

VENTAS INC  
Form DEF 14A  
March 28, 2011

**Table of Contents**

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549  
SCHEDULE 14A  
Proxy Statement Pursuant to Section 14(a) of  
the Securities Exchange Act of 1934  
(Amendment No.     )**

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

- Preliminary Proxy Statement
- Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**
- Definitive Proxy Statement
- Definitive Additional Materials
- Soliciting Material Pursuant to §240.14a-12

**VENTAS, INC.**

**(Name of Registrant as Specified In Its Charter)**

**(Name of Person(s) Filing Proxy Statement, if other than the Registrant)**

Payment of Filing Fee (Check the appropriate box):

No fee required.

Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

(1) Title of each class of securities to which transaction applies:

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**Table of Contents**

**VENTAS, INC.**

**NOTICE OF 2011 ANNUAL MEETING OF STOCKHOLDERS  
AND  
PROXY STATEMENT**

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**Table of Contents**

**TABLE OF CONTENTS**

	<b>Page</b>
<b>CHAIRMAN S LETTER</b>	
<b><u>NOTICE OF ANNUAL MEETING OF STOCKHOLDERS</u></b>	
<b><u>PROXY STATEMENT</u></b>	2
<b><u>INFORMATION ABOUT THE ANNUAL MEETING AND VOTING</u></b>	2
<u>Information about this Proxy Statement</u>	2
<u>Information about Voting</u>	3
<u>Quorum Requirement</u>	4
<u>Votes Necessary for Action to Be Taken</u>	4
<b><u>CORPORATE GOVERNANCE</u></b>	5
<u>Our Guidelines on Governance</u>	5
<u>Governance Information</u>	5
<u>Our Board Leadership Structure</u>	6
<u>Our Board s Role in Risk Oversight</u>	6
<u>Attendance at Meetings</u>	7
<u>Executive Sessions of Independent Directors</u>	7
<u>Communications with Directors</u>	7
<u>Director Nominations and Criteria for Board Membership</u>	7
<u>Director Independence</u>	8
<u>Code of Ethics and Business Conduct</u>	9
<u>Board and Committee Membership</u>	9
<u>Audit and Compliance Committee</u>	10
<u>Executive Committee</u>	11
<u>Executive Compensation Committee</u>	11
<u>Investment Committee</u>	13
<u>Nominating and Corporate Governance Committee</u>	13
<u>Non-Employee Director Compensation</u>	14
<u>Cash Compensation</u>	14
<u>Equity-Based Compensation</u>	14
<u>Non-Employee Director Compensation Review Practices</u>	15
<u>2010 Non-Employee Director Compensation Table</u>	15
<u>Minimum Share Ownership Guidelines for Non-Employee Directors</u>	16
<b><u>EXECUTIVE OFFICERS</u></b>	17
<b><u>SECURITIES OWNERSHIP</u></b>	18
<u>Directors, Director-Nominees and Executive Officers</u>	18
<u>Principal Stockholders</u>	19
<b><u>SECTION 16(A) BENEFICIAL OWNERSHIP REPORTING COMPLIANCE</u></b>	20
<b><u>TRANSACTIONS WITH RELATED PERSONS</u></b>	20
<b><u>EXECUTIVE COMPENSATION</u></b>	22
<u>Compensation Committee Report</u>	22
<u>Compensation Discussion and Analysis</u>	22

<u>Compensation Tables</u>	36
<u>2010 Summary Compensation Table</u>	36
<u>2010 Grants of Plan-Based Awards Table</u>	37

