



MEMORANDUM

To: Human Resources and Governance (HR&G) Committee
From: Vickie Leady, Asst. General Counsel and Asst. Corporate Secretary
Date: August 1, 2016
Re: Item 7 – Task Force on Unaffiliated Director Compensation

HR&G Committee Charter Requirement to Consider Unaffiliated Director Compensation and Reimbursement

Section 2.a.(2) of the Duties and Responsibilities of the HR&G Committee Charter requires that the Committee consider Unaffiliated Director compensation and reimbursement matters periodically, but no less than once every two years. It further provides that the Committee will recommend any compensation and reimbursement changes to the Board.

Last Change to Compensation Structure Approved in 2012

The Board most recently approved changes to the Unaffiliated Director compensation structure at its July 17, 2012 meeting.

Task Force to Review Current Compensation

In order to meet its Charter requirements to review Unaffiliated Director compensation and reimbursement, pursuant to the Charter, the Committee may appoint an advisory task force for the purpose of reviewing and making a recommendation to the Committee regarding current Unaffiliated Director compensation and reimbursement.

We look forward to discussing this matter with you at the August 8, 2016 Committee meeting.