

CUBESMART

Corporate Governance Guidelines

Overview

The following Corporate Governance Guidelines have been adopted as guidelines and principles for the conduct of the Board of Trustees (the “Board”) of CubeSmart (the “Company”). They reflect the Board’s commitment to monitoring the effectiveness of decision-making at the Board and management level and ensuring adherence to good corporate governance principles, all with a goal of enhancing shareholder value over the long term. These guidelines and principles are intended to serve as a flexible framework within which the Board may conduct its business and not as a set of legally binding obligations.

These Corporate Governance Guidelines are statements of policy and are not intended to supersede or interpret any federal or state law, rule or regulation or the Company’s declaration of trust or bylaws, and are in addition to any other policies or codes adopted by the Board from time to time.

Trustee Responsibilities and Qualifications

General Responsibilities

1. The Board, which is elected by the shareholders, is the ultimate decision-making body of the Company, except with respect to those matters reserved to the shareholders by law or pursuant to the Company’s declaration of trust and/or bylaws. The Board will have the following general responsibilities:

- supervising and directing the business and affairs of the Company in the interest, and for the benefit, of the Company’s shareholders in order to enhance shareholder value over the long term;
- exercising its business judgment to act in a manner which it reasonably believes to be in the best interests of the Company and its shareholders consistent with its fiduciary duties;
- reviewing and approving the Company’s major strategic, financial and business objectives, plans and actions;
- establishing policies and principles for the selection, and possible succession planning, of Trustees, the Chief Executive Officer (“CEO”) and other senior management officers; and
- assessing major risks facing the Company and reviewing options for their mitigation.

2. Trustees are expected to adhere to a high ethical standard in performing and carrying out their duties and responsibilities for the Company. In particular, Trustees are

expected to comply with these Corporate Governance Guidelines and the Company's Code of Business Conduct and Ethics as in effect from time to time.

General Qualifications

3. The Board places a high priority on the vitality and experience of its Board and in the discharge of its responsibilities. The Corporate Governance and Nominating Committee will identify and recommend to the Board candidates for Trustees in accordance with the policies and procedures established by the Corporate Governance and Nominating Committee from time to time. The Board will then determine the Trustee candidates that are submitted for election by the shareholders at the annual shareholders' meeting. At a minimum, candidates for Trustee will be selected on the basis of the various factors set forth in the Corporate Governance and Nominating Committee's Policy Regarding Qualification, Selection and Nomination of Trustee Candidates, including integrity, judgment, ability to make independent analytical inquiries, willingness and ability to devote adequate time and resources to diligently perform Board duties, and reputation, both personal and professional, consistent with the image and reputation of the Company. The Board is committed to a diversified membership, in terms of both the individuals involved and their various experiences and areas of expertise.

Independence of Trustees

4. The Board believes that the monitoring of performance of senior management by the Board is more effective when the Board is significantly influenced by independent trustees. Accordingly, it is the policy of the Company that the Board will consist of at least a majority of independent trustees. Having at least a majority of independent trustees increases the quality of Board oversight and lessens the possibility of damaging conflicts of interest.

5. No Trustee will qualify as "independent" unless the Board affirmatively determines that the Trustee has no material relationship with the Company (either directly or as a partner, shareholder or officer of an organization that has a relationship with the Company) and otherwise meets the criteria for independence required by the New York Stock Exchange.

6. In order to adequately assess and ensure that at least a majority of the Company's Trustees qualify as "independent," the Board will undertake an annual review of the independence of all Trustees. For purposes of these guidelines, the Company realizes that it is not possible to anticipate, or to explicitly provide for, all circumstances that might bear on the materiality of a Trustee's relationship with the Company. Accordingly, it is the policy of the Board that, when making independence determinations, the Board will broadly consider all facts and circumstances.

Restrictions on Board Service and Actions

7. The Board recognizes that it is important that each Trustee has the requisite time to devote to the oversight of the Company's business. Accordingly, as a general matter, Trustees should not currently serve on more than four other public company boards, and members of the Audit Committee should not serve on more than two other public company audit committees. The CEO should not currently serve on more than two other public company

boards. In addition, unless approved by a majority of the disinterested Trustees, no Trustee shall serve as a director or employee of, or personally provide consulting, legal, advisory or other services directly to, any competitor of the Company. Trustees should advise the Chairman of the Corporate Governance and Nominating Committee and the CEO in advance of accepting an invitation to serve on another public company board of directors.

