

CARA OPERATIONS LIMITED

**GOVERNANCE, COMPENSATION AND
NOMINATING COMMITTEE CHARTER**

**Approved by the Board of Directors and effective as of
April 10, 2015**

CARA OPERATIONS LIMITED

GOVERNANCE, COMPENSATION AND NOMINATING COMMITTEE CHARTER

1. Statement of Purpose

The Governance, Compensation and Nominating Committee (the “**Committee**”) of Cara Operations Limited (“**Cara**”) has been established by the Board for the purposes of (1) reviewing and approving the compensation of the CEO, CFO and the other executive officers of Cara, (2) establishing the compensation of the directors of Cara, (3) reviewing and making recommendations to the Board with respect to equity and incentive based plans and with respect to any other compensation matters that require approval of the Board, (4) reviewing Cara’s corporate governance practices and recommending changes to those practices as it considers appropriate, (5) reviewing the effectiveness and performance of the Board and of individual members and (6) reviewing and recommending candidates for nomination to the Board.

2. Committee Membership

Members

The Committee will consist of as many members of the Board as the Board may determine but in any event, not less than three members, one of whom is to be a person determined by the Board to be an Independent Director, a majority of whom are residents of Canada and at least two (2) directors nominated by the Fairfax Group Shareholders. Members of the Committee will be appointed by the Board, taking into account any recommendation that may be made by the Committee. Any member of the Committee may be removed and replaced at any time by the Board, and will automatically cease to be a member if he or she ceases to meet the qualifications set out below. The Board will fill vacancies on the Committee by appointment from among qualified members of the Board, taking into account any recommendation that may be made by the Committee. If a vacancy exists, the remaining members of the Committee may exercise all of its powers so long as there is a quorum.

Chair

The Board will designate one of the members of the Committee to be the Chair of the Committee, taking into account any recommendation that may be made by the Committee.

Qualifications

At least one member of the Committee must be independent, as determined in accordance with the rules of applicable stock exchanges and securities regulatory authorities. Members must have suitable experience and must be familiar with corporate governance practices and the compensation practices of public companies.

Ex Officio Members and Management Attendance

The Committee may invite, at its discretion, members of management to attend a meeting of the Committee. Any member of management will attend a Committee meeting if invited by the Committee.

3. Committee Operations

Frequency of Meetings

The Chair, in consultation with the other members of the Committee, will determine the schedule and frequency of meetings of the Committee.

Agenda and Reporting to the Board

The Chair will establish the agenda for meetings in consultation with the other members of the Committee and the Chairman of the Board. To the maximum extent possible, the agenda and meeting materials will be circulated to the members in advance to ensure sufficient time for study prior to the meeting. The Committee will report to the Board at the next meeting of the Board following each Committee meeting.

Secretary

The Corporate Secretary of Cara will, subject to any contrary direction of the Committee, act as secretary of the Committee.

Minutes

The secretary of the Committee will keep regular minutes of Committee proceedings and will circulate them to all Committee members and the Chairman of the Board (and to any other director that requests that they be sent to him or her) on a timely basis.

Quorum

A quorum at any meeting will be a simple majority, including at least one director nominated by each of the the Fairfax Group Shareholders and Phelan Group Shareholders.

Procedure

The procedure at meetings will be determined by the Committee.

Transaction of Business

The powers of the Committee may be exercised at a meeting where a quorum is present or by resolution in writing signed by all members of the Committee.

Absence of Chair

In the absence of the Chair, the Committee may appoint one of its other members to act as Chair of that meeting.

Exercise of Power Between Meetings

Between meetings, the Chair of the Committee, or any member of the Committee designated for this purpose, may, if required in the circumstance, exercise any power delegated by the Committee. The Chair or other designated member will promptly report to the other Committee members in any case in which this interim power is exercised.

4. Committee Duties and Responsibilities

The Committee is responsible for performing the duties set out below and any other duties that may be assigned to it by the Board and performing any other functions that may be necessary or appropriate for the performance of its duties.

