



BOARD CHAIR

TERMS OF REFERENCE

The following sets forth the terms of reference for the chair (the "Chair") of the board of directors (the "Board") of Baytex Energy Corp. (the "Corporation").

In the event that the Nominating and Governance Committee of the Board determines, based on the definition of "independence" in applicable securities laws and a review of the applicable factual circumstances (including financial, contractual and other relationships), that the Chair is not independent, the Board may appoint a Lead Independent Director to act as a liaison between management and the independent directors.

Role and Objective

1. The Chair is appointed annually by and reports to the Board.
2. The Chair's primary role is managing the affairs of the Board, including ensuring the Board is organized properly, functions effectively and meets its obligations and responsibilities, including those matters set forth in the Mandate of the Board.
3. The Chair maintains on-going communications with the chairs of other committees of the Board, such other officers and employees of the Corporation as the Chair determines appropriate and, if applicable, the Lead Independent Director.

Duties and Responsibilities

The Chair has the responsibility to:

1. Ensure that the responsibilities of the Board, as set out in its Mandate, are well understood by the members of the Board and are discharged as effectively as possible;
2. Chair Board meetings;
3. Establish the frequency of Board meetings and review such frequency from time to time, as considered appropriate (provided, however, that Board meetings shall be called by the Chair as required by the *Business Corporations Act* (Alberta) and the by-laws);
4. Ensure the coordination of the agenda, information packages and related events for Board meetings;
5. Maintain a liaison and communication with the Lead Independent Director (if applicable) and other Board members to coordinate input from Board members and optimize the effectiveness of the Board;
6. Ensure information requested by Board members is provided and meets their needs;
7. Encourage the independent Board members meet in separate, regularly scheduled, non-management, closed sessions, including, where appropriate, with internal personnel or outside advisors. In the event that the Chair is not considered to be independent, these sessions will be chaired by the Lead Independent Director;

8. Work with the Chief Executive Officer of the Corporation (the "CEO") to ensure effective relations with the Board members and shareholders;
9. Act as the principal sounding board for the CEO, including helping to review strategies, define issues, maintain accountability and build relationships; and
10. Communicate with the CEO regarding concerns of the Board, shareholders, other stakeholders and the public.