

**UDR, INC.**  
**CHARTER OF THE GOVERNANCE COMMITTEE**

Adopted December 26, 2017

**PURPOSE AND AUTHORITY**

The Governance Committee ("Committee") is appointed by the Board of Directors ("Board") (1) to develop and recommend to the Board the corporate governance guidelines applicable to the Company; (2) to lead the Board in its annual review of the Board's performance; (3) to ensure an assessment of each committee is conducted annually; and (4) to oversee the evaluation of the Board.

The Committee shall have the authority to obtain advice and assistance from internal or external legal, accounting or other advisors. The Company will provide appropriate funding, as determined by the Committee, for payment of the fees and expenses incurred by the Committee, including fees and expenses of any legal or other advisor. The Committee may request any officer or employee of the Company or the Company's outside counsel or independent auditor to attend a meeting of the Committee or to meet with any members of, or consultants to, the Committee. In addition, in discharging its duties and responsibilities the Committee shall have full access to any applicable records of the Company.

The Committee shall also undertake those specific duties and responsibilities listed below and such other duties as the Board may from time to time prescribe.

**COMPOSITION OF COMMITTEE**

The Committee shall consist of three or more members, each of whom is determined by the Board to be "independent" in accordance with the rules of the New York Stock Exchange ("NYSE").

The members of the Committee and its Chairperson shall be appointed annually by the Board, on the recommendation of the Committee, and will serve at the Board's discretion. Committee members may be removed from the Committee by the Board at any time, with or without cause, and any vacancies will be filled through appointment by the Board. If the Board does not designate a Chairperson of the Committee, the members of the Committee, by a majority vote, may designate a Chairperson.

In the event that the Chairman of the Board is "independent" in accordance with the rules of the NYSE and is not a member of the Committee, the Chairman of the Board will be an ex-officio member of the Committee, will be entitled to attend all meetings of the Committee, and shall have voting rights in case of a tie vote. In the event that the Chairman of the Board is not "independent" and the Lead Independent Director is not a member of the Committee, then the Lead Independent Director will be an ex-officio member of the Committee, will be entitled to attend all meetings of the Committee, and shall have voting rights in case of a tie vote.

If the Chairperson is not present, the members may designate an acting Chairperson by majority vote of the membership present.

## **DUTIES AND RESPONSIBILITIES**

The Committee shall report, at least annually, to the Board. Further, the Committee shall:

1. Oversee the evaluation of the Board and report at least annually to the Board with an assessment of the Board's performance.
2. Periodically review director orientation and continuing education programs and make recommendations to the Board regarding such programs.
3. Develop and recommend to the Board a set of corporate governance principles through the Statement on Corporate Governance and review and reassess the adequacy of the Statement on Corporate Governance at least annually and recommend any proposed changes to the Board for approval.
4. Review any director resignation that is made in accordance with the director resignation policy set forth in the Statement on Corporate Governance, unless all of the members of the Committee have tendered their resignation in accordance with such policy, and make a recommendation to the Board regarding whether the director's resignation should be accepted by the Board.
5. Review the Company's Policy and Procedures with Respect to Related Party Transactions at least annually and recommend any amendments for consideration by the Board.
6. Review and revise the Company's Executive Stock Ownership Guidelines and Director Ownership Guidelines, as necessary.
7. Review and reassess the adequacy of this Charter annually and recommend any proposed changes to the Board for approval.
8. Ensure an assessment is conducted annually on each committee of the Board.
9. Review its own performance at least annually.

## **MEETINGS**

The Committee will meet as often as necessary to carry out its duties. The Chairman of the Board of Directors, or if the Chairman of the Board is not "independent," then the Lead Independent Director, or any Committee member may call meetings of the Committee. All meetings may be held telephonically. The Committee may establish its own schedule and notify the Board.

The Committee may form subcommittees for any purpose that the Committee deems appropriate and may delegate to such subcommittees such power and authority as the Committee deems appropriate; provided, however, that no subcommittee shall consist of fewer than two members; and provided further that the Committee shall not delegate to a subcommittee any power or authority required by any law, regulation or listing standard to be exercised by the Committee as a whole.

## **MINUTES**

The Committee will maintain written minutes of its meetings, which minutes will be filed with the minutes of the meetings of the Board.