(a) Evaluation and Compensation of the CEO

The Committee will annually evaluate the performance of the CEO relative to the corporate objectives approved by the Board and review and when appropriate approve the compensation of the CEO.

(b) Evaluation and Compensation of CFO and Executive Officers

The Committee will annually evaluate the performance of the CFO and each executive officer relative to the corporate objectives approved by the Board (taking into account the specific responsibilities of that executive officer) and review and approve the compensation of the CFO and each executive officer, including any equity or incentive based payments, taking into account the recommendations of the CEO. As part of the Committee's annual evaluation of Cara's executive officers, the Committee will consider the management succession plans.

(c) Compensation of the Directors

The Committee will establish the compensation to be paid to the directors of Cara, including any equity or incentive based payments. In doing so, the Committee will consider the following:

- The time commitment associated with being a director of Cara, including, as applicable, committee (and committee Chair) work;
- The responsibilities and risks associated with being a director of Cara;
- Compensation paid to directors by companies similar to Cara; and
- Any other factors the Committee considers relevant.

The Chairman of the Board will not receive any compensation for acting as a director or as Chairman of the Board separate from the compensation the Chairman receives in his capacity as CEO.

(d) Equity and Incentive Based Plans

The Committee will review and make recommendations to the Board regarding any equity or incentive based plans proposed by management of Cara that do not otherwise require the approval of this Committee. The Committee will also review and make recommendations regarding any other compensation arrangement that requires approval of the Board.

(e) Approach to Corporate Governance

The Committee will review Cara's overall approach to corporate governance, taking into account those elements that are unique to Cara, and make recommendations to the Board. Among other things, the Committee (or as it may delegate) will:

- Develop and recommend to the Board corporate governance guidelines (which will include the mandate of the Board) and a code of business conduct and ethics for Cara. The Committee will annually review the adequacy of those guidelines and the code and recommend any changes the Committee considers appropriate;
- Consider and recommend to the Board any new committees the Committee believes are appropriate;
- Organize an orientation and education program for new directors;
- Develop charters for any new committees established by the Board and annually receive feedback from and assess the charter of each of the committees, and recommend any changes the Committee considers appropriate;
- Annually evaluate and report to the Board on the performance and effectiveness of (i) the Board and each of its members and (ii) each committee (including this Committee) and each of its members. Assessments will consider Cara's corporate governance guidelines, committee charters (with respect to evaluations of committees), and, in the case of individual directors, any applicable position descriptions (including for the Chairman and the Chairs of each committee) and the competencies and skills each individual director is expected to bring. Based on its evaluations, the Committee will recommend to the Board any changes it believes are necessary or appropriate;
- Monitor developments in the area of corporate governance, and after discussions with any person the Committee considers appropriate, recommend any changes the Committee believes are appropriate;
- Consider proposals by directors to engage outside advisors on behalf of the Board as a whole or on behalf of an independent director;
- Recommend to the Board those directors it considers qualified for appointment to each Board committee. Where a vacancy occurs at any time in the membership of any Board committee, the Committee will recommend to the Board a director to fill that vacancy subject to the rights of the Fairfax Group Shareholders and Phelan Group Shareholder, as applicable, to nominate any nominee for the Committee's consideration in the event such vacancy was the result of such Shareholder Group's previous nominee;
- Recommend to the Board those Board committee members it considers qualified to Chair those committees;
- Annually consider the appropriateness of the insurance arrangements for directors and officers of Cara; and
- Periodically examine the size of the Board and recommend to the Board a size that facilitates effective decision making.