---

**Table of Contents**

	<b>Page</b>
<u>2010 Outstanding Equity Awards at Fiscal Year-End Table</u>	39
<u>2010 Options Exercised and Stock Vested Table</u>	40
<u>Employment and Change of Control Severance Agreements with Named Executive Officers</u>	40
<u>Potential Payments upon Termination or Change of Control</u>	47
<u>Executive Officer 10b5-1 Plans</u>	50
<b><u>EQUITY COMPENSATION PLAN INFORMATION</u></b>	50
<b><u>PROPOSALS REQUIRING YOUR VOTE</u></b>	51
<b><u>Proposal 1: Election of Directors</u></b>	51
<b><u>Proposal 2: Ratification of the Selection of Ernst &amp; Young as Our Independent Registered Public Accounting Firm for Fiscal Year 2011</u></b>	58
<u>Audit and Non-Audit Fees</u>	58
<u>Audit Committee Report</u>	58
<u>Policy on Pre-Approval of Audit and Permissible Non-Audit Services</u>	59
<b><u>Proposal 3: Advisory Vote on Our Executive Compensation</u></b>	60
<b><u>Proposal 4: Advisory Vote as to the Frequency of Advisory Votes on Executive Compensation</u></b>	61
<b><u>REQUIREMENTS, INCLUDING DEADLINES, FOR SUBMISSION OF STOCKHOLDER PROPOSALS, DIRECTOR NOMINATIONS AND OTHER BUSINESS</u></b>	62
<b><u>ADDITIONAL INFORMATION</u></b>	63

---

**Table of Contents**

**111 South Wacker Drive  
Suite 4800  
Chicago, Illinois 60606  
(877) 483-6827**

March 28, 2011

Dear Stockholder:

I am pleased to invite you to attend Ventas, Inc.'s 2011 Annual Meeting of Stockholders. This year's meeting will be held at 8:00 a.m. local time on Thursday, May 12, 2011, at our corporate headquarters at 111 South Wacker Drive in Chicago, Illinois.

Please refer to the accompanying Notice of Annual Meeting of Stockholders and Proxy Statement for detailed information on each of the proposals to be considered and acted upon at the meeting.

Your vote is very important – if you do not vote your shares, you will not have a say in the matters to be voted on at the meeting. To ensure your vote is recorded promptly, I urge you to vote your shares as soon as possible by telephone, over the Internet or, if you have requested paper copies of our proxy materials by mail, by signing, dating and returning the proxy card in the envelope provided, even if you plan to attend the meeting in person.

The Board of Directors appreciates your interest in Ventas, Inc.

Sincerely,

Debra A. Cafaro  
*Chairman of the Board and  
Chief Executive Officer*

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**Table of Contents**

**111 South Wacker Drive  
Suite 4800  
Chicago, Illinois 60606  
(877) 483-6827**

**NOTICE OF ANNUAL MEETING OF STOCKHOLDERS**

The 2011 Annual Meeting of Stockholders of Ventas, Inc. will be held at 8:00 a.m. local time on Thursday, May 12, 2011, at 111 South Wacker Drive, 29th Floor, Chicago, Illinois 60606. We are holding the Annual Meeting to consider and vote on the following matters:

1. The election of ten directors nominated by our Board of Directors and named in the Proxy Statement to hold office until the next annual meeting of stockholders or until their respective successors have been duly elected and qualified;
2. The ratification of the selection of Ernst & Young LLP as our independent registered public accounting firm for fiscal year 2011;
3. An advisory vote to approve our executive compensation;
4. An advisory vote as to the frequency of advisory votes to approve our executive compensation; and
5. Such other business as may properly come before the meeting or any adjournments thereof.

The Proxy Statement, which follows this Notice, fully describes these matters. We have not received notice of any other proposals to be presented at the Annual Meeting.

You may vote at the Annual Meeting and any postponements or adjournments thereof if you were a stockholder of record as of the close of business on March 16, 2011, the record date for the meeting. For ten days prior to the Annual Meeting, a list of shareholders entitled to vote will be available for inspection at our corporate headquarters, 111 South Wacker Drive, Suite 4800, Chicago, Illinois 60606.

**We ask that you vote your shares promptly by telephone, over the Internet or, if you have requested paper copies of our proxy materials by mail, by signing, dating and returning the proxy card in the envelope provided.** This will not prevent you from voting your shares in person if you choose to attend the Annual Meeting.

By Order of the Board of Directors,

T. Richard Riney  
*Executive Vice President, Chief Administrative  
Officer, General Counsel and Corporate Secretary*

Chicago, Illinois  
March 28, 2011



**Table of Contents**

**PROXY STATEMENT**

**INFORMATION ABOUT THE ANNUAL MEETING AND VOTING**

**Information about this Proxy Statement**

*Solicitation of Proxies*

This Proxy Statement is being furnished in connection with the solicitation of proxies by or on behalf of the Board of Directors (the Board) of Ventas, Inc. (Ventas, we or us) for use at our Annual Meeting of Stockholders (the Annual Meeting) to be held at 8:00 a.m. local time on Thursday, May 12, 2011 at 111 South Wacker Drive, 29th Floor, Chicago, Illinois 60606, and at any adjournments thereof. This Proxy Statement includes information that we are required to provide to you under the rules of the Securities and Exchange Commission (SEC) and the New York Stock Exchange (NYSE) and that is designed to assist you in voting your shares.

