



Terms of Reference Audit, Finance and Investment Committee

The Audit, Finance and Investment Committee shall have the following responsibilities:

- Reviewing the annual audited financial statements with management and the auditor before making recommendations to the Board;
- Understanding all material financial risks to the corporation and overseeing the process to mitigate the same
- Reviewing changes in accounting principles and practices followed by the Corporation;
- Reviewing the financial content of any significant reports made to regulatory bodies and government departments;
- Recommending to the Board annually the appointment of the auditor;
- Discussing with the auditor the scope and timing of audit work, and review any problems encountered by the auditor;
- Reviewing with the auditor any significant recommendations for internal controls the auditor makes to management;
- Reviewing management's response to the auditor's recommendations;
- Reviewing the auditor's estimated and actual fees, recommending to the board the approval of audit fees for the forthcoming fiscal year; pre-approving non-audit fees for work to be performed by our auditors;
- Reviewing with management all relevant risks, compliance with all regulatory requirements, and standards of business conduct as approved by the Board as well as management confirmation of compliance with all statutory payments;
- Reviewing with management the proposed budget for the ensuing fiscal year before it is presented to the Board for approval, and any major changes to the budget which management wishes to make during the course of the year;
- Reviewing with management all major capital projects which are proposed and management's plans for financing those projects, and monitoring progress on approved projects;
- Ensuring that the assets of the Corporation are invested prudently and at acceptable risk levels in accordance with the director's common law fiduciary obligations and the "prudent person" investment standard and all applicable regulations and legal requirements;

- For the general and endowment funds:
 - Reviewing and recommending specific objectives and appropriate asset class mixes to meet those objectives to the Board for approval;
 - Reviewing recommendations for investment fund managers to be submitted to the Board for approval;
 - Establishing, in conjunction with management, a process for monitoring the performance and remuneration of the managers selected;
 - Meeting regularly with the fund managers to review progress and to agree on the stance for the various funds in the investment environment expected to prevail over the next few months;
- For the care and maintenance and pre-need trust funds:
 - Reviewing and recommending to the Board for their recommendation to the Trustee for approval, specific objectives and appropriate asset class mixes to meet those objectives;
 - Reviewing recommendations for investment managers to be submitted to the Board for their recommendation to the Trustee for consideration;
 - Establishing, in conjunction with management, a process for monitoring the performance and remuneration of the managers selected and providing feedback to the Trustee;
 - Meeting regularly with the fund managers and Trustee to review progress and develop a stance for the various funds in the investment environment expected to prevail over the next few months;
- Reporting to the Board on the compliance of the various funds with the requirements of the regulatory authorities and recommending to the Board any action which may be required;
- Developing a candid and open relationship with the CFO (who is the executive lead for management with this committee).