

**LTC PROPERTIES, INC.**  
**CORPORATE GOVERNANCE GUIDELINES**

**I. BOARD COMPOSITION**

A. Size of the Board. The Company's Bylaws provide that the Board will not be less than 3 nor more than 9 directors. The Board will periodically review the appropriate size of the Board.

B. Majority of Independent Directors. It is the intention of the Board that a majority of the directors will not be current employees of the Company and will otherwise meet appropriate standards of independence. The Board will review Director independence on an annual basis. In determining independence, the Board will consider the definition of independence in the regulations of the Securities and Exchange Commission and the Internal Revenue Service as well as other factors that will contribute to effective oversight and decision-making by the Board. In addition, the Board has adopted the following independence standards as defined in the New York Stock Exchange listing standards:

- A Director who is, or has been within the last three years, an employee of the Company, or whose immediate family member is, or has been within the last three years an executive officer of the Company may not be deemed independent. Employment as an interim Chairman or Chief Executive Officer will not disqualify a Director from being considered independent following that employment.
- A Director who has received, or who has an immediate family member who has received, during any twelve-month period within the last three years, more than \$120,000 in direct compensation from the Company, other than director and committee fees and pension or other forms of deferred compensation for prior service (provided such compensation is not contingent in any way on continued service), may not be deemed independent. Compensation received by a Director for former service as an interim Chairman or Chief Executive Officer and compensation received by an immediate family member for service as a non-executive employee of the Company will not be considered in determining independence under this test.
- A Director who is, or whose immediate family member is, a current partner of a firm that is the Company's external auditor; (B) a Director who is a current employee of such a firm; (C) a Director who has an immediate family member who is a current employee of such a firm and who participates in the firm's audit, assurance or tax compliance (but not tax planning) practice; or (D) a Director who was, or whose immediate family member was, within the last three years (but is no longer) a partner or employee of such a firm and personally worked on the Company's audit within that time may not be deemed independent.
- A Director who is, or whose immediate family member is, or has been within the last three years, employed as an executive officer of another company where any of the Company's present executive officers at the time serves or served on that company's compensation committee may not be deemed independent.

- A Director who is a current employee or whose immediate family member is a current executive officer of a company that has made payments to, or received payments from, the Company for property or services in an amount which, in any of the last three fiscal years, exceeds the greater of \$1 million or 2% of such other company's consolidated gross revenues, may not be deemed independent.

For purposes of these guidelines, the terms:

- “affiliate” means any consolidated subsidiary of the Company and any other Company or entity that controls, is controlled by or is under common control with the Company, as evidenced by the power to elect a majority of the board of directors or comparable governing body of such entity;
- “executive officer” means an “officer” within the meaning of Rule 16a-1(f) under the Securities Exchange Act of 1934; and
- “immediate family” means spouse, parents, children, siblings, mothers- and fathers-in-law, sons- and daughters-in-law, brothers- and sisters-in-law and anyone (other than employees) sharing a person's home, but excluding any person who is no longer an immediate family member as a result of legal separation or divorce, or death or incapacitation.

C. Management Directors. The Board anticipates that the Company's Chief Executive Officer (“CEO”) will be nominated annually to serve on the Board. The Board may also appoint or nominate other members of the Company's management whose experience and role at the Company are expected to help the Board fulfill its responsibilities.

D. Chair; Lead Independent Director. The Board will periodically appoint a Chair. Both independent and management directors, including the CEO, are eligible for appointment as the Chair. The Chair, or if the Chair is not an independent director, one of the independent directors, may be designated by the Board to be the “lead independent director.” The lead independent director shall have the responsibilities and duties as requested by the Board or by independent directors. The lead independent director, or if no director is so designated, then another independent director designated in accordance with Section II.C will periodically, and no less frequently than annually, schedule and conduct separate meetings of the independent directors only, and perform various other duties.

