



Updated: August 17, 2007

## Board of Directors Charter

### Purpose

The Board of Directors is elected by the Corporation's shareholders to oversee the management of the business and affairs of the Corporation, in the best interests of the Corporation. The Board of Directors is responsible for the stewardship of the Corporation and in furtherance of this responsibility shall:

- Ensure the effective functioning of the Board of Directors and its committees.
- Ensure, with the assistance of the Nominating and Corporate Governance Committee, the effective functioning of the Board of Directors and its committees in compliance with the corporate governance requirements of applicable legislation and securities law requirements (including National Policy 58-201: Corporate Governance Guidelines), and that such compliance is reviewed periodically by the Nominating and Corporate Governance Committee.
- Ensure internal controls and management information systems for the Corporation are in place, are evaluated as part of the internal auditing process and reviewed periodically on the initiative of the Audit Committee.
- Assess the performance of the Corporation's executive officers.
- Ensure the establishment and maintenance of appropriate systems for succession planning (including appointing, training and monitoring senior management) and for periodically monitoring the compensation levels of such executive officers.
- Review and, where appropriate approve, the recommendations made by the various committees of the Board of Directors, including, without limitation, to: select nominees for election to the Board; appoint directors to fill vacancies on the Board; appoint members of the various committees of the Board; and, establish the form and amount of director compensation, based on determinations and recommendations made by the Nominating and Corporate Governance Committee

## **Composition**

The Board of Directors collectively should possess a broad range of skills, expertise, industry and other knowledge, and business and other experience useful to the effective oversight of the Corporation's business. The Board shall be comprised of that number of individuals which will permit the Board's effective functioning. A majority of the Board of Directors of the Corporation must meet the independence requirements of applicable legislation (including the Business Corporations Act (Ontario)) and securities law requirements (including National Policy 58-201: Corporate Governance Guidelines). At least a majority of the Board of Directors shall be "resident Canadians" as contemplated by the Business Corporations Act (Ontario).

## **Meetings**

The Board of Directors shall meet at least quarterly each year and more frequently as circumstances require. At least one meeting per year shall include a review of the Corporation's strategy. All members of the Board of Directors should strive to be at all meetings and be present for the entire meeting and to review in advance of the meeting the material circulated to the directors. The Board of Directors may request any member of the Corporation's management or the Corporation's outside counsel or independent auditor to attend meetings of the Board of Directors or with advisors thereto. The Board of Directors shall, as part of each Board meeting (unless the Chairman determines that doing so is not necessary) meet separately without management and may request any member of the Corporation's management or the Corporation's outside counsel or independent auditor to attend meetings of the Board or with advisors thereto.

## **Committees**

The Board of Directors may delegate authority to individual directors and committees where the Board determines it is appropriate to do so. The Board of Directors expects to accomplish a substantial amount of its work through committees and shall form at least the following two committees: the Audit Committee and the Nominating and Corporate Governance Committee. The Board of Directors may, from time to time, establish or maintain additional standing or special committees as it determines to be necessary or appropriate. Each committee will have a written charter and should report regularly to the Board of Directors, summarizing the committee's actions and any significant issues considered by the committee.

## **Independent Advice**

In discharging its mandate, the Board of Directors shall have the authority to retain (and authorize the payment by the Corporation of) and receive advice from special legal, accounting or other advisors as the Board determines to be necessary to permit it to carry out its duties.

## **Evaluation**

At least annually, the Board of Directors through the Nominating and Corporate Governance Committee shall, in a manner it determines to be appropriate:

- Conduct a review and evaluation of the performance of the Board and its members, including the compliance of the Board with this Charter.
- Review and assess the adequacy of this Charter.
- Review and assess the position descriptions for the Chairman of the Board of Directors and the President and Chief Executive Officer of the Corporation.