(f) Nomination of Directors

The Committee is responsible for identifying individuals qualified to be members of the Board and recommending to the Board director nominees for election at the next annual meeting of

shareholders. In making its recommendations, the Committee will, after conducting the reviews, examinations and inquiries it believes are appropriate, consider:

- The competencies and skills that the Board considers to be necessary for the Board, as a whole, to possess;
- The competencies and skills that the Board considers each existing director to possess and that the Committee considers any new nominee to possess;
- The independence requirements of the Board and each committee; and
- The requirements of the Audit Committee with respect to the financial literacy and financial expertise of its members, and the requirements of other committees for distinctive expertise.

(g) Related Party Transactions

The Committee will review all proposed significant related party transactions involving directors, executive officers or the multi voting shareholders of Cara and will recommend that a Special Committee of Independent Directors be established to ensure that any such related party transactions are fair to Cara and in the best interests of Cara.

(h) Reporting

The Committee will oversee the preparation of any disclosure about the corporate governance and compensation practices of Cara, including any report required to be included in the proxy materials for the annual meeting of Cara shareholders.

5. The Committee Chair

In addition to the responsibilities of the Chair described above, the Chair has the primary responsibility for overseeing and reporting on the evaluations to be conducted by the Committee, as well as monitoring developments with respect to compensation practices in general and reporting to the Committee on any significant developments.

6. Committee Evaluation

The performance of the Committee will be evaluated by the Board as part of its annual evaluation of the Board committees.

7. Company Pension Plan

Cara is the sponsor and administrator of the company's pension plans and corresponding programs (the "**Plans**"). The Board has established a committee known as the "Management Pension Committee (comprised of the CFO and General Counsel) to which various powers, duties and functions relating to the company's role as the administrator and sponsor of the Plans. The Committee shall oversee the activities of the Management Pension Committee in a manner that is consistent with the Management Pension Committee Terms of Reference attached as Schedule A to this Charter.

SCHEDULE A – PENSION COMMITTEE TERMS OF REFERENCE

FINAL : As approved by the Board at the May 14, 2014 meeting

PENSION COMMITTEE TERMS OF REFERENCE

Terms of Reference Relating to the Administration

of

Certain Pension Plans

of

Cara Operations Limited (“Cara”)

Effective as of May 14, 2014

PART A

DUTIES AND RESPONSIBILITIES OF CARA’S MANAGEMENT PENSION COMMITTEE

1. Purpose of The Terms of Reference

The Terms of Reference set out the policies and procedures to be followed by Cara’s management pension committee (the “**Management Pension Committee**”) in the administration of the pension plans (collectively the “**Plans**”) listed on Schedule A attached.

2. Establishment of the Pension Committee

The Management Pension Committee was established by Cara’s Board of Directors (the “**Board**”) on October 22, 2013.

The Management Pension Committee exists to assist the Board (including any Committees of the Board) in the oversight and administration of the Plans and the oversight and administration of the related funding arrangements (collectively referred to as the “**Funds**”) established by Cara for the investment of the assets of the Plans. The Management Pension Committee also carries out functions for and on behalf of Cara in its capacity as sponsor of the Plans.

The Management Pension Committee shall operate under the supervision, direction and control of the Compensation Committee of the Board (the “**Board Pension Committee**”), and shall report to the Board Pension Committee as provided in this Terms of Reference.

3. Role of the Board Pension Committee

(a) Role as Administrator of the Plans

Cara has responsibility for the prudent administration of the applicable Plan(s) and the Fund(s) in accordance with the applicable pension benefits standards legislation, the *Income Tax Act* (Canada) and any other applicable legislation. The following specific powers, duties and responsibilities will be exercised on behalf of Cara by the Board Pension Committee:

Governance

- (i) The appointment and removal of members of the Management Pension Committee;
- (ii) The review and approval, as applicable, of the periodic reports prepared for the Board Pension Committee by the Management Pension Committee regarding the Plans and Funds (such reports shall, among other things, address the ongoing administration, investment and governance of the Plans and Funds, as well as the design and funding of the Plans and Funds);
- (iii) The review and approval, as applicable, of any reports prepared by the Management Pension Committee regarding the activities of the Management Pension Committee and their delegates and service providers in respect of the applicable Plan(s);

