



THE CANADIAN LA CHAMBRE
CHAMBER DE COMMERCE
OF COMMERCE DU CANADA

The Voice of Canadian Business™
Le porte-parole des entreprises canadiennes^{MD}

CORPORATE GOVERNANCE MANUAL

Adopted by the Board of Directors on September 14, 2007



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PROFILE

The Canadian Chamber of Commerce is *The Voice of Canadian Business*

Since 1925, the Canadian Chamber of Commerce (the “**Chamber**”) has been the largest, most influential advocate for business in Canada. Founded with the aim of creating a strong, unified voice for Canadian business and a set of values from which policies encouraging prosperity would emerge, the Chamber continues to be the only voluntary, non-political association that has an organized grassroots affiliate in every federal riding.

All official documents of the Chamber are available in English and French.

Mission

As the national leader in public policy advocacy on business issues, the Chamber’s mission is to foster a strong, competitive, and profitable economic environment that benefits, not only business, but all Canadians.

How we achieve this

Through a two-way consultative process with its membership, the Chamber steers the debate on federal and international policies affecting business. In collaboration with its members, the Chamber acts on policy resolutions, researching and developing strategies on a “best practices” basis for business. It then communicates these viewpoints to officials in Ottawa and internationally, to the Canadian public, and to the media.

Why is the Chamber effective?

- The Chamber is the leading organization that brings all types of Canadian business together to act as a powerful, single voice. It speaks for all businesses – from the smallest to the largest company – in every sector and in every region of the country.
- The Chamber has solidified its position as “*The Voice of Canadian Business*,” to the public, to the media, and to the federal government. Recognized as an organization with political clout, the Chamber is an articulate and persuasive advocate for business viewpoints and a champion of fiscal responsibility and national unity.

Member Profile

The Chamber’s 170,000 members reflect a strong, diverse network and include: chambers of commerce, boards of trade, business associations, and businesses of all sizes and from all sectors and all regions of Canada.



THE SEVEN HABITS OF A HIGHLY EFFECTIVE & ENGAGED DIRECTOR

1. Attends all Board meetings, reads all materials in advance, and is actively engaged in Board meetings.
2. Actively participates in the Board's Strategic Plan process and monitors progress against the Board's key objectives as set out in the annual operating plan.
3. Participates in the development of policy.
 - a. Annual resolution process
 - b. Overall policy focus
4. Serves on the Canadian Chamber's permanent committees that provide the guidance on key operational issues such as finance and corporate relations.
5. Supports the Canadian Chamber's expert committees on key policy areas, when expertise is applicable.
6. Supports the Board's efforts to recruit new members through the Board Challenge process.
7. Provides support to the Chamber Network wherever possible.



GOVERNANCE POLICIES OF THE BOARD OF DIRECTORS

SUMMARY

It is expected that all directors of the Chamber (the “Directors”):

- ✓ Are corporate members in good standing, with the exception of Board Officers and nominees described in the by-laws;
- ✓ Represent the views of their industry and region;
- ✓ Bring valuable expertise and experience;
- ✓ Are familiar and agree with the mission, vision, and objectives of the Chamber;
- ✓ Act in the best interest of the Chamber to the best of their ability;
- ✓ Are well-informed and make every effort to attend all meetings of the Board;
- ✓ Participate in the activities of the Board’s Committees and Task Forces;
- ✓ Establish and assess the policies and goals of the Chamber;
- ✓ Disclose conflicts of interest;
- ✓ Act within the scope of authority mandated by the Chamber;
- ✓ Are aware of corporate liability issues;
- ✓ Uphold the expense policies of the Chamber;
- ✓ Assist with membership recruiting and retention efforts.

FOREWORD: THE CHAMBER AS A NON-PROFIT CORPORATION

The Chamber is a national non-profit corporation that was founded in 1925 and incorporated in 1929 under Part II of the Canada Corporations Act. It is, by definition and structure, a federation of the community chambers of commerce and boards of trade in Canada.

Non-profit corporations like the Chamber have a number of characteristics in common with normal business enterprises. However, a few features are unique to non-profits.

