



MAJORITY VOTING POLICY

I. PURPOSE

The Board of Trustees of Chartwell Retirement Residences (“Chartwell”) (the “Chartwell Trustees”) is elected by the unitholders of Chartwell (the “Unitholders”). The Board of Trustees of CSH Trust (“CSH Trustees”) is elected by the Chartwell Trustees, as directed by the Unitholders. The Board of Directors of Chartwell Master Care Corporation (the “Corporation”) (the “Board”), is elected by the Chartwell Trustees, as directed by the Unitholders, and is responsible for the stewardship of the business and affairs of the Corporation and of Chartwell, in the interest and for the benefit of the Unitholders.

The Chartwell Trustees believe that each trustee and Board member should have the confidence of the Unitholders, and to this end have adopted this Majority Voting Policy.

II. POLICY

1. Each Unitholder is entitled to vote for each Chartwell Trustee on an individual basis, direct the Chartwell Trustees to vote the units of CSH Trust held by Chartwell in favour of the election of CSH Trustees on an individual basis, and direct the Chartwell Trustees to cause the units of the Corporation to be voted in favour of the election of directors of the Board (a “nominee”), on an individual basis.
2. If the votes in favour of the election of a nominee represent less than a majority of the units of Chartwell voted and withheld, the nominee will promptly submit his or her resignation for the consideration of the Compensation, Governance and Nominating Committee of the Corporation (the “Compensation Committee”). The Compensation Committee will make a recommendation to the Chartwell Trustees after reviewing the matter, and the Chartwell Trustees’ decision to accept or reject the resignation offer will be disclosed to the public within 90 days. The nominee will not participate in any Compensation Committee or Chartwell Trustees deliberations on the resignation offer. If the tendered resignation is declined, full reasons for that decision will be included in a press release.
3. The policy does not apply in circumstances involving contested elections.