Investment

- (iv) The appointment of the investment managers for the Plans based on the recommendations of the Management Pension Committee;
- (v) The adoption of the general investment strategy for the Plans based on the recommendations of the Management Pension Committee;

Administration

- (vi) The appointment of the actuary(ies) for the Plans based on the recommendations of the Management Pension Committee;
- (vii) The approval of the actuarial reports in respect of the Plans based on the recommendations of the Management Pension Committee;
- (viii) The appointment of third party administrators for the Plans and other service providers based on the recommendations of the Management Pension Committee;
- (ix) The appointment of funding agents in respect of the Plans based on the recommendations of the Management Pension Committee;
- (x) The review of annual reports prepared by the Management Pension Committee (which may incorporate reports prepared by the auditor and other agents and advisors in respect of the administration of the Plans and the administration and investment of the Funds), including, in particular, summary reports on the investment performance of the investment managers, and to take action as appropriate; and
- (xi) The administration of the audit of the annual Pension Financial Statements by Cara's auditor.

(b) In Relation to Cara's Role as Sponsor/Employer of the Plans

Cara has certain responsibilities as a sponsor/employer under the applicable Plan(s), including, without limitation, the following specific powers, duties and responsibilities in respect of the applicable Plan(s), which will be exercised on behalf of Cara by the Board Pension Committee:

Plan Design

- (i) Except as specifically delegated to the Management Pension Committee in Section 5(b)(iii) below or otherwise, adopting any amendments to or winding-up (in whole or in part), the Plans and their respective Funds (and related funding agreements) based on the recommendations of the Management Pension Committee; and

Funding

- (ii) Approving the general funding strategy for the Plans.

4. Role of the Management Pension Committee

(a) In Relation to each Company's Role as Administrator of the Plans

In performance of its duties and responsibilities in respect of the oversight, operation and administration of the Plans and the Funds on behalf of each Company, the Management Pension Committee shall:

Plan Administration

- (i) Oversee all aspects of the administration of the Plans and the Funds, which administration may be assigned by either the Management Pension Committee to certain employees of Cara or by the Board Pension Committee to benefit administration agents, the funding agents of the Funds, and other legal, actuarial and financial advisors retained by Cara in connection with such administration, based on the recommendation of the Management Pension Committee. In that regard, the Management Pension Committee shall review and monitor:
 - (A) All reports and statements pertaining to administration of the Plans to ensure each Plan is administered in accordance with its terms and applicable laws;
 - (B) The remuneration and performance of the investment manager(s), funding agents, auditors, actuaries and other agents and advisors appointed in respect of the Plans and the Funds, based upon the benchmarks established by the Management Pension Committee from time to time; and
 - (C) Information provided to Plan members about the Plans and ensure compliance with the applicable pension benefits standard legislation.
- (ii) Make recommendations to the Board Pension Committee in respect of the appointment of funding agents (custodians), third party administrators, actuaries, auditors and other agents and advisors considered appropriate in respect of the administration of the Plans and the Funds;

Investment

- (iii) Oversee all aspects of the investment of the Funds in accordance with the general investment strategy adopted by the Board Pension Committee, which investment may be assigned by either the Management Pension Committee to certain employees of Cara or the Board Pension Committee to the funding agents of the Funds, investment agents, and other legal, actuarial and financial advisors retained by Cara in connection with such administration, based on the recommendation of the Management Pension Committee. In that regard, the Management Pension Committee shall:
 - (A) Review and monitor all reports, statements and valuations required under the Plan pertaining to the investment policy, performance and funded status of the Plans, based upon the benchmarks established by the Management Pension Committee from time to time;
 - (B) Review and monitor the investment philosophy, policies and strategies of the investment manager(s) of the Plans and review with the investment manager(s), no less frequently than annually, the investment performance of the Funds, with the assistance of such independent investment review services as the Management Pension Committee deems appropriate; and

