FELCOR LODGING TRUST

CORPORATE GOVERNANCE GUIDELINES

Introduction. The Board of Directors (the "Board") of FelCor Lodging Trust Incorporated (the "Company") is elected by the stockholders of the Company to serve their interests through oversight of the Company's management and business. The primary responsibility of the Directors is to exercise their business judgment to act in what they reasonably believe to be the best interests of the Company and its stockholders. The Board, acting on the recommendation of its Governance Committee, has developed and adopted these corporate governance principles, or guidelines, to promote the functioning of the Board and its committees, to promote the interests of stockholders and to set forth a common set of expectations as to how the Board, its various committees and individual Directors should perform their functions.

Board Composition. The composition of the Board should balance the following goals:

- The size of the Board should facilitate substantive discussions of the whole Board in which each Director can participate meaningfully;

- The composition of the Board should encompass a broad range of skills, expertise, industry knowledge, diversity of opinion, board tenure and contacts relevant to the Company's business; and

- A majority of the members of the Board must meet the criteria for independence required by the New York Stock Exchange ("NYSE") and the Securities and Exchange Commission ("SEC").

Selection of Directors. The Governance Committee is responsible for reviewing with the Board, on an annual basis, the requisite skills and characteristics required for new Board members, as well as the composition, tenure and size of the Board as a whole. This assessment will include a review of (1) members' qualifications as independent, as well as consideration of a potential candidate's experience, areas of expertise and other factors relative to the overall composition of the Board, (2) the continued appropriateness of Board membership for each individual Director due to a change in circumstances from when he or she was elected to the Board or for other reasons, and (3) in the case of incumbent Directors, his or her performance as a Director under these guidelines. The Board believes that Directors with varying tenures ensure an appropriate mix of in-depth knowledge of the Company and its operations and fresh ideas and viewpoints. Director tenure does not correlate to Director independence.

Nominees for Directors will be recommended by the Governance Committee to and for selection by the full Board in accordance with the policies and principles in the charter of that committee. The Governance Committee should consider the following criteria in nominees for Directors, among other criteria it may otherwise consider appropriate:

- Personal qualities and characteristics, skills, expertise, accomplishments and reputation in the business community;

- Current knowledge and contacts in the Company's industry or other industries relevant to the Company's business;

- Ability and willingness to commit adequate time to Board and committee matters; and

- The fit of the individual skills and personality with those of other Directors and potential Directors in building a Board that is effective, collegial and responsive to the needs of the Company.

In order to comply with applicable rules, Directors should advise the Chairman of the Board (the "Chairman") and the Chairman of the Governance Committee in advance of accepting an invitation to serve on another public company board or any assignment to the audit committee or compensation committee of the board of directors of any public company of which such Director is a member. Directors who are executive officers of the Company may serve on the boards of directors of no more than three public companies, including the Board. Other directors should not serve on more than six public company boards of directors, including the Board. Directors are expected to report changes in their business or professional affiliations or responsibilities, including retirement, to the Chairman and the Chairman of the Governance Committee. A Director should offer to resign if the Governance Committee concludes that the Director no longer meets the requirements for service on the Board.

The Board does not believe it should establish term limits. While term limits could help ensure that there are fresh ideas and viewpoints available to the Board, they hold the disadvantage of losing the contribution of Directors who have been able to develop, over a period of time, increasing insight into the Company and its operations and, therefore, provide an increasing contribution to the Board over time. As an alternative to term limits, the Governance Committee considers each Director's individual tenure, performance and contributions annually, concurrently with the Board's self-evaluation, including a review of Director tenure. This also allows the Board, through the Governance Committee, to consider the appropriateness of each Director's continued service.

Any nominee for Director not elected by the vote required in the Company's Bylaws and who is an incumbent Director shall promptly tender his or her resignation to the Board for consideration. The Governance Committee will make a recommendation to the Board as to whether to accept or reject the tendered resignation, or whether other action is recommended, taking into account any factors or other information that they consider appropriate and relevant, including the circumstances that led to the failed election, if known. The Board will act on the tendered resignation within 90 days following certification of the stockholder vote resulting in the failed election and will promptly disclose its decision and rationale as to whether to accept the resignation (or the reasons for rejecting the resignation, if applicable) in a press release, filing with the SEC or by other public announcement, which may include a posting on the Company's website. No Director who tenders his or her resignation pursuant to this guideline shall participate in the

Governance Committee recommendation or Board action with respect to his or her resignation. Notwithstanding the foregoing, if no nominee for Director receives the vote required in the Company's Bylaws, the Governance Committee shall make a final determination as to whether the Company shall accept any or all resignations, including those resignations from the members of that committee. If a Director's resignation is not accepted by the Board or the Governance Committee, that Director shall continue to serve as a Director with no limitations, but shall be required to stand for re-election by the Company's stockholders at their next annual meeting. If a Director's resignation is accepted by the Board or the Governance Committee pursuant to this guideline, or if a nominee for Director is not elected and is not an incumbent Director, the Board may fill the resulting vacancy or decrease the size of the Board pursuant to the Company's Bylaws.

