I. **Compensation Committee Purpose**

The Compensation Committee is appointed by the Board of Directors (the “Board”) to assist the Board in fulfilling its responsibility for the stewardship of the Corporation in overseeing the business and affairs of the Corporation. The Compensation Committee’s primary duties and responsibilities are to:

1. review and approve periodically the Corporation’s compensation philosophy and programs for executive officers and employees of the Corporation that (a) supports the Corporation’s overall business strategy and objectives; (b) attracts and retains key executives and employees; (c) links compensation with business objectives and organizational performance; and (d) provides competitive compensation opportunities;

2. consider the implications of the risks associated with the Corporation’s compensation policies and practices as they relate to executive compensation;

3. approve and evaluate all compensation of executive officers including salaries, bonuses, and equity compensation plans;

4. review the Corporation’s senior management and the steps being taken to assure the succession of qualified senior management at the Corporation;

5. review the Corporation’s Amended, Compiled and Restated Employee Stock Option Plan and the Employee Stock Purchase Plan under which common shares may be acquired by directors, executive officers and employees of the Corporation. The Compensation Committee will also review the administration of all equity plans the Corporation may establish;

6. review management’s Compensation Disclosure & Analysis (“CD&A”) of executive compensation for inclusion in the proxy statement of the Corporation; and,

7. review and recommend periodically to the Board, the Corporation’s compensation for the Lead Independent Director of the Board.
II. Compensation Committee Composition, Procedures and Organization

1. The Compensation Committee shall consist of at least three (3) directors as determined by the Board, each of whom shall be independent, non-executive directors. Compensation Committee members shall meet the independence requirements of the regulatory bodies to which the Corporation may be subject.

2. The Board at its organizational meeting held in conjunction with each annual general meeting of the shareholders shall appoint the members of the Compensation Committee for the ensuing year. The Board may at any time remove or replace any member of the Compensation Committee and may fill any vacancy in the Compensation Committee.

3. The Board shall appoint a member of the Compensation Committee as chair of the Compensation Committee. If a Compensation Committee Chair is not designated by the Board, or is not present at a meeting of the Compensation Committee, the members of the Compensation Committee may designate a chair by majority vote of the Compensation Committee membership.

4. The Secretary or the Assistant Secretary of the Corporation, or in their absence, an alternative secretary designated by the Compensation Committee, shall act as Secretary of the Compensation Committee.

5. The quorum for meetings shall be one half (or where one half of the members of the Compensation Committee is not a whole number, the whole number which is closest to and less than one half) of the members of the Compensation Committee subject to a minimum of two members of the Compensation Committee present in person or by telephone or other telecommunications device that permits all persons participating in the meeting to speak and to hear each other.

6. The Compensation Committee shall meet at least quarterly at such times and at such locations as may be requested by the chair of the Compensation Committee and at such times as any member of the Compensation Committee may request.

7. The Compensation Committee shall meet in-camera without management at each regularly scheduled meeting.
III. Compensation Committee Duties and Responsibilities

The overall duties and responsibilities of the Compensation Committee shall be as follows:

(i) review and approve the Corporation’s overall compensation philosophy and programs;

(ii) review existing executive compensation plans and review and approve the compensation (including stock option, share bonus, cash bonus and other incentive awards that may be granted) of executive officers of the Corporation and any changes that may occur in the compensation of the executive officers of the Corporation and report on a timely basis to the Board all such approvals and changes;

(iii) review the Corporation’s long-range planning for executive development and succession and assist the Board in developing a senior management succession plan;

(iv) relevant to the executive officers’ compensation:

(a) review the corporate goals and objectives established by the Board of Directors;
(b) review the performance targets of the Corporation’s short and long term incentive plans approved by the Compensation Committee;
(c) evaluate the executive officers’ performance in light of these goals, objectives and performance targets;
(d) approve the executive officers’ compensation level based on this evaluation; and,
(e) consider the implications of the risks associated with the Corporation’s compensation policies and practices as they relate to executive compensation;

(v) review and approve as the Compensation Committee may deem appropriate recommendations from management concerning the granting of employee stock options and report such grants as may be approved by the Compensation Committee to the Board;

(vi) review and recommend to the Board new compensation and employee benefit plans or material changes to existing compensation and employee benefit plans as the Compensation Committee may deem appropriate;

(vii) retain and terminate any compensation consultant to be used to assist in the evaluation of the compensation of the executive officers, or
employees of the Corporation, including the sole authority to select the consultant and to approve the firm’s fees and other retention terms;

(viii) review and recommend periodically to the Board, the compensation for the Lead Independent Director of the Board;

(ix) monitor compliance with regulatory prohibitions on loans to directors and executive officers of the Corporation;

(x) obtain advice and assistance from internal or external legal, accounting or other advisors as the Compensation Committee requires for the performance of its duties;

(xi) review management’s CD&A on executive compensation prepared in accordance with applicable rules and regulations for inclusion in the Corporation’s proxy statement;

(xii) perform any other activities consistent with this Charter, the Corporation’s By-laws and governing law, as the Compensation Committee or the Board deems necessary or appropriate;

(xiii) review annually the Compensation Committee Charter and recommend any changes to the Nominating, Governance and Risk Committee for approval by the Board; and,

(xiv) maintain minutes of meetings and to report on a regular basis to the Board on significant results of the foregoing activities.