The Chamber is a separate legal person, comprised of (a) voting and non-voting members (*the equivalent of shareholders in a commercial corporation*), (b) Directors elected by the members (*as in a commercial corporation*) and (c) officers who, with the exception of the Past Chair and the President & CEO, are elected by the members (*whereas they would be appointed by the Directors in a commercial corporation*).

Like in a commercial corporation, there is a true distinction between the corporation itself, the persons who are Directors, and the persons who are members. The Board of Directors of the Chamber (the “**Board**” or the “**Board of Directors**”) as a collective (*rather than individual Directors*) has the power and obligation to oversee the affairs of the corporation.

One of the most important distinctions between the Chamber and a commercial corporation relates to the matter of “*profit*”. The Chamber’s non-profit status does not mean that is not permitted to operate at a profit. What distinguishes the Chamber from its commercial

counterparts is that, if its operations produce profit, the individual members of the Chamber do not personally benefit, as would the shareholders of a private business. Profit, in a non-profit organization, accrues to the organization itself.

MANDATE OF THE BOARD

The Board of Directors is the governing body of the Chamber between Annual or Special Meetings of the membership. It is mandated to conduct the business of the Chamber and to oversee its financial transactions (*standard fiduciary responsibility*), and is responsible for the implementation, interpretation and promotion of policies approved by the membership.

COMPOSITION OF THE BOARD

The composition of the Board is set out in the Chamber's by-laws. Thirty-two Directors, elected by the membership to staggered two-year terms, form the core of the Board. The Board must also always include at least one representative of each province and territory of Canada.

In addition to this group, each of the seven provincial chambers of commerce (the Atlantic Provinces Chamber being considered to be a single entity) is automatically accorded a seat on the Board which must be occupied by a senior elected officer (customarily the current Chair or President).

The remaining designated members of the Board are the Chair of the Board, the three Vice-Chairs, the Treasurer (all of whom are elected by the membership to one-year terms), the President & CEO (who is the full-time chief operating officer and is appointed by the Board) and the Immediate Past Chair of the Board.

In addition to the above, the by-laws permit the Board or the Executive Committee to appoint up to six additional Directors to one-year terms in order to augment the expertise and/or to balance the regional representation on the Board.

The by-laws provide that no person (except the President and CEO) may serve more than six consecutive years as a Director (in addition to years serving as an officer of the Board).

The official quorum requirement for Directors' meetings is 10 Directors, provided that Directors resident in at least four of the five major regions of the country are in attendance.

ELIGIBILITY FOR SERVICE ON THE BOARD

The by-laws of the Chamber specify that paid employees of member chambers and trade associations cannot be Directors of the Chamber, nor can be paid employees of government departments or agencies. Exempted from this rule are employees of Crown Corporations that are corporate members in good standing of the Chamber.

The by-laws provide that the Presidents/Chairs of the seven provincial chambers of commerce shall automatically be members of the Board and that, should they be unable to attend a meeting, they have the right to designate another senior elected officer to represent them with full voting powers. However, the provincial chamber representatives on the Board may not concurrently serve as officers of the Chamber.

In addition to the foregoing, and with the exception of Officers and nominees described in the by-laws, it is Board policy that all Directors of the Chamber shall be representatives of corporate members in good standing of the Chamber. All exceptions should be referred to the Chair of the Nominating & Governance Committee and/or the Chair of the Board for review.

STATUS ON THE BOARD

The membership of the Board of Directors of the Chamber must be, to the greatest extent possible, representative of the varied national constituency in whose name it acts. The Chamber's membership base embraces business organizations of every size and type from all of Canada's provinces and territories, including individual companies, chambers of commerce and boards of trade, and vertical trade associations. At the same time, every endeavour is made to maintain, on the Board, an appropriate cultural, gender and linguistic balance.