Selection of Chairman and CEO; Lead Director. The Board shall elect annually a Chairman and the officers of the Company. The Chairman and the Chief Executive Officer should be different individuals, other than as necessary on a temporary interim basis during a search for a new individual to fill either position. The Chairman may be an employee or a member of the management of the Company, in the discretion of the Board. The Board selects the Chief Executive Officer and Chairman in the manner that it determines to be in the best interests of the Company's shareholders. The Board does not have a policy as to whether the Chairman should be an Independent Director, an affiliated Director or a member of management.

When the Chairman is an affiliated Director or a member of management, the Directors will appoint a Lead Director in accordance with the Charter of the Lead Director. The Lead Director will have the duties and responsibilities set forth in that charter. Director Responsibilities. The basic responsibility of the Directors is to exercise their business judgment to act in what they reasonably believe to be the best interests of the Company and its stockholders and in a manner consistent with their statutory duties.

In discharging their responsibilities, Directors are entitled to rely on the honesty and integrity of the Company's senior executives and its outside advisors and auditors.

In considering the best long-term and short-term interests of the Company, Directors may consider the needs of employees, suppliers and customers of the Company and its subsidiaries, communities in which the Company and its subsidiaries conduct business and other pertinent factors in addition to fulfilling its obligations for increasing stockholder value.

The proceedings and deliberations of the Board and its committees are confidential. Each Director shall maintain the confidentiality of information received in connection with his or her service as a Director.

Board Meetings. Directors are expected to attend Board meetings and meetings of Board committees on which they serve, to spend the time needed to discharge their Board duties in a reasonable manner, and to meet as frequently as necessary to properly discharge their responsibilities.

Information and data that are important to the Board's understanding of the business to be conducted at a Board or committee meeting should generally be distributed in writing to the Directors before the meeting to the extent practicable, except when such material is too sensitive to be put in writing. Directors should review these materials in advance of the meeting. An agenda should be provided in advance for each Board meeting, and any Director may suggest the inclusion of items on the agenda. Any Director also may raise at any Board meeting subjects that are not on the agenda for that meeting.

Prior to the beginning of each fiscal year, the Board should establish a schedule of regular meetings of the Board during the year. During at least one Board meeting each year, the Board will review management's annual budgets and progress made with respect to executing the Company's long-term strategy.

Non-management Directors shall meet in regularly convened executive sessions without management participation. These sessions will be chaired by the Chairman, unless the Chairman is an employee or a member of the management of the Company, in which case, these sessions will be chaired by the Lead Director. The Company's annual proxy statement should contain all disclosures required in this regard by NYSE rules. If the group of non-management Directors includes Directors that are not independent under NYSE and SEC rules, the Company should schedule an executive session including only independent Directors at least once a year.

<u>Board Committees</u>. The Board at all times will have three standing committees: an Audit Committee, a Compensation Committee and a Governance Committee. All of the members of these committees must satisfy the criteria set forth in the relevant committee charter. The Board, from time to time, may establish or maintain additional committees as necessary or appropriate. Committee members will be appointed by the Board upon recommendation of the Governance Committee with consideration of the interests of individual Directors taken into account.

Each standing committee will have its own charter, as approved by the Board. The charter for each standing committee will set forth the purposes and responsibilities of the committee, as well as qualifications for committee membership, procedures for committee member appointment and removal, committee structure and operations and committee reporting to the Board.

The chairperson of each committee, in consultation with the committee members, will determine the frequency and length of the committee meetings consistent with any requirements set forth in the committee's charter. An agenda should be provided for each committee meeting, and any committee member may suggest items for conclusion. Each committee member also may raise at any committee meeting subjects that are not on the agenda for that meeting.

<u>Director Access to Officers, Employees and Independent Advisors</u>. Directors have full and free access to officers and employees of the Company. Any meetings or contacts that a Director wishes to initiate may be arranged through the Chief Executive Officer or the Secretary or directly by the Director. The Directors will use their judgment to ensure that any such contact is not disruptive to the business operations of the Company. Management will be responsive to requests for access

or information from Directors. Senior officers of the Company may be invited to attend Board meetings.

Independent Advisors. The Board and each committee may hire independent legal, financial, or other advisors as they may deem necessary, at the Company's expense, without consulting with or obtaining the approval of any officer of the Company in advance.

Director Compensation and Expenses. The form and amount of Director compensation should be reviewed periodically by the Compensation Committee in accordance with its charter. Except as otherwise determined by the Board or the Compensation Committee, Director compensation should generally be paid in shares of the Company's common stock pursuant to one or more of the Company's equity compensation plans. Directors shall be reimbursed for reasonable out-of-pocket expenses incurred in connection with his or her service on the Board.

