

DELTIC TIMBER CORPORATION

Executive Compensation Committee Charter

Purpose

The Executive Compensation Committee (the “Committee”) is created by the Board of Directors (the “Board”) of the Company to:

- represent for some matters, and otherwise to assist the Board in fulfilling its oversight responsibility to the Company’s stockholders, the investment community, and the public, including specifically to oversee the Company’s equity-based and other compensation and benefits plans and policies;
- administer the Company’s 1996 and 2002 Stock Incentive Plans, including the granting of awards authorized thereunder;
- duly consider and act with respect to any recommendation(s) from the Nominating and Corporate Governance Committee for equity-based compensation to be paid to the Company’s non-employee directors;
- duly consider and act with respect to salary and short and long-term incentive compensation, including equity-based compensation, to be paid to the Company’s executive officers, including its President & Chief Executive Officer; assessing among other factors progress toward and/or obtainment of strategic and other objectives established by the Board, the Company’s operational and financial performance, relative stockholder return, and, the competitive posture of the Company’s compensation programs and such programs’ effectiveness in attracting and retaining individuals of outstanding ability;
- review and evaluate the performance of the Company’s President & Chief Executive Officer in light of objectives or targets the Committee has determined to be appropriate;
- duly consider and act with respect to the general employee compensation programs of the Company, and its short and long-term incentive compensation plans, including establishment of appropriate annual goals and objectives to be met in order for bonus or other awards to be made;
- review and report to the Board on the Company’s succession planning, including succession planning in the case of incapacitation, retirement or removal of the President & Chief Executive Officer;
- report to the Board on a regular basis on its activities and actions; and

- prepare on an annual basis a self-assessment of its performance and communicate the results of such assessment to the Board.

The Committee shall also produce a report on executive compensation for inclusion in the Company's annual proxy statement that complies with the rules and regulations of the Securities and Exchange Commission, the New York Stock Exchange and any other applicable rules and regulations.

Membership

The Committee shall be appointed by the Board and shall be comprised solely of at least three members meeting the independence requirements of the New York Stock Exchange. The Board shall select members for appointment to the Committee at its annual organizational meeting and as vacancies or newly created positions occur, considering the recommendation of and input from the Company's Nominating and Corporate Governance Committee. Committee members may be removed by the Board at any time, and shall be promptly removed should they be determined to no longer meet independence requirements. The Board shall designate the chairman of the Committee.

Procedures

The Committee shall meet in person at least once annually and otherwise as deemed necessary, either in person or telephonically, to fulfill its responsibilities. The presence of a majority of its members shall constitute a quorum. The Committee shall be authorized to form subcommittees and to delegate to such subcommittees or to the Committee's Chairman such tasks as the Committee may determine. The Committee will regularly report to the Board with respect to its activities.

Outside Consultants

The Committee may, in its sole discretion, employ compensation consultants or other experts, to assist in the evaluation of the Company's compensation programs, the compensation of the Company's CEO and/or other elected officers, and otherwise. The Committee shall have the sole authority to approve the fees and other retention terms with respect to such consultants.

Annual Charter Review

The Committee shall conduct an annual review and assessment of its charter, proposing changes thereto, if appropriate, and obtaining the annual approval of its charter by the Board.