8. 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 Trustees 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 as a whole. As an alternative to term limits, the Corporate Governance and Nominating Committee will review and evaluate the qualifications and performance of each incumbent Trustee before recommending his or her nomination for an additional term. This will allow each Trustee the opportunity to confirm his or her desire to continue as a member of the Board. Trustees will not be nominated for election by the Board after their 72nd birthday.

9. Trustees are chosen based on a number of factors, including those described in Paragraph 3 above. When Trustee's principal occupation or business association changes, the Trustee will promptly tender his or her resignation. In that event, the Corporate Governance and Nominating Committee will consider the continued appropriateness of Board membership by that Trustee and make a recommendation to the Board with respect thereto. The Board will then determine whether or not to accept such Trustee's tendered resignation. If the Board does not accept the resignation, the Trustee will revoke his or her resignation.

Chairman

10. The Board will elect its Chairman based on such factors as the Trustees deem relevant. There is no requirement that the offices of Chairman and CEO be held by the same person, or that the offices be filled by different people. The Company believes that this issue is part of the succession planning process and that it is in the best interests of the Company for the Board to make a determination when it elects a new CEO.

Functioning of the Board

11. The Chairman of the Board, in consultation with other members of the Board, will determine the timing and length of meetings of the Board. There will be at least four regularly scheduled meetings of the Board in each calendar year. In addition to regularly scheduled meetings, additional unscheduled Board meetings may be called upon appropriate notice at any time to address specific needs of the Company. Trustees are expected to attend, in person or by telephone, all Board meetings and meetings of committees on which they serve. In addition, Trustees are expected to attend the Company's annual meetings of shareholders.

12. The Chairman of the Board will set the agenda for Board meetings, with the understanding that certain items pertinent to the advisory and monitoring functions of the Board will be brought to it periodically by the Chairman for review and/or decision. Agenda items that fall within the scope of responsibilities of a Board committee will be reviewed with

the chair of that committee. Any member of the Board may request that an item be included on the agenda.

13. Presentation materials are important to the Board's understanding of the business and essential to prepare Board members for productive meetings. Materials relating to specific agenda items will be provided to Board members sufficiently in advance of the Board meeting to allow the Trustees to prepare for discussion of such items at the meeting, and it is expected that all Trustees will review such materials in advance of each meeting. It is recognized that, in the event of a pressing need for the Board to meet on short notice, materials may not be available in advance of the meeting. In that event, sufficient time for discussion will be allocated to allow the Board to become adequately informed on such issue.

14. At the invitation of the Board, members of senior management recommended by the Chairman will attend Board meetings for the purpose of participating in discussions. Generally, presentations of matters to be considered by the Board will be made by the manager responsible for that area of the Company's operations.

15. In addition, Board members will have complete access to management and employees of the Company. The CEO or Secretary of the Company will, whenever requested, assist in arranging and facilitating such meetings or contacts. The Trustees will use their judgment to ensure that any such contact is not disruptive to the business operations of the Company. The CEO or Secretary of the Company will, as deemed necessary or advisable by the Board, assist in arranging and facilitating meetings of the Board with the Company's independent advisors, including its legal counsel and independent auditing firm.

16. The Chairman of the Board will serve as the communication conduit for third parties who wish to communicate with the Board. Interested third parties may communicate with the Board by communicating directly with the Chairman by sending any correspondence they may have in writing to the "Chairman of the Board" c/o the Secretary of CubeSmart, who will then directly forward such correspondence to the Chairman. The Chairman will decide what action should be taken with respect to the communication, including whether such communication should be reported to the Board.

17. To promote open discussion among non-management Trustees, the Board will devote a portion of each regularly scheduled Board meeting to sessions of non-management Trustees without management participation. If the group of non-management Trustees includes Trustees who are not independent, as defined in the New York Stock Exchange's listing standards and described in Paragraph 5 above, it is the Company's policy that at least one such session of non-management Trustees convened per year shall include only independent Trustees. The Board will not take formal actions at such sessions, although the participating non-management Trustees may make recommendations for consideration by the Board. If appropriate, the non-management Trustees will record minutes of such sessions. The Chairman of the Board will set the agenda for the sessions of non-management Trustees and preside at such sessions.

