TERMS OF REFERENCE FOR THE HUMAN RESOURCES & COMPENSATION COMMITTEE

1. PURPOSE

The purpose of the Human Resources and Compensation Committee (the "Committee") is to assist the Board in fulfilling its responsibility for establishing a succession plan for executives and other key employees and ensuring the plan of executive compensation is competitive in order to attract, retain, inspire and motivate the executives and other key employees.

2. COMPOSITION

2.1. The Committee will be composed of not less than three non-management directors one of whom will be the Chair of the Board.

2.2. The Vice President, Human Resources will be secretary to the Committee, and when the Committee meets *in camera*, then the Chair of the Committee shall record decisions and recommendations.

3. DUTIES AND RESPONSIBILITIES

Subject to the powers and duties of the Board the Committee will:

3.1. conduct the Performance Evaluation Process for the President (Tab 9).

3.2. Review and recommend to the Board the compensation philosophy, guidelines and compensation for the President, including salary, incentive awards, perquisites, benefits and other remuneration.

3.3. Review and recommend to the Board the compensation philosophy and guidelines for the executives.

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3.4. Review the President's proposals for the compensation of each executive, including salary, incentive awards, perquisites, benefits and other remuneration and provide recommendations to the Board.

3.5. Review the terms of reference of and oversee the selection of any outside consultant retained to advise on the compensation program for the President and the executives.

3.6. Review annually the President's succession plans for the executives, including specific development plans and career planning for potential successors.

3.7. Review and recommend to the Board major changes in the organizational structure of management.

3.8. Review and recommend to the Board any significant changes in the pension plans for excluded employees and executives, including any supplemental plans, to ensure overall competitiveness of the pension plans.

3.9. Review with the President any substantial outside commitments that the President is considering before the commitment is made. This includes commitments to act as a director or trustee of for-profit, not-for-profit and government organizations. Annually review with the President the outside commitments of the vice presidents as directors or trustees of other organizations.

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4. ACCOUNTABILITY

4.1. The Committee will report its discussions to the Board by distributing the minutes of its meetings and, where appropriate, by oral report at the next meeting of the Board of every major matter considered since the Board's last meeting.

4.2. The Committee will annually review and recommend changes to its terms of reference.