

## **Compensation Committee Charter**

**Updated and Approved as of November 7, 2018**

### **Status**

The Compensation Committee (the “Committee”) is a committee of the Board of Directors (“Board”) of Red Lion Hotels Corporation, doing business as RLH Corporation (the “Company”).

### **Membership**

The Committee shall consist of at least three members of the Board. The Board will appoint Committee members and the Committee chair on an annual basis, as soon as is practical following the annual meeting of shareholders of the Company. An individual may serve on the Committee only if the Board determines that the individual:

1. is a “Non-Employee Director” for purposes of Rule 16b-3 under the Securities Exchange Act of 1934, as amended (the “1934 Act”); and
2. is “independent” as that term is defined by the rules and listing standards of the Securities and Exchange Commission (SEC) and the New York Stock Exchange (NYSE), respectively.

The Board shall also have the right to remove and/or replace any member of the Committee from time to time in its discretion.

### **Purposes**

The purposes of the Committee are (i) to discharge the responsibilities of the Board relating to compensation of the Company’s Chief Executive Officer (“CEO”) and other executives and to recommend to the Board the compensation of Board members, and (ii) to produce an annual report on executive compensation for inclusion in the Company’s annual proxy statement that complies with applicable rules and regulations.

### **Responsibilities and Authority**

1. The Committee shall review and approve corporate goals and objectives relevant to CEO compensation and evaluate the performance of the CEO in light of those goals and objectives.
2. The Committee shall determine and report to the Board the compensation of the CEO based on this evaluation.
3. The Committee, after reviewing the applicable recommendations of the CEO, shall in consultation with the CEO, review and approve corporate goals and objectives relevant to compensation of other members of senior management, who are defined as each employee other than the CEO:

- a. who is an “officer” within the meaning of Section 16 of the 1934 Act or an “executive officer” for purposes of Item 401(b) of Regulation S-K;
  - b. whose compensation is required to be reported in the Company’s annual report or proxy statement;
  - c. who is designated by the CEO as the head of a division of the Company; or
  - d. who holds the title of “executive vice president.”
4. The Committee shall, in consultation with the CEO, evaluate the performance of the members of senior management in light of those goals and objectives, and determine and report to the Board their compensation.
5. The Committee shall, in consultation with the CEO, on an annual basis, review the compensation of all other members of management with titles of senior vice president or above.
6. The Committee shall, in consultation with the CEO, evaluate and approve or disapprove the proposed appointment of any other member of senior management prior to his or her hire, and report the Committee’s approval or disapproval of such appointment to the Board.
7. The Committee shall annually review and make recommendations to the Board with respect to director compensation and benefits in accordance with the Company’s Corporate Governance Guidelines.
8. The Committee shall make recommendations to the Board regarding adoption of, or any material change to, any equity-based compensation plan of the Company or any incentive compensation plan of the Company applicable to the CEO or members of senior management.
9. The Committee shall administer the Company’s incentive compensation plans and equity-based compensation plans.
10. To the extent the Board is required by applicable law or regulation or the terms of existing plans to approve changes in any 401(k), pension or deferred compensation plan of the Company, the Committee shall review and recommend such changes to the Board.
11. The Committee shall oversee the Company’s compliance with SEC rules and regulations regarding shareholder approval of certain executive compensation matters, including advisor votes on executive compensation and the frequency of such votes, and the requirement under NYSE rules that, with limited exceptions, shareholders approve equity compensation plans.
12. The Committee shall have the sole authority to retain and terminate (or obtain the advice of) any adviser to assist it in the performance of its duties, but only after taking into consideration all factors relevant to the adviser’s independence from management,

including those specified in Section 303A.05(c) of the NYSE Listed Company Manual. The Committee shall be directly responsible for the appointment, compensation and oversight of the work of any adviser retained by the Committee, and shall have sole authority to approve the adviser's fees and the other terms and conditions of the adviser's retention. The Company must provide for appropriate funding, as determined by the Committee, for payment of reasonable compensation to any adviser retained by the Committee.

13. The Committee shall review executive compensation disclosure with management, including the Company's disclosure under "Compensation Discussion and Analysis" in the Company's proxy statement.
14. The Committee shall prepare the annual compensation committee report for inclusion in the Company's annual proxy statement in accordance with the applicable rules and regulations of the SEC.
15. The committee shall conduct an annual performance self-evaluation of the Committee.

In determining any long-term incentive component of the compensation of the CEO and senior management, the Committee may consider: (1) the Company's performance and relative shareholder return; (2) the value of similar incentive awards to chief executive officers and senior management at comparable companies; and (3) any such awards given to these individuals in past years.

### **Meetings**

The Committee shall meet at least annually, and at such other times as it deems necessary to fulfill its responsibilities. The Committee shall promptly inform the Board of the actions taken or issues discussed at its meetings. This will generally take place at the Board meeting following a Committee meeting.

### **Retention of Independent Counsel**

The Committee shall have the right to retain independent counsel if the Committee determines this is necessary or advisable in carrying out its duties. The Company will provide for appropriate funding, as determined by the Committee, for payment of compensation to any such independent counsel.