*Notice of Electronic Availability of Proxy Statement and Annual Report*

We are making this Proxy Statement and the materials accompanying it available to our stockholders electronically via the Internet, as permitted by the SEC's rules. We will mail to stockholders a Notice of Internet Availability containing instructions on how to access our proxy materials and how to vote online. Starting on or about March 28, 2011, we will also mail this Proxy Statement and the materials accompanying it to stockholders who have requested paper copies. If you would like to receive a printed copy of our proxy materials by mail, you should follow the instructions for requesting those materials included in the Notice described above.

**IMPORTANT NOTICE REGARDING INTERNET AVAILABILITY OF PROXY MATERIALS FOR THE ANNUAL MEETING TO BE HELD ON MAY 12, 2011:**

**This Proxy Statement and our 2010 Annual Report (consisting of the 2010 Chairman's Letter to Investors and 2010 Form 10-K) are available at [www.proxyvote.com](http://www.proxyvote.com).**

*Householding*

We have adopted a procedure, approved by the SEC, which permits us to deliver a single set of proxy materials (other than proxy cards, which will remain separate) to stockholders who have the same address and consent in writing to this delivery method or to stockholders who have the same address and last name, unless we are notified that one or more of these stockholders wishes to continue receiving individual copies. This procedure, known as householding, is designed to eliminate duplicate mailings and conserve natural resources and will reduce our printing costs and postage fees.

If you share an address with another stockholder and currently receive multiple copies of our proxy materials, but wish to receive only a single copy of such documents for your household, please contact Broadridge Financial Solutions, Inc. at (800) 542-1061 or in writing at Householding Department, 51 Mercedes Way, Edgewood, NY 11717. Similarly, if you currently participate in householding and wish to receive a separate copy of our proxy materials, please contact Broadridge as indicated above. Upon receipt of your request, we will promptly deliver the requested materials to you.

*Cost of Proxy Solicitation*

We will bear the cost of soliciting proxies by the Board. In addition to mail, proxies may be solicited in person or by telephone or electronic communication by our directors, officers and employees, none of

## **Table of Contents**

whom will receive additional compensation for these services. We have engaged Georgeson Inc. to distribute and solicit proxies. We will pay Georgeson Inc. a fee of \$9,500, plus reimbursement of reasonable out-of-pocket expenses, for these services. We will also reimburse brokers and other nominees for their reasonable out-of-pocket expenses incurred in connection with distributing forms of proxies and proxy materials to the beneficial owners of our common stock.

## **Information about Voting**

### *Who Can Vote*

Only stockholders of record at the close of business on March 16, 2011 are entitled to vote at the Annual Meeting. As of that date, 162,962,827 shares of our common stock, par value \$0.25 per share, were outstanding. Each share of our common stock entitles the owner to one vote on each matter properly brought before the Annual Meeting. However, certain shares designated as *Excess Shares* (which are generally any shares owned in excess of 9.0% of the outstanding common stock) or as *Special Excess Shares* pursuant to our Amended and Restated Certificate of Incorporation, as amended ( *Charter* ), may not be voted by the record owner thereof, but will instead be voted in accordance with Article IX of our Charter.

A list of all stockholders entitled to vote at the Annual Meeting will be available for inspection by any stockholder for any purpose reasonably related to the Annual Meeting during ordinary business hours for a period of ten days prior to the meeting at our principal executive offices located at 111 South Wacker Drive, Suite 4800, Chicago, Illinois 60606.