- (C) Make recommendations to the Board Pension Committee in respect of the appointment of investment managers and other agents and advisors considered appropriate in respect of the investment of the Plans;
- (iv) Subject to the terms of the applicable Plan, authorize disbursements from the applicable Fund for payment of fees and expenses reasonably incurred by the auditors, investment managers, funding agents, third-party administrators, actuaries and other agents and advisors of the Plans in the performance of their duties in respect of the applicable Plan;
- (v) Manage cash-flow needs;
- (vi) Complete all applicable regulatory filings related to the Plans;
- (vii) Interpret the rules of the Plans in the event of questions raised by members;
- (viii) Receive, review and approve audited and unaudited financial statements for each of the Plans;

Regulatory and Legal Compliance

- (ix) Review and monitor new developments and applicable law with respect to the Plans and ensure that the Plans comply with requirements of applicable federal and provincial legislation, rules and regulations with respect to reporting, filing and registration;

Governance

- (x) Prepare a report no less frequently than annually for the Board Pension Committee outlining the activities of the Management Pension Committee and its delegates and service providers regarding the Plans and Funds. Such report shall, among other things, address the ongoing administration, investment and governance of the Plans and Funds, as well as the design and funding of the Plans and Funds;

Other

- (xi) Make recommendations to the Board Pension Committee with respect to those relevant matters noted in this Section 4(a) and report to the Board Pension Committee at least annually on the applicable matters and periodically on other matters deemed material by the Management Pension Committee;
- (xiv) Perform such other duties and responsibilities as are delegated to the Management Pension Committee by the Board Pension Committee from time to time; and
- (xv) Perform such other duties and responsibilities incidental to the duties described above as may be necessary and appropriate in carrying out such duties.

(b) In Relation to Cara's Role as Sponsor Employer of the Plans

In performance and exercise of its powers, duties and responsibilities in respect of Cara's role as sponsor of the Plans, the Management Pension Committee shall, as applicable:

Plan Design

- (i) Make recommendations to the Board Pension Committee with respect to amendments to the Plans and the related funding/trust agreements;
- (ii) Monitor the appropriateness of Plan design;
- (iii) Adopt amendments to the Plans that are required to maintain and continue the registration of the Plans under provincial pension legislation and the *Income Tax Act* (Canada) and such routine or "house keeping" amendments as the Management Pension Committee considers to be prudent and/or necessary, where such amendments do not represent a significant increase in funding obligations or administrative costs in respect of the applicable Plan(s);
- (iv) Make recommendations to the Board Pension Committee with respect to those matters noted in Sections 4(b)(i) and 4(b)(ii) above and report to the Board Pension Committee at least annually on the matters noted in Sections 4(b)(i), (ii) and (iii) above and on other matters deemed material by the Management Pension Committee;

Other

- (v) Perform such other duties and responsibilities as are delegated to the Management Pension Committee by the Board Pension Committee from time to time; and
- (vi) Perform such other duties and responsibilities incidental to the duties described above as may be necessary and appropriate in carrying out such duties.

In fulfilling their roles, the members of the Management Pension Committee shall act in all matters relating to the administration, interpretation and application of the Plans in a manner which is consistent in all material respects with the terms of the Plans, the terms of the Plans' funding/trust agreements, the terms of the Plans' statements of investment policies and procedures, the terms of any applicable collective agreements and all applicable and relevant legislation, as amended and applicable from time to time.

5. Standard of Care

The Management Pension Committee, and each Management Pension Committee member and delegate, shall carry out their duties and responsibilities, with respect to the Plans and the Funds, honestly and in good faith. The Management Pension Committee, and each Management Pension Committee member, shall act with the care, diligence and skill that a person of ordinary prudence would exercise in dealing with the property of another person.

PART B

RULES OF PROCEDURE

6. Appointment of Management Pension Committee

The Management Pension Committee shall consist of Cara's CFO, VP, General Counsel and VP of HR (to the extent one is in place).

