



Human Resources and Compensation Committee Responsibilities

The committee's responsibilities include:

- reviewing on a periodic basis the compensation policies and practices and overall philosophy of Baytex and, where appropriate, making recommendations to the Board regarding substantive changes to such compensation policies and practices and overall philosophy;
- reviewing and recommending to the Board the retainers and fees to be paid to members of the Board;
- reviewing on an annual basis the performance of the President and Chief Executive Officer;
- determining and approving the compensation and benefits package and bonuses for each of the officers of Baytex and, in connection therewith, receiving and considering the Chief Executive Officer's recommendations for, and appraisal of the performance of, the other officers;
- with respect to the compensation and benefits package and bonuses to be paid to the non-officer employees of Baytex, receiving and considering the recommendation of the Chief Executive Officer and determining and approving such compensation and benefits package and bonuses (with the allocation thereof to specific employees to be made by the Chief Executive Officer or his delegate);
- reviewing the Chief Executive Officer's recommendations for the type of long-term incentive plans to be utilized by Baytex and making recommendations in respect thereof to the Board;
- administering our long-term incentive plans;
- considering performance objectives for the ensuing year for the Chief Executive Officer and, if appropriate, the other officers of Baytex; and
- preparing and recommending to the Board any required disclosures of compensation practices to be included in our information circular - proxy statement.