

CORPORATE GOVERNANCE AND COMPENSATION COMMITTEE CHARTER

Purpose

- (1) The Corporate Governance and Compensation Committee of the Board of Trustees (“Board”) of the Trust will:
 - (a) develop the Trust’s system of and overall approach to corporate governance generally, monitor compliance with applicable corporate governance requirements, assess the Board’s effectiveness in governance matters and make recommendations to the Board with respect to corporate governance of the Trust as a whole, including without limitation:
 - (i) the stewardship role of the Board in respect of management of the Trust;
 - (ii) Board size and composition;
 - (iii) Trustees’ remuneration; and
 - (iv) such processes and procedures as may be reasonably necessary to allow the Board to function independently of management;
 - (b) generally review and make recommendations to the Board with respect to all direct and indirect compensation, benefits and perquisites for the management of the Trust;
 - (c) review and make recommendations to the Board regarding incentive compensation and equity based plans generally;
 - (d) administer those functions delegated to the Committee pursuant to the Trust’s unit option plan, as may be amended from time to time, or any successor or replacement plan (the “Option Plan”); and
 - (e) generally review and make recommendations to the Board with respect to succession planning for the management of the Trust.

Organization

- (2) The Committee will be composed of not less than three (3) nor more than five (5) members, a majority of whom will not be officers of the Trust (for greater certainty, the Chair of the Trust is not considered to be an officer of the Trust). The Board will annually appoint the members of the Committee and appoint a Chairman from amongst those appointed, to hold office until the next annual meeting of unitholders of the Trust. The members of the Committee will serve at

the pleasure of the Board and vacancies occurring from time to time will be filled by the Board.

- (3) A majority of the members of the Committee will constitute a quorum and all actions of the Committee will be taken by a majority of the members present at the meeting.
- (4) Unless otherwise determined or approved by the Committee, the Chairman of the Trust, if a member of the Committee, will act as the Chairman of the Committee. In the absence of the Chairman, the Committee shall select an individual to act as the Chairman of the Committee. The Chairman of the Committee will keep minutes of the Committee and such minutes will be retained in the corporate records of the Trust.
- (5) The Chairman of the Committee shall provide each member with notice of each meeting of the Committee, all of whom will be entitled to attend each meeting. The Chairman of the Committee or the Committee may request that any officer or employee of the Trust or its affiliates, or the manager of the Trust, attend a Committee meeting.
- (6) The Committee will meet periodically as required in order to carry out its duties, but will meet, commencing in 2006, at least annually to address the governance matters specified in this charter.
- (7) The Committee may retain outside legal and other experts at the expense of the Trust where reasonably required to assist and advise the Committee in carrying out the Committee's duties and responsibilities.
- (8) The Committee may establish from time to time such sub-committees as it considers necessary or advisable, including without limitation a Disclosure Committee responsible for policies and procedures relating to timely disclosure to the public of material information concerning the Trust. Such sub-committees may be comprised of members of the Committee and other officers or management company employees as may be considered advisable.

Duties and Responsibilities

- (8) The Committee will generally be responsible for:
 - (a) developing the Trust's system of and overall approach to corporate governance as a whole, consistent with applicable law, rules and regulations of applicable regulatory authorities and the Trust's needs;
 - (b) making recommendations to the Board for implementation of such system;
and

- (c) assessing the effectiveness of the Trust's system of corporate governance.

In addition, the Committee will monitor the implementation and compliance with any rules, regulations or guidelines promulgated by regulatory authorities relating to corporate governance.

Specific responsibilities of the Committee include:

- (a) annually oversee the evaluation of management and monitor and assess the relationship between the Board and management, defining the limits to management's responsibilities and ensuring that the Board is able to function independently of management;
- (b) annually assess and oversee the evaluation of the effectiveness of the Board as a whole and of the individual committees of the Board as well as recommend timely changes in the role, size, composition, competencies and skills and structure of the Board and of all Board committees;
- (c) assess the needs of the Board in terms of the frequency and location of Board and committee meetings, meeting agendas, discussion papers, reports and information and the conduct of meetings;
- (d) recommend to the Board from time to time rules and guidelines governing and regulating the affairs of the Board, such as orientation and education of new and existing members regarding the structure and operations of the Trust, continuing education, tenure, retirement, compensation and indemnification of directors;
- (e) recommend to the Board at the first meeting of the Board following each Annual Meeting of the Unitholders of the Trust, the allocation of Board members to each of the Board committees, including the Chair of the committees, and an independent Trustee. Where a vacancy occurs at any time in the membership of any Board committee, the Committee may recommend to the Board a director to fill such vacancy;
- (f) review the mandates or charters of the Board committees periodically and recommend to the Board such amendments as may be necessary or advisable to reflect the Trust's system of and overall approach to corporate governance;
- (g) oversee the application of and compliance with the Declaration of Trust of the Trust;
- (h) recommend to the Board a set of corporate governance principles applicable to the Trust and make recommendations to the Board, on an

