

## **COMPENSATION COMMITTEE CHARTER SEPTEMBER 2007**

### **Purpose**

The Compensation Committee is appointed by the BECU Board of Directors to do work for the Board. It consists of at least three Board members.

### **Responsibilities**

This Committee is responsible for approving the Credit Union's Total Compensation Plan. The Compensation Committee reviews and recommends to the Board of Directors salary adjustment funds, fundamental changes to the salary administration framework, benefit plans, perquisites, changes to salary levels and new or changed incentive plans on an annual basis. The Compensation Committee plays a key role in administering the Executive Compensation Plan.

### **Oversight**

The Compensation Committee's role in administering the Executive Compensation Plan includes being responsible for the review and recommendation for approval by the Board of Directors the following:

- All aspects of the President's total compensation package
- Changes to elements of the total compensation package that are specific to executives
- Annual and long term executive incentive goals and awards

The Committee also:

- Reviews the President's administration of the total compensation plan for executives through an annual presentation by the President covering overall performance of each executive, salary adjustments, and commentary about executive development and succession.
- Conducts and develops the President's annual performance review for approval and delivery by the Board Chair.
- Reviews and approves changes to Personnel Administration Policies.

### **Reporting**

The Committee meets with the Vice President of Human Resources as required to perform their duties.

The Committee submits all recommendations for approval by the BECU Board of Directors.

The Committee shall keep a complete record of all its proceedings. All reports of the Committee shall be filed and preserved with the records of the Credit Union.