Director Orientation and Continuing Education. At such time as a Director joins the Board, the Board and the Chief Executive Officer will provide appropriate orientation for the Director, including arrangement of meetings with management. Directors may participate in continuing education opportunities to the extent deemed beneficial to the Company and will be reimbursed for reasonable related expenses.

Minimum Stock Ownership Expectations for Directors. Directors are expected to accumulate shares of the Corporation's common stock worth at least four times the amount of the annual retainer for independent Directors (when compliance is tested) within five years of commencing Board service and to hold shares worth at least that much for the remainder of their tenure on the Board.

CEO Evaluation. The Compensation Committee and the Governance Committee, together, will conduct an annual review of the Chief Executive Officer's performance. The non-management members of the Board, meeting in executive session, will review the committees' joint report to ensure that the Chief Executive Officer is providing the best leadership for the Company in the long- and short-term.

Management Succession. The Governance Committee should make an annual report to the Board on Chief Executive Officer succession planning, including policies regarding succession in the event of an emergency or retirement of the Chief Executive Officer. As appropriate, the entire Board will work with the Governance Committee to nominate and evaluate potential successors to the Chief Executive Officer. The Chief Executive Officer should make available his or her recommendations and evaluations of potential successors, along with a review of any development plans recommended for such individuals.

Code of Business Conduct and Ethics. The Company has a Code of Business Conduct and Ethics. The rules set forth in the Code are applicable to all employees and Directors. The Code addresses several areas, including compliance with law, conflicts of interest, confidentiality of information, protection and proper use of the Company's assets and the reporting of any illegal or unethical behavior. Each Director is expected to be familiar with and follow the Code.

Prohibition on Hedging of the Company's Shares. Pursuant to the Company's Insider Trading and Disclosure Policy, Directors, officers and all employees are prohibited from engaging in any type of hedging transaction with respect to the Company's equity securities, including pledging shares, short-selling, options, puts and calls, as well as derivatives, such as swaps, forwards and futures.

Stockholder Rights Plans. The Board of Directors will not adopt a stockholder rights plan unless either (i) the Company's stockholders approve the plan before it is adopted by the Board of Directors or (ii) the plan by its terms provides that, unless the plan is ratified by action of the stockholders of the Company within 12 months of the plan being adopted, the plan will terminate 12 months after being adopted.

Board Interaction with Investors, Media and Others. As a general matter, management speaks for the Company. If comments from the Board are appropriate, they should, in most circumstances, come from the Chairman or Lead Director. If a Director is contacted by the media regarding the Company, he or she should direct the media to contact the Chief Executive Officer. The Chief Executive Officer, and senior management designated by the Chief Executive Officer, speak for the Company. Directors may, from time to time, meet or otherwise communicate with various constituencies that are involved with the Company, but such communication should occur with the prior knowledge and, in most instances, at the request, of the Board and/or the Chief Executive Officer.

Communications to the Board. The Company's security holders and other interested parties may have, from time to time, the desire or need to communicate their concerns about the Company and its business and affairs to the Board, to the Chairman (unless the Chairman is an employee or a member of the management of the Company, in which case, the Lead Director) or to the non-management Directors as a group. The Company's process for these communications will be as follows:

1. Any communication that a security holder or other interested party desires to send to the Board, the Chairman (or the Lead Director, if applicable) or the non-management Directors as a group should be in the form of written correspondence addressed and mailed to the Board c/o FelCor Lodging Trust Incorporated, 545 E. John Carpenter Freeway, Suite 1300, Irving, Texas 75062-3933, Attention: Secretary;

2. The communication should indicate whether it is intended for the entire Board, the Chairman (or the Lead Director) or the non-management Directors as a group;

3. The General Counsel will forward all such correspondence to the Chairman (or the Lead Director, if applicable), who will determine what action, if any, will be taken concerning the correspondence and its contents. Such actions may include forwarding the correspondence, or a summary of it, to all Directors, to the non-management Directors or to the chairperson of a Board committee; and

4. If the number of letters being received through the foregoing process becomes excessive, the Board may consider approving a process for review, organization and screening of the correspondence by the General Counsel or other

appropriate person.

Annual Performance Evaluation. The Board will conduct an annual self-evaluation developed by the Governance Committee to determine whether it, its committees and individual Directors are functioning effectively. The Governance Committee will report to and discuss annually with the full Board an assessment of the Board's, each committee's and each Director's performance, based on the results of the self-evaluation and other available information. The assessment will focus on the Board's contribution to the Company and on areas in which Directors believe that the Board could improve.

Amendment, Modification and Waiver. These guidelines may be amended, modified or waived by the Board, and waivers of these guidelines may also be granted by the Governance Committee, subject to applicable rules and requirements of the SEC and the NYSE.

Disclosure of Guidelines. These guidelines will be disclosed as required by applicable rules of the NYSE and SEC.

As Approved by
the Board of Directors
through October 27, 2016