### *How to Vote*

You may vote your shares in one of several ways, depending on how you own your shares. If you own shares registered in your name (a *stockholder of record* ), you may vote in one of the following ways:

**By telephone** You may vote your shares by calling 1-800-690-6903. You may vote by telephone 24 hours a day, seven days a week until 11:59 p.m. Eastern time on the day before the meeting date. The telephone voting system has easy-to-follow instructions and allows you to confirm that the system has properly recorded your vote. Have your proxy card in hand when you call and follow the instructions. **If you vote by telephone, you do not need to return your proxy card.**

**Over the Internet** You may vote your shares via the Web site *www.proxyvote.com*. You may vote over the Internet 24 hours a day, seven days a week until 11:59 p.m. Eastern time on the day before the meeting date. As with telephone voting, you may confirm that the system has properly recorded your vote. Have your proxy card in hand when you access the Web site and follow the instructions. **If you vote over the Internet, you do not need to return your proxy card.** Please note that you may incur costs charged by telephone companies or Internet access providers if you vote over the Internet.

**By mail** If you have requested paper copies of our proxy materials by mail, you may vote your shares by signing, dating and returning the proxy card in the postage-paid envelope provided.

**In person** You may vote your shares by attending the Annual Meeting in person and depositing your proxy card at the registration desk (if you have requested paper copies of our proxy materials by mail) or completing a ballot that will be distributed at the Annual Meeting.

If you own shares registered in the name of a bank, broker or other holder of record (a *beneficial owner* ), you should follow the instructions provided by your broker or nominee in order for your shares to be voted. If you are a beneficial

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owner and you plan to vote your shares in person at the Annual Meeting, you should contact your broker or nominee to obtain a legal proxy or broker's proxy card and bring it to the Annual Meeting in order to vote.

All shares that have been properly voted by proxy and not revoked will be voted at the Annual Meeting in accordance with the instructions contained therein. Shares represented by proxy cards that are

## **Table of Contents**

signed and returned but do not contain any voting instructions will be voted as the Board recommends, which is:

- Proposal 1 **FOR** the election of all nominees for director named in this Proxy Statement;
- Proposal 2 **FOR** the ratification of the selection of Ernst & Young LLP as our independent registered public accounting firm for fiscal year 2011;
- Proposal 3 **FOR** the approval, on an advisory basis, of our executive compensation;
- Proposal 4 Every **1 YEAR**, on an advisory basis, as to the frequency of advisory votes to approve our executive compensation; and

In the discretion of the proxy holders, on such other business as may properly come before the Annual Meeting.

### *Revocation of Proxies*

Stockholders of record may revoke a proxy at any time before it is voted at the Annual Meeting by:

Executing and returning a later-dated proxy card;

Subsequently voting by telephone or over the Internet (until 11:59 p.m. Eastern time on the day before the meeting date); or

Submitting a written notice of revocation to our Corporate Secretary at our office located at 10350 Ormsby Park Place, Suite 300, Louisville, Kentucky 40223.

A stockholder of record may also attend the Annual Meeting and vote in person, in which event any prior proxy given by the stockholder will be revoked automatically. Attendance at the Annual Meeting by itself will not constitute revocation of a proxy. Beneficial owners should follow the instructions provided by their broker or nominee to revoke a proxy, if applicable. No dissenters or appraisal rights are available with respect to the proposals presently being submitted to the stockholders for their consideration.

### **Quorum Requirement**

The holders of a majority of the shares of common stock outstanding as of the record date must be present, in person or represented by proxy, to constitute a quorum to transact business at the Annual Meeting. Abstentions and broker non-votes are counted for purposes of establishing a quorum. A broker non-vote occurs when a beneficial owner does not provide voting instructions to the broker or nominee with respect to a proposal on which the broker or nominee does not have discretionary authority to vote.

If you are a beneficial owner, your broker or nominee has discretionary authority, under current NYSE rules, to vote your shares on the ratification of the selection of Ernst & Young LLP as our independent registered public accounting firm for fiscal year 2011 (Proposal 2), even if you do not provide voting instructions. However, your broker or nominee does not have discretionary authority to vote on the election of directors (Proposal 1), the advisory vote to approve our executive compensation (Proposal 3), or the advisory vote as to the frequency of advisory votes to approve our executive compensation (Proposal 4) without instructions from you, in which case your shares will not be voted on these matters.

