

Corporate Governance and Nominating Committee Terms of Reference

A) PURPOSE

The purpose of the Corporate Governance and Nominating Committee (the "Committee") is:

- (i) to provide a focus on Corporate governance;
- (ii) to assess, and where appropriate approve or make recommendations regarding, corporate values and the elements which will facilitate Board effectiveness; and
- (iii) to assist the Board in determining the composition and structure of the Board and recommending candidates for Board membership, Board Chair and President and Chief Executive Officer.

B) DUTIES AND RESPONSIBILITIES

Subject to the powers and duties of the Board, the Board assigns to the Committee the following duties and responsibilities to be performed by the Committee on behalf of the Board:

GOVERNANCE

- (1) review governance best practices and regulatory developments related to governance in Canada on a continuous basis, taking into account any Federal Government requirements, and recommend to the Board enhancements to the Corporation's system for corporate governance;
- (2) advise the Board of any corporate governance issues which the Committee determines ought to be considered by the Board or any of the committees of the Board and recommend to the Board those reports on corporate governance which it determines to be of benefit to the Board;
- (3) oversee the development of an annual discussion of long-term and strategic planning of the Corporation;
- (4) annually approve proposed wording of a statement for the Corporation's Annual Report describing the Corporation's approach to corporate governance;
- (5) review and recommend annually the appointment of Directors to Subsidiary Boards;

BOARD EFFECTIVENESS

- (6) develop and recommend to the Board at least every two years a self-evaluation process of the Board and its committees and oversee the evaluations;
- (7) review with the Board, on a regular basis, but not less than every two years, the role of the Board and the terms of reference for the committees of the Board with a view to maximizing their effectiveness;



- (8) review with the Board, on a regular basis, the methods and the processes by which the Board fulfils its duties and responsibilities, including without limitation:
- a) the number and content of meetings;
 - b) the annual schedule of significant issues to be presented to the Board at its meetings or those of its committees;
 - c) material which is to be provided to the Directors generally and with respect to meetings of the Board and its committees;
 - d) resources available to Directors; and
 - e) the communication process between the Board and Management.
- (9) review the orientation program for new Directors and on-going development of existing Board members;

STANDARDS OF INTEGRITY

- (10) in consultation with the President and Chief Executive Officer:
- a) review the moral and ethical standards of the Corporation to ensure that Management has identified the values that determine acceptable behaviour and has put in place a process that assures that values are reflected in actions taken; and
 - b) perform a regular review of the Corporation's foregoing moral and ethical policies/practices;
- (11) perform a regular review of the Corporation's Standard of Conduct for Directors, recommend to the board any changes if required, and report any issues regarding compliance with the Standard;

NOMINATIONS

- (12) establish, and review from time to time, the preferred criteria for directors, the Board Chair and the President and Chief Executive Officer, which will reflect, in addition to shareholder requirements:
- a) competencies, skills and personal qualities that should be sought in candidates for Board membership, for Board Chair or for President and Chief Executive Officer;
 - b) experience, areas of expertise and other factors relative to the overall composition of the Board or relevant to the position of Board Chair or President and Chief Executive Officer; and
 - c) responsibilities, commitments, availability and other factors that may materially interfere with or be incompatible with Board membership, serving as Board Chair or serving as President and Chief Executive Officer;
- (13) review the qualifications of individuals for consideration as directors, Board Chair or President and Chief Executive Officer and recommend individual candidates to the Board, taking into account the criteria described above, as well as the independence of any director candidates, including as they apply to committees of the Board, and if needed seek the advice of independent advisors.



GENERAL

- (14) review the engagement of any independent counsel and advisors, by a committee or an individual Director at the expense of the Corporation;
- (15) Meetings of the Committee
 - a) meet regularly, not less than twice a year, and at such other times as may be requested by the Chairperson;
 - b) the Chairperson of the Committee shall set the agenda and the annual Timeline ("Workplan") which shall then be circulated among the Committee members. Ordinarily the Chairperson will set the agenda in consultation with the Corporate Secretary; and
 - c) the President and Chief Executive Officer shall have direct access to the Committee and shall receive notice of and may attend all meetings of the Committee, except where the Committee meets in camera with members of senior management or only with members of the Committee;
- (16) periodically review these terms of reference to ensure they continue to be appropriate and, as deemed necessary, make recommendations to the Board for improvement; and
- (17) perform such other functions as assigned by law, the Corporation's By-laws, or the Board.

Effective: November 21st, 2013