In considering potential candidates to fill vacancies on the Board, the Nominating & Governance Committee must ensure that the by-law provisions governing regional representation are respected, while also taking into account all of the factors listed above. Any change in the Director's employment status or province/territory of residence can affect the total balance of the Board. Consequently, as a matter of Board policy, it is understood that any Director who changes employer, employment status, or region will tender his/her resignation to the Board, which may accept such resignation or ask the Director to remain a member of the Board until the next Annual General Meeting of the Chamber or until the Director is replaced.

DUTY OF KNOWLEDGE

A Director of any corporation, for-profit or non-profit, must have a basic knowledge of the organization. At a minimum, all Directors should make it their business to be aware of the requirements of the internal governance mechanisms by which the Board operates – in our case, the Chamber's by-laws and policies. For questions of parliamentary procedure, Robert's Rules of Order will be the Board's model. Similarly, all Directors must understand what the organization does in practice... how it puts its purposes into action.

The orientation of all new Board members is considered a fundamental prerequisite to full participation in the processes of the Board. The Chamber begins its orientation at the moment each Director is nominated, through the provision of background information. In addition, an orientation session is held annually. Directors must consider that the duties of their office include an obligation to review, at least annually, the mission, vision, and objectives of the Chamber to ensure that they remain consistent to the objects of the Chamber as set out in the by-laws.

Because of the stable foundation that the by-laws provide for an association, alterations are not undertaken lightly or hastily but only after careful reflection on the available alternatives. The Chamber's by-laws govern its internal workings and, until altered in accordance with the provisions governing amendments, Directors must comply with their terms. This applies both to the substance of the particular provisions and the timing as outlined therein.

DUTY OF CARE

A Director of the Chamber has a duty to act in accordance with a minimum standard of care, and might incur personal liability where the conduct falls short of this criterion. In the case of non-profit corporations, such as the Chamber, this is a common law standard of care which is

expressed as “*what may reasonably be expected from a person of such person’s knowledge and experience*”.

Generally speaking, it is expected that a Director will (a) act honestly and in good faith in the best interests of the association; and (b) exercise the care, diligence and skill of a reasonably prudent person in exercising his/her powers and performing his/her duties as a Director.

In recent years, concern has arisen among current and potential Directors of certain non-profits (*in most instances, charitable organizations*) regarding their liability, since Directors of charitable organizations have been held to the same standard of care as trustees who manage charitable trusts. However, this situation does not apply in the case of the Chamber, and Directors who honestly meet basic standards of care and conduct will not be liable for simple errors of business judgement that occur while the Director performs his/her duties of office.

Directors must, at all time, respect the confidentiality of members, personnel and any other matters specifically determined by Board motion to be matters of confidence including matters dealt with during in-camera meetings of the Board. Confidentiality means Directors may not relate such matters to anyone including immediate family members. The duty of confidentiality continues indefinitely after a Director has left the Board.

DUTY OF SKILL AND PRUDENCE

There is no legal minimum required level of skill or prudence for a Director of a non-profit organization. The level of skill required of the individual will most likely depend on his/her status and responsibilities, and the experience he/she brings to the table. Where a Director does possess a particular level of expertise, that level must be used in the best interests of the Chamber.

To discharge the duty of prudence, the Director must act with practicality. The duty of prudence, particularly in light of the Chamber’s large and diverse constituency, obliges a Director to act cautiously and to anticipate any probable consequences of any course of action the organization may choose to undertake.

DUTY OF DILIGENCE

To discharge this duty, Directors must act in the best interests of the Chamber and must make it their job to be as fully informed as reasonably possible with respect to all aspects of its work. As such, Directors are accountable to the Chamber and must act prudently and reasonably in attempting to preserve its integrity and reputation.

On a practical level, the duty of diligence involves becoming thoroughly acquainted with the Chamber’s purpose and policies, what tasks are delegated and to whom, and a general awareness of the operations of the organization.