### **Votes Necessary for Action to Be Taken**

*Election of Directors (Proposal 1)*

Under our Fourth Amended and Restated By-Laws ( By-Laws ), directors must be elected by a majority of votes cast in uncontested elections. This means that the number of votes cast for a director-nominee must exceed the number of votes cast against that nominee. Abstentions and broker non-votes are not counted as votes for or against a director-nominee and, therefore, will have no effect. Under our Director Resignation Policy, in an uncontested election, any incumbent director-nominee who does not receive a majority of votes cast for his or her election is required to tender his or her resignation promptly following

## **Table of Contents**

the certification of the election results. Our Nominating and Corporate Governance Committee (the Nominating Committee ) is then required to make a recommendation to the Board as to whether it should accept or reject such resignation. Thereafter, the Board must decide whether to accept or reject such resignation and to publicly disclose its decision. In contested elections, the required vote is a plurality of votes cast.

### *Ratification of the Selection of Ernst & Young LLP as Our Independent Registered Public Accounting Firm for Fiscal Year 2011 (Proposal 2)*

Under our By-Laws, a majority of the votes cast is required to ratify the selection of Ernst & Young LLP as our independent registered public accounting firm for 2011. Abstentions and broker non-votes will have no effect.

### *Advisory Vote to Approve Our Executive Compensation (Proposal 3)*

A majority of the votes cast is required to approve, on an advisory basis, our executive compensation. Abstentions and broker non-votes will have no effect.

### *Advisory Vote as to the Frequency of Advisory Votes to Approve Our Executive Compensation (Proposal 4)*

A plurality of votes cast will determine the preference of our stockholders, on an advisory basis, as to the frequency of advisory votes to approve our executive compensation. Pursuant to SEC rules, if an alternative receives a majority of votes cast and we adopt that frequency, we may exclude from future proxy statements any stockholder proposal asking that a different frequency be used. Abstentions and broker non-votes will have no effect.

A majority of the votes cast will be necessary to approve any other proposal that may properly come before the Annual Meeting. Accordingly, abstentions and broker non-votes will have no effect.

## **CORPORATE GOVERNANCE**

### **Our Guidelines on Governance**

Our Guidelines on Governance, which were first adopted in 2004, reflect the fundamental corporate governance principles by which our Board and its committees operate. These guidelines set forth general practices the Board follows with respect to Board structure and function, Board and committee organization and composition, and Board conduct. These guidelines are reviewed at least annually by the Nominating Committee and updated periodically in response to changing regulatory requirements, evolving corporate governance practices, concerns of our stockholders and otherwise as circumstances warrant.

Our Guidelines on Governance are available on our website at [www.ventasreit.com](http://www.ventasreit.com) under the For Investors tab at the top of the page and then under the Corporate Governance link. In addition, we will provide a copy of the Guidelines on Governance, without charge, upon request to our Corporate Secretary at Ventas, Inc., 10350 Ormsby Park Place, Suite 300, Louisville, Kentucky 40223. The information on our website is not a part of this Proxy Statement.

### **Governance Information**

In general, our Board provides guidance and oversight with respect to our financial and operating performance, strategic plans, key corporate policies and decisions and enterprise risk management. Among other things, our Board considers and approves significant acquisitions, dispositions and other transactions, advises and counsels senior management on key financial and business objectives and monitors our progress with respect to these matters. Members of the Board are kept informed about matters affecting our business by various reports and materials provided to them on a regular basis by senior management, including

## **Table of Contents**

presentations made at Board and committee meetings by our Chief Executive Officer, Chief Financial Officer and other executive officers.

### *Our Board Leadership Structure*

Our Board recognizes that one of its key responsibilities is to evaluate and determine its optimal leadership structure so as to provide effective oversight of management. The Board understands that there is no single, generally accepted approach to providing Board leadership and that different structures may be appropriate for companies of varying sizes and performance characteristics and with different histories and culture. Consistent with this understanding, the Board (led by its Nominating Committee) considers our Board leadership structure as part of its annual self-evaluation process, taking into account our existing operations and the current governance environment, to determine the optimal leadership structure for us and for our stockholders.

Pursuant to our By-Laws and our Guidelines on Governance, the Board has discretion in evaluating its leadership structure to determine whether to separate or combine the roles of our Chief Executive Officer and Chairman of the Board. Debra A. Cafaro has served as both our Chief Executive Officer and Chairman of the Board since 2003, and the Board continues to believe that her combined role is the optimal structure for us and our stockholders because it enables decisive leadership, ensures clear accountability and enhances our ability to consistently communicate our message and strategy to all of our stakeholders. Moreover, Ms. Cafaro possesses detailed and in-depth knowledge of the issues, opportunities and challenges facing us and our business and, therefore, is best positioned to develop agendas that focus the Board's time and attention on the most critical matters.

