be determined from time to time by resolution adopted by the Committee. Each subcommittee shall keep

regular minutes of its meetings and report the same to the Committee or the Board when required.

8. Outside Advisors. The Committee will have the authority to retain at the expense of Chartwell such outside consultants, counsel, and other experts and advisors as it determines is appropriate to assist it in the full performance of its functions, and to approve the consultant's fees and other retention terms.

III. ROLES AND RESPONSIBILITIES

The following shall be the common recurring duties and responsibilities of the Committee in carrying out its oversight functions. These duties and responsibilities are set forth below as a guide to the Committee with the understanding that the Committee may alter or supplement them as appropriate under the circumstances to the extent permitted by applicable law or stock exchange listing standard.

The Committee shall:

1. Review the leadership development and succession planning process for senior management positions and ensure that appropriate compensation, incentive and other programs are in place in order to promote such development.
2. Review and approve corporate goals and objectives relevant to the compensation of the President and Chief Executive Officer (the "CEO"), the Chief Financial Officer and Chief Investment Officer (the "CFO"), the Chief Operating Officer (the "COO"), the Chief Administrative Officer (the "CAO") and the Chief Legal Officer (the "CLO") (collectively the "Senior Executives") of Chartwell, evaluate their performance in light of those goals and objectives and, (a) in the case of Senior Executives other than the CEO, approve their annual compensation levels including salaries, bonuses, other incentive awards and long-term incentive awards ("Total Compensation") based on this evaluation, and (b) in the case of the CEO, recommend approval of his or her Total Compensation to the Board based on this evaluation. In addition, the Committee may, in its discretion, review and act upon management proposals to designate employees to receive Restricted Trust Unit ("RTU") grants and other bonuses and to be provided with the opportunity to acquire units pursuant to the Executive Unit Purchase Plan ("EUPP").
3. Review and approve employment agreements and severance for the Senior Executives and other executive officers, including change-of-control provisions, plans or agreements.

4. Make recommendations to the Board with respect to the hiring or termination of Senior Executives.
5. Make an annual report on executive compensation in Chartwell's Information Circular as required by the rules of the Ontario Securities Commission ("OSC").
6. Oversee the supervision and administration of Chartwell's EUPP and RTU plan and other service award programs and approve, amend, modify, interpret or ratify the terms of, or terminate, any such plan to the extent that such action does not require unit holder approval.
7. Monitor the effectiveness of non-equity based benefit plan offerings pertaining to executives, and will review and approve any new material employee benefit plan or change to an existing plan that creates a material financial commitment by Chartwell.
8. Review the compensation of directors for service on the Board and its committees and recommend to the Board the annual retainer and Chair fees and Board and Committee meeting fees.
9. Oversee an orientation and education program for new directors and ongoing educational opportunities for all directors.
10. Monitor compliance by executive officers and directors with Chartwell's unit ownership guidelines and periodically review such guidelines.
11. Annually assess the size and composition of the Board in light of the operating requirements of Chartwell and existing attitudes and trends.
12. Develop membership qualifications and criteria for the Board of Directors and all Board committees and monitor compliance with Board and Board committee membership criteria.
13. Annually review and assess the effectiveness of the Directors and Committees for continued service as required based on evolving needs of Chartwell and existing attitudes and trends.
14. Coordinate and assist management and the Board of Directors in recruiting new members to the Board.
15. Investigate suggestions for candidates for membership on the Board, including unit holder nominations, and shall recommend prospective directors, as required, to provide an appropriate balance of knowledge, experience, capability and diversity on the Board.

16. Annually review Chartwell's Board Renewal and Diversity Policy.
17. Identify best practices and develop and recommend corporate governance principles applicable to Chartwell.
18. Review proposed changes to Chartwell Retirement Residences' Declaration of Trust, Corporate Governance Guidelines, Board resolutions relating to ongoing governance and management of Chartwell and Board Committee charters, and make recommendations to the Board.
19. Assess periodically and recommend action with respect to unit holder rights plans or other unit holder protections.
20. Recommend Board committee assignments.
21. Review governance-related unit holder proposals and recommend Board responses.
22. Review disclosure made in the corporate governance sections of the annual proxy circular including the Statement of Corporate Governance Practices.
23. Oversee the annual evaluation of the Board, Committees, Directors and Senior Executives.
24. Report to the Board on its activities after each of its meetings.
25. Perform such other duties and responsibilities as are consistent with the purpose of the Committee and as the Board or the Committee deems appropriate.