One of the most significant parts of this duty requires a Director generally to exercise the level of care of an ordinary person for the following purposes:

- to review the agenda and related material in advance of each meeting (*In practice, the dates and venues are confirmed and advertised some 12 months in advance. The working documentation for each Board meeting is customarily forwarded to all Directors seven to 14 days prior to the meeting*);

- to attend meetings of the Board and committees to which he/she may be appointed (*At the beginning of each term, all Directors are assigned to at least one Committee of the Board, and are encouraged to accept additional responsibilities*);
- to be ready to discuss the business before the meeting in a prepared and knowledgeable way; and,
- to vote – unless excluded by reason of conflict of interest or other prohibition – on matters that come before the meeting.

If attendance at a meeting is not possible, a Director should review the minutes of the meeting, the financial statements and other documents in order to stay informed. This will be particularly important should it ever occur that an illegal or similar act is undertaken at a meeting. The Director may be liable unless he/she immediately registers a dissent.

The Board is a ‘working Board’ that demands the active participation of all those who serve. Accordingly, as a matter of Board policy, it has been agreed that, the Corporate Secretary shall keep attendance records and shall bring to the attention of the Chair of the Nominating & Governance Committee and/or the Chair of the Board, for their consideration, any Director, who barring exceptional circumstances, fails to attend three consecutive Board Meetings.

COMMITTEES

The by-laws empower the Board to “appoint by resolution such committees as it may deem advisable, and to delegate matters to such committees”. This Corporate Governance Manual includes a description of the responsibilities of each committee. The Chair or Secretary of each committee is responsible for reporting on the activities of the committee on a regular basis. The Board may also appoint task forces to work on particular projects.

DUTY TO MANAGE

In broad terms, the Directors of the Chamber have the duty to oversee the management of the affairs of the Chamber between Annual Meetings and to apply the by-laws. This duty could be said to apply to the appointment and supervision of the management and staff, the establishment of policies, and the provision of guidance. There is a distinction, clearly delineated, between the duties and obligations of the Directors and those of the staff. The Directors are responsible for establishing policies and goals, the management for implementing them, and the Directors for assessing management’s implementation of them. Some of this work may be performed via committees of the Board and the Director is encouraged to participate and share his/her expertise both at the Board and committee levels.

In the Chamber, the Directors’ relationship with the management and staff is maintained through the President and CEO.

The Director is also a representative of the membership. As such, he/she is not authorized to speak officially for the Chamber, except on those items upon which the association has formulated and approved a policy. He/she should defend the organization from unjust criticism, or bring to the attention of the Board such criticisms as are judged to be justified. If approached by the news media for a statement on behalf of the organization, he/she should refer to the Board Chair or the President and CEO for guidance. The Chamber is a non-partisan organization.

DUTY TO AVOID CONFLICTS OF INTEREST

Directors of non-profit corporations, such as the Chamber, are held to strict standards of honesty and loyalty and are required to avoid situations involving a conflict between their personal interest and those of the corporation. In particular, Directors are precluded from using corporate property for personal benefit and from appropriating a business opportunity properly belonging to the corporation. In addition, a Director is not allowed to directly or indirectly receive any benefit or payment from the Chamber, except for reimbursement of reasonable expenses in accordance with the Chamber's policies. The pecuniary interests of immediate family members or close personal or business associates of a Director are considered to also be the pecuniary interests of the Director. Fiduciary obligation can generally be discharged by complying with section 98 of the Canada Corporations Act, which states that a Director must disclose his or her interest in a contract with the corporation at the first Board meeting at which the possibility of entering into the contract is considered and must subsequently, refrain from voting.

DUTY TO ACT WITHIN THE SCOPE OF AUTHORITY

It is vital that Directors of the Chamber understand both the scope of their own authority and that of the Chamber. Generally speaking, a combination of the objects, the by-laws, the policies and the resolutions of the membership and the Board outline the permitted activities of the association, as well as the authority of individual Directors.

Personal liability can attach to any Director whenever he/she, by conscious action or by neglect, permits the Chamber to carry on activities that are *ultra vires* of the by-laws. A person may also incur liability when he or she acts outside the scope of the authority granted to Board members in the by-laws or policies.