As required by our Guidelines on Governance, the independent members of our Board, after considering the recommendation of the Nominating Committee, annually select one independent director to serve as Presiding Director, whose specific responsibilities include, among other things, chairing the executive sessions and all other meetings of the independent directors. The Presiding Director also acts as the principal liaison between the Chairman and the independent directors, collaborating with the Chairman to set Board meeting agendas and schedules and to approve materials provided to directors, and has such additional duties as may be assigned from time to time by the independent directors or the Board. While the Presiding Director is elected on an annual basis, the Board generally expects that he or she will serve for more than one year, and Douglas Crocker II has been our Presiding Director since 2003. At this time, our Board believes that our current leadership structure under which our Chief Executive Officer also serves as Chairman of the Board and a Presiding Director assumes specific responsibilities on behalf of the independent directors is effective, provides the appropriate balance between the authority of those who oversee our company and those who manage it on a day-to-day basis and achieves the optimal governance model for us and for our stockholders.

### *Our Board's Role in Risk Oversight*

While management has the responsibility to identify and manage on a daily basis our exposure to risk, our Board plays an active and primary role in overseeing the processes we establish to assess, monitor and mitigate that exposure. The Board, directly and indirectly through its committees, routinely discusses with management the significant risks facing us and reviews the guidelines, policies and procedures we have in place to address those risks, such as our approval process for investments. Directors regularly receive materials and information, including in-depth and in-person presentations from third-party experts, with respect to specific areas of risk, and the Board engages in comprehensive analyses and dialogue regarding those risks a practice we have followed since 2008. This process enables the Board to focus on the strategic, financial, operational, legal, regulatory and other risks that are most significant to us and our business, and ensures that the risks we face are well understood, mitigated to the extent reasonable and consistent with the Board's view of our risk profile and risk tolerance.

In addition to the risk oversight function administered directly by the Board, each of the Audit and Compliance, Executive Compensation and Nominating Committees exercises oversight related to the risks associated with the particular responsibilities of that committee. In accordance with NYSE requirements, the

## **Table of Contents**

Audit and Compliance Committee (the Audit Committee ) reviews financial, accounting and internal control risks and the mechanisms through which we assess and manage risk. In addition, the Audit Committee has certain responsibilities with respect to our compliance programs, such as our Conflicts of Interest and Whistleblower Policies. Similarly, the Executive Compensation Committee (the Compensation Committee ) considers whether the structure of our compensation programs, as they relate to both executive officers and employees generally, encourages excessive risk-taking, and the Nominating Committee focuses on risks related to succession planning. The chairs of these committees report on such matters to the full Board. We believe that this division of responsibilities is the most effective approach for identifying and addressing the risks facing us and that our Board leadership structure appropriately supports the Board's role in risk oversight.

### *Attendance at Meetings*

Our Board held a total of 15 meetings during 2010. Each director attended at least 75% of the total meetings of the Board and the committees on which he or she served that were held during the time he or she was a director in 2010. See Board and Committee Membership below.

We encourage, but do not require, all directors to attend our annual meetings of stockholders. All directors who were nominated for re-election at our 2010 Annual Meeting of Stockholders attended that meeting.

### *Executive Sessions of Independent Directors*

Our independent directors meet in executive session, outside the presence of management, at a minimum, at each regularly scheduled quarterly Board meeting. The Presiding Director chairs all regularly scheduled executive sessions and all other meetings of the independent directors.

### *Communications with Directors*

Stockholders and other parties interested in communicating directly with our Board or any director on Board-related issues may do so by writing to Board of Directors, c/o Corporate Secretary, Ventas, Inc., 10350 Ormsby Park Place, Suite 300, Louisville, Kentucky 40223, or by submitting an e-mail to bod@ventasreit.com. Communications addressed to the Board are screened by our Corporate Secretary for appropriateness before distributing to the Board, or to any individual director or directors, as applicable.

Additionally, stockholders and other parties interested in communicating directly with the Presiding Director of the Board or with the non-management directors as a group may do so by writing to Presiding Director, Ventas, Inc., 10350 Ormsby Park Place, Suite 300, Louisville, Kentucky 40223, or by sending an e-mail to independentbod@ventasreit.com.