ongoing basis, concerning corporate governance in general and regarding the Board's stewardship role in the management of the Trust, including the roles and responsibilities of directors and the recommendation of appropriate policies and procedures to ensure that directors carry out their duties with due care and in compliance with all legal requirements;

- (i) annually develop, review and report on corporate governance guidelines or requirements applicable to the Trust, consistent with the applicable requirements of The Toronto Stock Exchange and any other applicable securities regulatory authority;
 - (j) develop, review and recommend to the Board strategic corporate policies such as corporate disclosure policies, insider trading policies, confidentiality policies, code(s) of conduct and other relevant policies associated with ensuring an effective system of corporate governance. In this regard, the Committee will review with counsel the Trust's compliance with applicable laws and regulations and inquiries received from regulators and governmental agencies;
 - (k) if deemed necessary or advisable, recommend to the Board the form and content of a Code of Conduct and Ethics, monitor its implementation, operation and effectiveness and authorize any waiver of compliance of such Code and oversee the investigation of any alleged breach thereof; and
 - (l) undertake on behalf of the Board such other corporate governance initiatives as may be necessary or desirable to enable the Board to contribute to the advancement of the Trust and to enhance Unitholder value.
- (9) The Committee, in reviewing and making recommendations to the Board relating to executive compensation, will consider and apply, among other things, the historical operating philosophies and policies of the Trust, including the constating documents of the Trust, direct profit participation, mandatory Unit ownership and use of Unit options and other rights granted under the Option Plan to align the interests of management and Unitholders and to create Unitholder value.

With respect to compensation, the Committee will:

- (a) evaluate management's performance, including in respect of any established goals and objectives, and review and make recommendations to the Board with respect to all direct and indirect compensation, benefits and perquisites (cash and non-cash) for management based on such evaluation,

- (b) generally review and make recommendations to the Board with respect to incentive compensation and equity based plans;
 - (c) review and make recommendations to the Board with respect to the Trust's policies regarding management benefits and perquisites, if any;
 - (d) review and approve the disclosure relating to the compensation of directors and officers of the Trust contained in the Trust's management information circular or other documents prior to their filing with regulatory authorities and/or distribution to the Unitholders of the Trust;
 - (e) where required, prepare the Report of the Compensation Committee contained in the Trust's management information circular/proxy statement or other documents to the extent required by applicable law; and
 - (f) perform such other functions in respect of the Trust as requested or delegated by the Board from time to time.
- (10) The Committee will have all of the powers and discretion delegated to it by the Board under any equity based plans and under the Option Plan, or any successor plan thereof which specifically designates powers and discretion to the Committee, as well as the power to administer the Option Plan, including, where consistent with the general purpose and intent of the Option Plan and subject to the specific provisions of the Option Plan, the power to:
- (a) interpret the provisions of the Option Plan and to determine all questions arising out of the Option Plan and any stock options, stock appreciation rights ("SARs"), stock awards or performance Units granted pursuant to the Option Plan, and any such interpretation or determination made by the Committee shall, absent manifest error, be final and conclusive for all purposes;
 - (b) make rules and regulations and formulate administrative provisions for the implementation of the Option Plan;
 - (c) select which eligible employees, officers, consultants, independent contractors and agents of the Trust are granted Unit options, SARs, restricted Units or other Unit awards or performance Units and to grant the same;
 - (d) determine the number of Units covered by each Unit option, SAR, Unit award or performance Unit;
 - (e) determine the exercise price of each Unit option or SAR;

- (f) determine the time or times when Units options, SARs, restricted Units, or other forms of Unit awards, performance Units or restricted or deferred Units will be granted and exercisable and the conditions applicable thereto;
- (g) determine if the Units that are subject to an option under the Option Plan will be subject to any restrictions upon the exercise of such option;
- (h) review and approve or otherwise prescribe the terms, conditions, restrictions and/or form of the instruments (including Unit option agreements) relating to the grant, exercise and other terms of Unit options, SARs, Unit awards or performance Units; and
- (i) perform such other functions in respect of the Option Plan as requested or delegated by the Board from time to time.