
TERMS OF REFERENCE OF THE CHAIR OF THE CORPORATE GOVERNANCE AND COMPENSATION COMMITTEE

I. PURPOSE

- A. The Chair's primary role is coordinating the affairs of the Corporate Governance and Compensation Committee of the Board of Directors and acting as the main liaison between the Corporate Governance and Compensation Committee and the Board in regards to updating and advising the Board of matters relating to the compensation, corporate governance and other human resources issues reviewed at the Corporate Governance and Compensation Committee. The Chair should be a director who is independent of management. A Chair is independent if he or she is free from any interest and any business or other relationship which could, or could reasonably be perceived to materially interfere with the director's ability to act with a view to the best interests of Canadian Oil Sands Trust (the "Trust") or its subsidiaries, other than interests and relationships arising from unitholdings and shareholdings.
- B. The Chair works with the General Counsel and Corporate Secretary ("GC") to assist in relation to matters involving corporate governance and human resources matters.
- C. The Chair is appointed annually by and reports to the Board of Directors.

II. DUTIES AND RESPONSIBILITIES

A. Working with Management

The Chair has the responsibility to:

- i) act as the principal sounding board, counsellor and confidant for management in relation to matters relating to the Corporate Governance and Compensation Committee, including helping to review management succession and corporate governance matters;
- ii) at the request of the GC, provide advice to the GC on major issues;
- iii) communicate with senior management regarding issues of the Corporate Governance and Compensation Committee;
- iv) work closely with the GC to ensure corporate governance issues are accurately represented to the Corporate Governance and Compensation Committee and to the Board; and

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- v) liaise with senior management on matters regarding corporate social responsibility and corporate governance.

B. Managing the Corporate Governance and Compensation Committee

The Chair has the responsibility to:

- i) chair Corporate Governance and Compensation Committee meetings;
- ii) establish the frequency of Corporate Governance and Compensation Committee meetings and review such frequency from time to time, as considered appropriate or as requested by the Corporate Governance and Compensation Committee, the Board or management;
- iii) with the assistance of the GC, develop the agenda, information packages and related events for Corporate Governance and Compensation Committee meetings;
- iv) maintain a liaison and communication with all members of the Corporate Governance and Compensation Committee to coordinate input from the members of the Corporate Governance and Compensation Committee, and optimize the effectiveness of the Corporate Governance and Compensation Committee;
- v) act as the main contact between the Corporate Governance and Compensation Committee and external independent consultants providing advice on executive compensation matters;
- vi) to keep the Chairman of the Board updated on the matters and issues raised at the Corporate Governance and Compensation Committee and to communicate, on a regular basis, those matters and issues discussed at the Corporate Governance and Compensation Committee to the full Board;
- vii) assist the Corporate Governance and Compensation Committee in determining the appropriate size and composition of all committees and the Board for approval by the Board;
- viii) to call special meetings of the Corporate Governance and Compensation Committee, where appropriate; and

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- ix) to hold regular in camera sessions at Corporate Governance and Compensation Committee meetings.

III. REVIEW

The Chair of the Corporate Governance and Compensation Committee as well as the Corporate Governance and Compensation Committee, with input by all Board members and management, will review these terms of reference at least annually or, where circumstances warrant, at such shorter interval as is necessary, to determine if further additions, deletions or other amendments are required.