Responsibility, Composition and Functioning of Committees

18. It is the general policy of the Company that all major decisions will be considered by the Board as a whole, except to the extent that the Audit or Compensation Committee is required by applicable laws, rules or regulations to act alone. As a consequence, the committee structure of the Board is limited to those committees considered to be basic to or required for the operation of a publicly-owned company. The Board will maintain at all times a Compensation Committee, an Audit Committee and a Corporate Governance and Nominating Committee. The members of each of these committees shall meet the independence requirements for directors as set forth in the rules of the New York Stock Exchange and applicable securities laws and regulations. Each Committee has a written charter addressing the purposes, goals, duties and responsibilities of the Committee as well as the qualifications for Committee membership, procedures for Committee member appointment and removal, Committee structure and operations and Committee reporting to the Board. These charters are posted on the Company's website.

19. The Board may from time to time form such other Committees as it determines to be appropriate to facilitate and assist in the execution of the Board's responsibilities.

20. Each Committee will have the full power and authority to retain and terminate the services of such advisers and experts, including counsel, as it deems necessary or appropriate with respect to specific matters within its purview.

21. Committee members and chairs will be appointed by the Board, after consideration of the desires, experience and expertise of individual Trustees. The Board will review the Committee membership and chairmanship on an annual basis, and will consider rotating members and chairmen from time to time, balancing the interests of continuity with diversity of experience and taking into account any legal, regulatory or New York Stock Exchange requirements regarding the composition of a particular Committee.

22. Each Committee chair will establish the frequency, length and agenda of meetings as appropriate and necessary to carry out the Committee's responsibilities. Sufficient time to consider the agenda items will be provided. Materials relating to specific agenda items will be provided to Committee members sufficiently in advance of the Committee meeting where necessary to allow the members to prepare for discussion of such items at the meeting. It is recognized that, in the event of a pressing need for a Committee to meet on short notice, materials may not be available in advance of the meeting. In that event, sufficient time for discussion will be allocated to allow the Committee to become adequately informed on such issue.

23. Each Committee chair will periodically report to the Board on such Committee's activities.

24. In addition, the Board may from time to time establish committees that include Trustees and/or senior management. For example, the Board may establish an

Investment Committee comprised of Trustees and/or senior management that has authority to approve certain investments made by the Company.

25. Each Committee shall conduct an annual review and self-evaluation to determine whether it is functioning effectively and report on such review and evaluation to the Board. Each Committee's evaluation shall compare the performance of the Committee with the requirements of its written charter.

26. To promote open discussion among independent Trustees, each Committee will devote a portion of each regularly scheduled Committee meeting to sessions of independent Trustees without management participation. The Committees will not take formal actions at such sessions, although the participating independent Trustees may make recommendations for consideration by the Board. If appropriate, the independent Trustees will record minutes of such sessions. The Chairman of each Committee will set the agenda for the sessions of independent Trustees and preside at such sessions.

Trustee Compensation

27. Non-management Trustees will be compensated for their service to the Company in cash and/or stock options and equity of the Company on a basis that is commensurate with the commitment made by such Trustees to serve the Company, and taking into account the compensation paid to directors by other similarly situated public companies. The Compensation Committee will periodically review the amount and nature of compensation paid to Trustees, and make recommendations to the full Board regarding any adjustments to such compensation arrangements as appropriate. Trustees who also are employees of the Company will not receive additional compensation in their capacity, or for their service, as Trustees.

28. The Board recognizes that Trustees' independence may be jeopardized if trustee compensation and perquisites exceed customary levels, if the Company makes substantial charitable contributions to organizations with which a Trustee is affiliated, or if the Company enters into consulting contracts with (or provides other indirect forms of compensation to) a Trustee or an organization with which the Trustee is affiliated, and therefore such actions will be discouraged. The Board (and the Compensation Committee) will critically evaluate each of these matters when determining the form and amount of trustee compensation, and the independence of a Trustee.