E. Selection of Board Nominees. The Board will be responsible for the selection of candidates for the nomination or appointment of all Board members. The Nominating and Corporate Governance Committee shall, in consultation with the CEO, recommend candidates for election to the Board. The Nominating and Corporate Governance Committee considers recommendations for Board candidates submitted by stockholders using the same criteria it applies to recommendations from Committee members, Directors and members of management. Stockholders may submit recommendations in writing addressed to the Nominating and Corporate Governance Committee at the Company's corporate address.

F. Board Membership Criteria. The Board encourages selection of directors who will contribute to the Company's overall corporate goals of responsibility to its shareholders. The Nominating and Corporate Governance Committee may, at the request of the Board from time to time, review the appropriate skills and characteristics required of Board members in the context of the current makeup of the Board. Board members are expected to prepare for, attend and participate in meetings of the Board and of committees on which they serve.

G. Directors Who Change Job Responsibility; Retirement. The Board does not believe directors who retire or change their principal occupation or business association should necessarily leave the Board; however, there should be an opportunity for the Board, through the Nominating and Corporate Governance Committee, to review the continued appropriateness of the Board membership under these circumstances. The Board does not believe that a fixed retirement age for directors is appropriate.

H. Director Orientation and Continuing Education. The Board has delegated to the Nominating the Corporate Governance Committee the task of designing, with Company management, an appropriate orientation program for new directors that includes background material, meetings with senior management and visits to the Company's offices and properties. The Committee also explores, makes available and designs and provides continuing education opportunities for directors, from time to time.

I. Communication with Board or Committees. Stockholders and other interested parties are invited to communicate to the Board, its committees, the independent directors as a group, or the presiding director by addressing the communication to the Audit Committee Chairman of LTC Properties, Inc. at 2829 Townsgate Road, Suite 350, Westlake Village, California 91361.

## **II. BOARD MEETINGS**

A. Scheduling of Full Board Meetings and Attendance. Board meetings will be scheduled in advance, ordinarily for a full day at the Company's principal executive office. The Annual Meeting Date will be scheduled by the Board in accordance with applicable rules and regulations regarding such meetings and taking into consideration each Member's availability. It is the Company's expectation that all Board members attend in person or by phone each scheduled Board meeting, Committee meeting and Annual Meeting.

B. Agenda and Materials. The CEO will have primary responsibility for preparing the agenda for each meeting and arranging for it to be sent in advance of the meeting to the directors along with appropriate written information and background materials so that Board meeting time may be conserved and discussion time focused on questions that the Board has about the materials. Each Board committee, and each individual director, is encouraged to suggest items for inclusion on the agenda. The Board reserves authority to meet in executive sessions to discuss sensitive matters without distribution of written materials.

C. Independent Directors Discussions. It is the intention of the Board that the independent members of the Board meet separately without management directors at least once per year to discuss such matters as the independent directors consider appropriate. If no lead independent director has been appointed by the Board, the designation of the presiding director at each Independent Directors' meeting will rotate among the Chairmen of each Board committee. The Company's independent auditors, finance staff and other employees may be invited to attend these meetings.

D. Board Presentations and Access to Information. The Board encourages the presentation at meetings by managers who can provide additional insight into matters being discussed or who have potential that the CEO believes should be given exposure to the Board. The Company's executive management will afford each Board member access to the Company's employees and the outside auditors. The Board encourages management to arrange presentations at Board meetings by the Company's managers and provide other reports that will enhance the flow of meaningful financial and business information to the Board.

### **III. BOARD COMMITTEES**

A. Committees. The current three committees of the Board are the Audit Committee, Compensation Committee and the Nominating and Corporate Governance Committee. From time to time the Board may establish a new committee or disband a current committee depending upon the circumstances.

B. Committee Member Selection. The Board will designate the members and Chair of each committee, endeavoring to match the committee's function and needs for expertise with individual skills and experience of the appointees to the committee. The membership of the Audit, Compensation and Nominating and Corporate Governance Committees shall consist solely of independent directors (for the Audit and Compensation Committees the members shall also meet applicable criteria for independence under NYSE and SEC rules applicable to such committees). If any member of the Audit Committee simultaneously serves the audit committees of more than three public companies, the Board shall make a determination that such service would not impair the ability of such member to effectively serve on the Company's Audit Committee before such member shall be permitted to serve on the Audit Committee.