### *Director Nominations and Criteria for Board Membership*

Our Guidelines on Governance set forth, among other things, the process by which the Nominating Committee identifies and evaluates nominees for Board membership. Under this process, the Nominating Committee annually considers and recommends to the Board a slate of directors for election at the next annual meeting of stockholders. In selecting this slate, the Nominating Committee considers: incumbent directors who have indicated a willingness to continue to serve on our Board; candidates, if any, nominated by our stockholders; and other potential candidates identified by the Nominating Committee. Additionally, if at any time during the year a seat on the Board becomes vacant or a new seat is created, the Nominating Committee considers and recommends a candidate to the Board for appointment to fill the seat.

In evaluating potential director candidates, the Nominating Committee considers, among other factors, the experience, qualifications and attributes listed below and any additional characteristics that it believes one or more directors should possess, based on an assessment of the perceived needs of our Board at that time. The Nominating Committee regularly reviews the composition of the Board in light of our changing requirements and seeks nominees who, taken together as a group, possess the skills and expertise appropriate for an effective Board. While different perspectives, skill sets, education, ages, genders, ethnic origins and

**Table of Contents**

business experience are factors considered in its annual nomination process, the Nominating Committee has not established a formal policy regarding diversity in identifying potential director candidates. Moreover, no single factor or group of factors is necessarily dispositive of whether a candidate will be recommended by the Nominating Committee. The Nominating Committee will consider and apply these same standards in evaluating individuals recommended for nomination by our stockholders in accordance with the procedures described in this Proxy Statement under Requirements, Including Deadlines, for Submission of Stockholder Proposals, Director Nominations and Other Business.

In general, the Nominating Committee seeks to include on our Board a complementary mix of individuals with diverse backgrounds, knowledge and viewpoints reflecting the broad set of challenges that the Board confronts without representing any particular interest group or constituency. Accordingly, our Guidelines on Governance provide that, in general, nominees for membership on the Board should:

Have demonstrated management or technical ability at high levels in successful organizations;

Be currently employed in positions of significant responsibility and decision-making;

Have experience relevant to our operations, such as real estate, real estate investment trusts, healthcare, finance or general management;

Be well-respected in their business and home communities;

Have time to devote to Board duties; and

Be independent from us (except in the case of our Chief Executive Officer) and not related to our other directors or employees.

In addition, our directors are expected to be active participants in governing our enterprise, and the Nominating Committee looks for certain characteristics common to all Board members, including integrity, independence, leadership ability, constructive and collegial personal attributes, candor and the ability and willingness to evaluate, challenge and stimulate.

The Board's satisfaction of these criteria is implemented and assessed through ongoing consideration of directors and nominees by the Nominating Committee and the Board, as well as the Board's self-evaluation process. Based upon these activities and the Nominating Committee's review of the current composition of the Board, the Nominating Committee and the Board believe that these criteria have been satisfied.

Upon the closing of our pending acquisition of substantially all of the real estate assets of Atria Senior Living Group, Inc. (together with its affiliates, Atria), we will enter into a Director Appointment Letter (the Director Letter) that will provide certain affiliates of Lazard Real Estate Partners LLC (LREP) the right to designate one individual for nomination to our Board for so long as they beneficially own 3% or more of the outstanding shares of our common stock. We expect to appoint Matthew J. Lustig to our Board as the LREP affiliate designee. Mr. Lustig is Chief Executive Officer and a Managing Principal of LREP and a Managing Director of Lazard Alternative Investments LLC, an affiliate of LREP. The Board has assessed Mr. Lustig's qualifications, skills and attributes and has determined that his appointment will complement our existing Board. However, if our acquisition of Atria's real estate assets is not completed in advance of the Annual Meeting, Mr. Lustig's nomination for election at the Annual Meeting may be withdrawn.

We have from time to time retained search firms and other third parties to assist us in identifying potential candidates based on specific criteria that we provided to them, including the qualifications listed above. We may retain search firms and other third parties on similar or other terms in the future.