Share Ownership Guidelines

29. To promote strong alignment between the interests of management and shareholders, the Board has established share ownership guidelines for Trustees and executive officers. Within a five-year period of his or her appointment, each Trustee and executive officer is expected to acquire and maintain ownership in the Company's stock having a market value equal to the following: five times the annual retainer for non-management Trustees; five times the annual base salary for the Chief Executive Officer; and between one and five times the annual base salary for all other executive officers. The Board shall periodically review progress toward achieving these ownership levels.

Trustee Orientation and Continuing Education

30. All new Trustees will participate in the Company's orientation program. This orientation will include presentations by senior management to familiarize new Trustees with the Company's business operations, strategic plans and objectives, financial structure, significant financial, accounting and risk management issues, compliance programs, Code of Business Conduct and Ethics, principal officers, and independent auditors as well as the role of the Board and its responsibilities and the structure of the Board and its committees. The orientation will also include an opportunity for the new Trustee to meet with members of the Company's senior management.

31. All Trustees are expected to actively stay informed and up to date on current issues relating to Trustee responsibilities. From time to time, the Board may set aside time at its meetings to provide continuing trustee education for the benefit of the Trustees.

Transactions with Trustees

32. It is the policy of the Board that any transaction in which a Trustee (or any member of a Trustee's immediate family) has a personal or financial interest (direct or indirect) should be scrutinized carefully to ensure that the transaction is in the best interests of the Company and will not otherwise create a conflict of interest. It is incumbent upon each Trustee to promptly notify the Chairman or the CEO when he or she becomes aware of a matter in which he or she (or any member of a Trustee's immediate family) has, or may have, a personal or financial interest (whether direct or indirect) or may otherwise have a potential conflict of interest.

33. Without review of the Corporate Governance and Nominating Committee and the approval of a majority of the disinterested Trustees, the Company will not enter into a transaction or arrangement (including utilizing the services of any Trustee to provide legal, accounting, financial, consulting or other similar services to the Company) in which a Trustee has a material personal or financial interest (direct or indirect). Whether a Trustee has a material personal or financial interest in a transaction or arrangement will be considered in accordance with the General Related Party Transaction Procedures. At a minimum a Trustee will be considered to have a material personal or financial interest in a transaction or arrangement if the Company will be required to disclose the transaction or arrangement in its annual proxy statement to shareholders or the Company's annual report on Form 10-K. The interested Trustee will not participate in any Board discussion regarding the matter in which the Trustee has such an interest. For purposes hereof, Trustee will include any entity with which the Trustee is affiliated, any immediate family member of a Trustee and any entity in which a Trustee's immediate family member has a material interest.

CEO Evaluation and Management Succession

34. The non-management Trustees will conduct an annual review of the CEO's performance. The non-management Trustees' will review the CEO to ensure that the CEO is providing the best leadership for the Company in the long-and short-term.

35. The Compensation Committee will review annually the succession plans for the key officers of the Company, including the Chief Executive Officer, and will report to the Board on policies and principles for selection and succession planning so as to facilitate smooth transitions of leadership. The Compensation Committee shall oversee and assist the Board in evaluating potential successors in the event of a vacancy.

Annual Board Review

36. The Board will conduct an annual review and self-evaluation to determine whether it and its Committees are functioning effectively. The review will focus on the Board's contribution to the Company and will seek to identify specific areas, if any, that need improvement or strengthening. Such review shall include presentations to the Board by each Committee chairman, and may, if deemed necessary or appropriate by the Board, include reviews and/or presentations by the Company's independent advisors, including its legal counsel and independent auditing firm.

37. The Board also will conduct an annual review to ensure that the Company is in compliance with all applicable New York Stock Exchange listing requirements and to ensure that all required certifications and public disclosures are made.

Periodic Review of Corporate Governance Guidelines

38. These Corporate Governance Guidelines will be reviewed by the Corporate Governance and Nominating Committee from time to time. If such Committee determines that modifications are in order, it will make recommendations of changes for the Board to consider.

Disclosure

39. These Corporate Governance Guidelines shall be posted on the Company's website.

Effective Date: February 24, 2010 (as amended November 2, 2011)