C. Committee Functions. The number and content of committee meetings and other matters of committee governance will be determined by each committee in light of the authority delegated by the full Board to the committee, the committee's charter, if any, approved by the Board, and legal, regulatory, accounting or governance principles applicable to that committee's function. The Company will provide to each committee access to employees and other resources to enable committee members to carry out their responsibilities. The full authority and responsibilities of each committee is fixed by resolution of the full Board and the committee's charter, if any. The following is a brief summary of the authority of each committee:

1. Audit Committee. Review the Company's financial procedures and controls; monitor financial reporting and select and meet with independent auditors.
2. Compensation Committee. Review and approve compensation arrangements for the Company's executive officers and awards under employee benefit plans, including the Company's Stock Option Plans.

3. Nominating and Corporate Governance Committee. In consultation with the CEO, recommend to the full Board, candidates for election to the Board. Review and make recommendations to the full Board, changes in these Corporate Governance Guidelines.

#### **IV. BOARD COMPENSATION**

A. Board Compensation. The form and amount of director compensation shall be determined by the Nominating and Corporate Governance Committee in accordance with the principles set forth in these Corporate Governance Guidelines and in the Nominating and Corporate Governance Committee Charter. The Nominating and Corporate Governance Committee shall consider that directors' independence may be jeopardized if director compensation and perquisites exceed customary levels.

B. Indirect Compensation. In determining the form and amount of director compensation and a director's independence, the Nominating and Corporate Governance Committee and the Board shall evaluate substantial charitable contributions to organizations with which a director is affiliated, or consulting contracts with (or provides other indirect forms of compensation to) a director or an organization with which the director is affiliated.

#### **V. ANNUAL PERFORMANCE EVALUATION**

A. Annual Performance Evaluation. Under the coordination and oversight of the Nominating and Corporate Governance Committee, the Board shall conduct an annual self-evaluation to determine whether it and its committees are functioning effectively. The Board should discuss each evaluation to determine what, if any, actions should be taken to improve the effectiveness of the Board or any of its committees.

#### **VI. MANAGEMENT RESPONSIBILITY**

A. Management Succession and Development Planning. The CEO will review with the Board, succession and development plans for senior executive officers. The Board may from time to time ask the Compensation Committee to undertake specific reviews concerning management succession planning. In addition, the Board and the CEO periodically discuss on a continuing basis the CEO's recommendation as to a successor in the event of the sudden resignation, retirement or disability of the CEO.

B. Financial reporting, Legal Compliance and Ethical Conduct. The Board's governance and oversight functions do not relieve the Company's executive management of its primary responsibility for preparing financial statements, which accurately and fairly present the Company's financial results and condition. Executive compliance with legal and regulatory requirements and the ethical conduct of the Company's business.

C. Corporate Communications. The Board believes that executive management has the primary responsibility to communicate with investors, the press, employees and other constituencies that are involved with the Company, and to set policies for those communications.

## VII. STOCK OWNERSHIP GUIDELINES

A. Stock Ownership Guidelines. The company requires a minimum stock ownership of its executive officers and directors. The stock ownership guidelines value includes common, preferred or restricted stock but not unexercised stock options. The stock ownership guidelines will be reviewed at the Nominating and Corporate Governance Committee meeting held in conjunction with the Annual Meeting of Shareholders.

<b>Title</b>	<b>Guidelines</b>	<b>Achievement</b>
Chairman/CEO	6x base salary	Three years from the date of hire, promotion or appointment to achieve targeted level of ownership.
EVP	3x base salary	
Independent Directors	5x annual retainer	Five years from date of election to achieve targeted level of ownership.

*Ratified May 30, 2018*