



TERMS OF REFERENCE FOR THE COMPENSATION COMMITTEE

1 PURPOSE

The Compensation Committee (the “Committee”) has been established by the Board of Directors (the “Board”) of [the Corporation] to assist the Board with ensuring that the Company has a compensation plan that is both motivational and competitive for executive officers and other members of senior management (collectively “Executive Management”) so that it will attract, hold and inspire performance of Executive Management of a quality and nature that will enhance the sustainable profitability and growth of the Company.

2 COMPOSITION AND OPERATIONS

A The Committee shall be composed of not fewer than three (3) Directors and not more than five (5) Directors, all of whom shall be independent Directors.

B The Committee shall meet at least once per year.

3 DUTIES AND RESPONSIBILITIES

A The Committee shall review and recommend the compensation philosophy and guidelines for the Company. This shall include:

- i reviewing the compensation philosophy and guidelines for Executive Management, for recommendation to the Board for its consideration and approval;
- ii establishing the appropriate methodology to determine compensation and the compensation amounts being cash, non-cash and/or equity related for the Company’s Executive Management; and
- iii considering the implications of the potential risks associated with the Company’s compensation policies and programs.

B CEO Evaluation and Compensation

The Committee shall lead the annual CEO review/evaluation process and recommend CEO compensation to the Board for approval and report the results of the process to the Board.

CORPORATE RESPONSIBILITY —

C The Committee shall, in consultation with the CEO, review the CEO’s assessment of Non-CEO Executive Management and fix the compensation of each member of Executive Management for recommendation to the Board for approval.

D The Committee shall, in consultation with the CEO, review and make recommendations to the Board for its approval:

- i all matters concerning incentive awards, compensation performance targets, perquisites and other remuneration matters with respect to Executive Management;
- ii benefit plans applicable to Executive Management including levels and types of benefits; and





iii any stock option plan, restricted share plan, performance share plan or other similar equity-based plan and the granting/awarding of any amounts under such plans.

E The Committee shall review and recommend for approval any agreements providing for the payment of benefits following a change of control of the Company or severance of Executive Management following a termination of employment.

F The Committee shall annually review the Directors' compensation program and make any recommendations to the Board for approval.

G The Committee shall report to the Board on executive compensation.

H The Committee shall also have such other powers and duties as delegated to it by the Board.

4 AUTHORITY

The Committee has the authority to:

A Form and delegate all or a portion of its duties and authority to subcommittees or individuals when appropriate;

B Engage and direct independent compensation consultants, independent counsel and other advisors as it determines necessary to carry out its duties; and

C Set and pay the compensation for advisors employed by the Committee.

5 ACCOUNTABILITY

A The Committee Chair has the responsibility to report to the Board, as requested, on compensation and benefit matters relative to the Company.

B The Committee shall report its discussions to the Board by maintaining minutes of its meetings and providing an oral report at the next Board meeting.

ADOPTED & APPROVED by the Board of Directors of [the Corporation] on X.