*Director Independence*

Our Guidelines on Governance require that at least a majority of the Board be comprised of directors who meet the criteria for independence under the rules and regulations of the NYSE. For a director to be considered independent under the NYSE's listing standards, the Board must affirmatively determine that the director has no direct or indirect material relationship with us. On March 11, 2011, the Board evaluated the independence of each non-management director and director-nominee on a case-by-case basis. The Board

## **Table of Contents**

considered any matters that could affect the ability of each non-management director and director-nominee to exercise independent judgment in carrying out his or her responsibilities as a director, including all transactions and relationships between, on one hand, such director or director-nominee, his or her family members and organizations with which the director or director-nominee or his or her family members have an affiliation and, on the other hand, us, our subsidiaries and our management. Any such matters were evaluated both from the standpoint of the director or director-nominee and from that of persons or organizations with which the director or director-nominee has an affiliation, and each existing director abstained from the vote pertaining to the determination of his or her independence.

Based on its review, the Board has affirmatively determined that each of the following directors has no direct or indirect material relationship with us and qualifies as independent under the NYSE's standards: Douglas Crocker II, Ronald G. Geary, Jay M. Gellert, Robert D. Reed, Sheli Z. Rosenberg, Glenn J. Rufrano, James D. Shelton and Thomas C. Theobald. Ms. Cafaro is not considered independent under the rules and regulations of the NYSE because of her employment as our Chairman and Chief Executive Officer. Mr. Lustig is not considered independent under the rules and regulations of the NYSE because of his affiliation with LREP and Atria Senior Living, Inc., an entity that is expected to manage all of the real estate assets we acquire from Atria.

In evaluating Mr. Geary's independence, the Board considered our relationship with Res-Care, Inc. ( ResCare ), an entity for which Mr. Geary previously served as Chairman of the Board and Chief Executive Officer, pursuant to the Master Lease Agreement described under Transactions with Related Persons Transactions with ResCare and determined that, under the NYSE listing standards, such relationship is not material to Mr. Geary, ResCare or us from a financial perspective or otherwise. In making its determination, the Board considered that Mr. Geary is no longer employed by ResCare, that the total annual payments made to us under the Master Lease Agreement in 2010 constituted less than one-tenth of one percent (0.1%) of the annual gross consolidated revenues of ResCare and less than one-tenth of one percent (0.1%) of our annual gross consolidated revenues, that the transaction with ResCare was made in the ordinary course of business and that the terms of the Master Lease Agreement represent market rates. The Board does not believe this relationship will affect Mr. Geary's ability to exercise independent judgment in carrying out his responsibilities as a director of Ventas.

### *Code of Ethics and Business Conduct*

All of our directors and employees, including our Chief Executive Officer, our Chief Financial Officer and our Chief Accounting Officer and Controller, as well as all of the directors and officers of our subsidiaries, are required to comply with our Code of Ethics and Business Conduct to ensure that our business is conducted in accordance with consistent legal and ethical standards. The Code of Ethics and Business Conduct covers all major areas of professional conduct, including employment practices, conflicts of interest, unfair or unethical use of corporate opportunities, protection of confidential information and other company assets, compliance with applicable laws and regulations, and proper and timely reporting of financial results.

Our Code of Ethics and Business Conduct is available on our website at [www.ventasreit.com](http://www.ventasreit.com) under the For Investors tab at the top of the page and then under the Corporate Governance link. In addition, we will provide a copy of the Code of Ethics and Business Conduct, without charge, upon request to our Corporate Secretary at Ventas, Inc., 10350 Ormsby Park Place, Suite 300, Louisville, Kentucky 40223. Waivers from, and amendments to, the Code of Ethics and Business Conduct that apply to our Chief Executive Officer, Chief Financial Officer or persons performing similar functions will be timely posted on our website at [www.ventasreit.com](http://www.ventasreit.com). The information on our website is not a part of this Proxy Statement.

### **Board and Committee Membership**

Our Board has five standing committees that perform certain functions for the Board: the Audit Committee; the Compensation Committee; the Executive Committee; the Investment Committee; and the Nominating Committee.

**Table of Contents**

The table below provides current membership and 2010 meeting information for each of our Board committees:

<b>Name</b>	<b>Audit Committee</b>	<b>Compensation Committee</b>	<b>Executive Committee</b>	<b>Investment Committee</b>	<b>Nominating Committee</b>
Debra A. Cafaro			X	X	
Douglas Crocker II*			X	C	X
Ronald G. Geary		C			X
	&nbsp;				