

COMPENSATION COMMITTEE CHARTER

I. ORGANIZATION

There shall be a Committee of the Board of Directors of the Company (“Board”) to be known as the Compensation Committee (the “Committee”). The Committee shall be composed of three or more directors who are independent of the management of the Company and are free of any relationship that, in the opinion of the Board, would interfere with their exercise of independent judgment as committee members. The members of the Committee, including the Chair, shall be elected annually by the Board on the recommendation of the Governance Committee. The Board shall, in accordance with the By-laws of the Company, have the power to remove any member of the Committee and/or fill any vacancy therein.

II. PURPOSE

The Committee’s purpose shall be to (i) discharge the Board’s responsibilities as they relate to the compensation of certain executives (collectively, “Executives”), with the exception of the compensation of the CEO which is handled by the Governance Committee, and shall include, without limitation, overseeing the compensation programs that affect such Executives, (ii) ensure that the Company’s compensation programs are designed to attract and retain talented Executives and to link remuneration of Executives to the Company’s performance and ultimately, shareholder value, and (iii) produce, for inclusion in the Company’s annual proxy statement, an annual report on executive compensation in accordance with applicable rules and regulations.

III. RESPONSIBILITIES

A. Compensation of Executives; Option and Incentive Plans

The Committee shall establish and approve all salaries and salary increases for employees in Grade 36 or above, including the recommendation, approval, review and amendment of all other benefits and compensation plans specifically oriented toward such employees’ compensation.

The Committee shall make recommendations to the Board with respect to incentive compensation plans and equity-based plans and act as “Plan Administrator” or the “Committee”, as per the applicable plan document, of the 1994 Stock Option Plan and the 1998 Long Term Incentive and Share Award Plan. The Committee shall also approve the employees to whom long term incentives may be granted, the number of shares or

units covered by such incentives, the duration of such incentives and the other terms and conditions of such incentives.

The Committee shall have the sole authority to retain (and/or terminate) one or more consultants to assist it with the evaluation of executive compensation. The Compensation Committee shall have the sole authority to approve the terms upon which the Company retains such consultant firms including without limitation, the fees of such firms.

B. Reporting to the Board; Performance Evaluation of the Compensation Committee

The Committee shall submit the minutes of all meetings to, or review the matters discussed at each Committee meeting with, the Board at the Board's next meeting.

The Committee will annually review and reassess the adequacy of the Compensation Committee Charter and the Compensation Committee's performance.

Not less than once per annum, the Board shall review the performance of the Committee and provide, in writing, a summary of the conclusions of such review and any suggestions made by the Board as a result of such review. Directors of the Company who are members of the Committee shall not participate in such review.

Structure and Operations

In carrying out its purpose and responsibilities, the Committee shall meet two times per year or more frequently as the circumstances require. The Committee may ask members of management or others to attend meetings and provide information as necessary.

Periodically, the Committee may want to form one or more subcommittees depending upon circumstances, or eliminate an established subcommittee. The Committee shall have the right to establish such subcommittees, provided, that the Committee shall not delegate the responsibilities and duties outlined herein to a subcommittee.