7. Terms of Office

Management Pension Committee members shall continue to serve as such until termination of employment, resignation or removal.

8. Removal of Members of the Management Pension Committee

Any member may be removed from the Management Pension Committee at any time by the Board Pension Committee by giving written notice to such member and to the remaining members of the Management Pension Committee of such removal. The effective date of the removal shall be the date the written notice is provided to the Member and the Management Pension Committee by the Board Pension Committee or such later date as may be specified in the notice.

9. No Further Responsibility

When a person ceases to be a member of the Management Pension Committee, whether because of termination of employment, resignation or removal by the Board Pension Committee, such person will be fully discharged from all duties, responsibilities which arise after the date such person ceases to be a member of the Management Pension Committee. Such person is not subject to any liability in relation to events occurring after the date he or she ceases to be a member of the Management Pension Committee.

10. Management Pension Committee Continues

When a person ceases to be a member of the Management Pension Committee, whether because of death, incapacity, termination of employment, resignation or removal by the Board Pension Committee, the remaining members shall constitute a fully-constituted Management Pension Committee; however, a successor member may be appointed by the Board Pension Committee if it so chooses.

11. Conveyance of Management Pension Committee Records

A member of the Management Pension Committee resigning, or being removed, shall, forthwith, convey any and all records, books, documents and other property pertaining to the administration of the Plans, to one of the other members of the Management Pension Committee.

12. Meetings

The Management Pension Committee shall meet at least twice per financial year (in person or by phone) at a time and place to be determined by the members. Special meetings of the Management Pension Committee may be called by any member or a designate.

A quorum for meetings shall be a majority of members of the Management Pension Committee.

At each meeting, the members of the Management Pension Committee shall appoint a Secretary, who need not be a member of the Management Pension Committee, to keep minutes of the meeting. The minutes should include, among other things, members present, absent, and non-member attendees. The Secretary shall distribute such minutes to each Management Pension Committee member together with copies of any supporting analysis or reports following the meeting. The minutes shall be approved or amended by the Management Pension Committee at the beginning of the next Management Pension Committee meeting.

13. Majority Vote

Except as otherwise provided in the Terms of Reference, the decisions of the Management Pension Committee at any meeting shall be determined by a majority vote.

When no majority can be reached in respect of a resolution, then the matter at issue will not be adopted.

14. Signing Authority

Any two members of the Management Pension Committee or any other individual(s) designated by the Management Pension Committee, are authorized to execute and deliver all documents in relation to the Management Pension Committee's powers, duties and obligations as set out above (including documents relating to the Plans and the Funds), provided that, unless otherwise authorized by the Management Pension Committee, at least one of the signatures is from a member of the Management Pension Committee.

15. Compensation

Members of the Management Pension Committee shall not receive additional compensation for their participation.

16. Delegation of Responsibilities

The Board Pension Committee authorizes the Management Pension Committee to delegate any of its responsibilities relating to the Plans and the Funds if the members of the Management Pension Committee do not possess the required expertise or the necessary time to properly discharge its responsibilities relating to the Plans or the Funds. Any such delegation shall be in accordance with applicable legislation.

The Management Pension Committee must be satisfied with the delegate's suitability to perform the act for which he/she is employed by the Management Pension Committee.

17. Conflict of Interest

No Management Pension Committee or Board Pension Committee member shall knowingly permit his or her interest, monetary or otherwise, direct or indirect (except as a member of one of the Plans), to conflict with the proper exercise of his or her duties and responsibilities as described herein.

Without limiting the generality of the foregoing, any member of the Management Pension Committee and the Board Pension Committee must disclose any direct or indirect association or material interest or involvement in aspects related to their role with regard to the investment of the Funds that would result in any actual or perceived conflict of interest. Such actual or perceived conflicts may arise as a result of such person having or acquiring a material pecuniary interest, direct or indirect, in any Fund or proposed investment or where such person may materially benefit from an amendment to one of the Plans or from knowledge of, participation in, or by virtue of, a Fund investment or investment decision.

