

COLUMBIA BASIN TRUST
EXECUTIVE COMMITTEE
OF THE BOARD OF DIRECTORS

TERMS OF REFERENCE

1 Purpose

- 1.1 The purpose of the Executive Committee is to:
 - 1.1.1 Act on behalf of the Board of Directors between Board meetings;
 - 1.1.2 Ensure that appropriate governance policies and practices are developed and implemented;
 - 1.1.3 Ensure that a human resources framework is developed and maintained; and
 - 1.1.4 Address any other matters referred to it by the Board.
- 1.2 All powers that may be exercised by the Executive Committee are subject to any limitations imposed by the Board.

2 Membership and Meetings

- 2.1 The Board of Directors will make all appointments to the Committee.
- 2.2 The Committee shall be composed of not fewer than three directors and not more than five directors.
- 2.3 A majority of the members of the Committee shall constitute a quorum, with a minimum of three members required.
- 2.4 The Chair of the Board is the Committee Chair and the Vice-Chair of the Board is the Committee Vice-Chair.
- 2.5 The Audit Committee Chair cannot be a member of the Executive Committee.

3 Responsibilities

- 3.1 The Committee is responsible for acting on behalf of the Board between Board meetings, and for:

- 3.1.1 Annually reviewing major governance documents including terms of reference for the Board, Chair, Committees and individual directors;
- 3.1.2 Recommending to the Board, and annually implementing an appropriate evaluation process for the Board, Chair and Committees and assuming responsibility for recommending individual director evaluations;
- 3.1.3 Assessing required experiences and skills for potential directors, and annually updating a plan for Board composition;
- 3.1.4 Making recommendations regarding director orientation and ongoing development;
- 3.1.5 Recommending a performance evaluation process for the President and CEO and when approved by the Board, leading the implementation of the evaluation process;
- 3.1.6 Reviewing and recommending the CEO's compensation;
- 3.1.7 Reviewing with the CEO existing management resources and plans, ensuring that qualified personnel will be available for succession to executive positions, and reporting on this annually to the Board;
- 3.1.8 Reviewing major changes in the organizational structure of management as proposed by the CEO;
- 3.1.9 Reviewing internal human resource policies from time to time;
- 3.1.10 Reviewing with the CEO any significant outside commitments the CEO is considering before the commitment is made;
- 3.1.11 Reviewing and recommending:
 - The compensation policy for employees; and
 - New benefit programs or material changes to existing programs.
- 3.1.12 Annually reviewing the performance of the Executive Committee against its Terms of Reference.

4 Reporting

- 4.1 The Committee shall keep regular minutes of its meetings, and report on its discussions to the Board of Directors.