

TERMS OF REFERENCE FOR A DIRECTOR
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I. INTRODUCTION

The Board of Directors acts collectively and exercises its powers and responsibilities as a group. Individual directors have no power to act on their own.

II. FIDUCIARY RESPONSIBILITY

Broadly speaking, a director of the Corporation has several fundamental obligations to perform.

A. Honesty and Good Faith

Common law requires a director to act honestly and in good faith with a view towards the best interests of the Corporation. The key elements of this standard of behaviour are:

- i) a director must act with a view to the best interests of the Corporation and not in his or her self-interest. This also means a director should not be acting in the best interests of some special interest group or constituency;
- ii) a director cannot take personal advantage of opportunities that come before him/her in the course of performing his/her director duties;
- iii) a director must disclose to the Board any personal interests that he/she holds that may conflict with the interests of the Corporation.
- iv) a director must respect the confidentiality requirements of the Corporation's Standards of Ethical Conduct of Directors..

B. Skilful Management

A director shall exercise the degree of care, diligence and skill that a reasonably prudent person would exercise in similar circumstances. This means:

- i) the standard of behaviour expected of a director will depend upon the particular qualities or characteristics that the director brings to the Corporation relative to the particular matter under consideration.
- ii) the director must be proactive in the performance of his or her duties by:
 - a) attending Board and committee meetings; a director who has not attended meetings must show diligence by examination of reports, discussions with other directors, and otherwise being sufficiently familiar with the organization's activities so that he/she does not suffer as a result of non-attendance;

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- b) participating in a meaningful way; and
- c) being vigilant to ensure the Corporation is being properly managed and is complying with laws affecting the Corporation.

III. STANDARDS OF BEHAVIOUR ESTABLISHED BY THE BOARD

The Board has established the following standards of behaviour for directors.

A. General

As a member of the Board, each director will:

- i) demonstrate a solid understanding of the role, responsibilities and legal duties of a director and the governance structure of the Corporation as outlined in the Board Manual;
- ii) demonstrate high ethical standards in personal and professional dealings; and
- iii) understand the difference between governing and managing, and not encroach on management's area of responsibility.

B. Strategies and Plan

As a member of the Board, each director will:

- i) demonstrate an understanding of the Corporation's strategic direction;
- ii) contribute and add value to discussions regarding the Corporation's strategic direction; and
- iii) participate in monitoring and evaluating the success of the Corporation and the CEO in achieving established goals and objectives.

C. Preparation, Attendance and Availability

As a member of the Board, each director will:

- i) demonstrate good judgement;
- ii) maintain an excellent Board and committee meeting attendance record¹;
- iii) organize him/herself so as to be able to attend the entire Board or committee meeting, not just parts of meetings; and
- iv) participate in committees and contribute to their purpose.