Any persons listed above shall disclose the nature and extent of their actual or perceived conflict of interest at the earlier of:

- (a) becoming aware of the conflict or perceived conflict; or
- (b) at the first Management Pension Committee meeting at which the matter giving rise to the actual or perceived conflict of interest is discussed.

Such disclosure shall be made whether the person's actual or perceived conflict of interest arises before or after the transaction giving rise to the conflict of interest has been completed by the applicable Fund.

Unless the person discloses the actual or perceived conflict of interest at a Management Pension Committee meeting, the disclosure shall be made, in writing, to the other members of the Management Pension Committee who may then report the conflict to the Board Pension Committee. The other members of the Management Pension Committee may take appropriate steps and decide upon a suitable course of action to resolve the conflict, where applicable.

Any member having an actual or perceived conflict of interest will thereafter abstain from the deliberations and decision-making with respect to the matter giving rise to such conflict, unless otherwise determined permissible by the Management Pension Committee.

The Secretary shall maintain a register of any actual or perceived conflicts of interest. The register shall include a description of each actual or perceived conflict of interest, the member to whom the conflict of interest applied, the date upon which the conflict of interest arose and the manner in which the conflict of interest was dealt with.

The failure of a person to comply with the procedures described in this Section shall not itself invalidate any decision, contract or other matter pertaining to investment of the Funds.

18. Amendment of Governance Structure

The Management Pension Committee may make written recommendations to the Board Pension Committee in respect of amendments to the Terms of Reference.

19. Liability of the Management Pension Committee

The Management Pension Committee and its members shall not be liable for any error of judgement nor for any acts taken or failed to have been taken in the exercise of the Management Pension Committee's duties in good faith, in accordance with the standard of care described in Section 5. Specifically, the Management Pension Committee and its members shall not be liable for the loss to or diminution of the Funds. Similarly, the members of the Management Pension Committee shall not be personally liable for any liability or debt of the Plans and the Funds contracted or incurred in connection with the administration thereof, nor for any non-fulfilment of any contract nor for any other liability arising in connection with such administration.

20. Protection of the Management Pension Committee

The Management Pension Committee shall fully protected in acting in good faith on the opinion or advice of, or information obtained from, any employee, agent or advisor employed by Cara, an affiliate, the Board Pension Committee, the Board or the Management Pension Committee in connection with the administration of the Plans and the Funds, in performing the Management Pension Committee's duties and responsibilities and the member shall be entitled to rely conclusively on any document, certificate or report prepared by such employee, agent or advisors and believed by them to be genuine, and shall be under no duty to make investigations or inquiries as to any statement contained in such document, but may accept the same as conclusive evidence of the truth and accuracy of the statements contained in them.

21. Indemnification

Cara shall indemnify and hold each member of the Management Pension Committee harmless from and against any and all taxes, charges, costs, expenses, damages, claims, losses, fines, penalties, interest, demands and liabilities, of any kind, to which the member may become subject, including the fees and expenses of legal counsel or other professionals, for or in respect of anything done or omitted or alleged to be done or omitted to have been done arising out of the performance by the Management Pension Committee member of his or her duties and responsibilities in the member's capacity as a Management Pension Committee member, provided the action or inaction was done honestly, in good faith and in accordance with the standard of care described in Section 5 above.

SCHEDULE A

1. The Final Average Earnings Pension Plan for Designated Employees of Cara Operations Limited and Subsidiary and Associated Companies (Plan Type - Defined Benefit Plan)
2. Unfunded Retirement Programs for Designated Employees of Cara Operations Limited and Subsidiary and Associated Companies (Plan Type – Supplemental Employee Retirement Plan)
3. Unfunded Retirement Allowances for Certain Employees of Cara Operations Limited and Subsidiary and Associated Companies (Plan Type – Supplemental Employee Retirement Plan)