Avoidance of personal liability in these situations is simple and straightforward. The Director should oppose the action in question at the meeting at which the action is authorized by the Board (*or, if he/she is not present, at the first meeting attended thereafter*) and should demand that his/her opposition be recorded in the minutes at which the dissent is made.

LIABILITY

Directors and officers of non-profit organizations are generally subject to the same liabilities imposed on management of commercial corporations. Directors are responsible for ensuring the Chamber complies with applicable laws, its letters patent and its by-laws. As in commercial corporations, non-profit Directors and officers should ensure that they are familiar with the liabilities that can be imposed under employment, environmental and financial reporting law as well as under the withholding provisions of taxation law.

Various statutes oblige the Chamber, like for-profit organizations, to file annual returns and to collect and remit payroll deductions and taxes. In the Chamber, the Treasurer and Finance Committee exercise due diligence in this area on behalf of the Directors and submit regularly to the Board of Directors certificates of compliance related thereto.

In addition to encouraging its Directors to observe appropriate standards of care, the Chamber has taken steps to minimize the exposure of its Directors to legal liability. Directors liability insurance in the amount of \$3 million for the Board as a whole is maintained through the Chamber, which pays the premiums on the Directors' behalf. Directors and their heirs, executors, administrators, estate and effects shall also be indemnified according to the

Chamber's by-laws and the letter of indemnification prepared by the Corporate Secretary and signed by the Chamber in favour of each director.

EXPENSES

Because the Chamber is a non-profit organization, service on the Board is generally a 'pay-as-you-go' proposition. Directors are expected, wherever possible, to arrange business travel in conjunction with Chamber meetings and to pay their own travel and accommodation expenses. Group meal functions that are held during Board or committee meetings are covered by the Chamber budget.

To cover exceptional circumstances in which this may not be possible, the Board may establish rules covering the reimbursement of reasonable expenses incurred by Directors in attending meetings of the Board or Executive Committee (other than those held in conjunction with the Annual Meeting). This policy is reviewed on an annual basis in conjunction with the preparation of the Chamber's operating budget.

RECRUITMENT

The Chamber is a non-profit, non-partisan organization. The Chamber's main source of revenue is membership fees. Specifically, the by-laws outline five types of membership: organization members (chambers of commerce and boards of trade located in Canada), corporation members (corporate), associate members (associations), individual members (persons), and international organization members (organizations who promote trade and economic relations between Canada and other countries).

As a member of the Board, Directors are expected to participate fully in the Chamber's membership efforts. In addition to identifying new members, Directors may also be called upon to host business roundtables, to attend meetings or to contact potential and/or current Chamber members as part of the ongoing membership process. Directors are fully supported in all their membership efforts by the Chamber's Corporate Relations team.



CODE OF CONDUCT

1. All Directors of the Chamber shall maintain the highest standard of conduct, act with fairness, integrity and dignity and in a manner not detrimental to the interest of the public or to the Chamber.
2. Generally, Directors should be guided by the following rules and principles of business conduct, which shall serve as an ethical guideline for making business decisions on behalf of the Chamber.

All Directors shall:

- Support the objectives and uphold the reputation of the Chamber;
 - Abide by the laws, rules and regulations of Canada and any other country in which we conduct business;
 - Foster a safe working environment, free from discrimination, harassment or abuse;
 - Respect confidentiality obligations and privacy policies regarding personal/non-public information for all contacts;
 - Conduct all business transactions in a fair and open manner;
 - Maintain a non-partisan approach when acting on behalf of the Chamber;
 - Protect the assets (information, office equipment, supplies, facilities and services) of the Chamber and members;
 - Not accept payments or gifts, other than those given in the spirit of business courtesy;
 - Avoid situations where personal interests could conflict with duties and responsibilities or the interest of the Chamber as a whole or the perception of such a conflict of interest;
 - Be honest and truthful in all business dealings;
 - Ensure the integrity of all books and records.
3. This Code of conduct is supplemented by the Chamber's Governance Policies of the Board of Directors.
 4. Should you have any questions or concerns regarding the application of this Code of conduct, please contact the President and CEO of the Chamber.



ROLE AND RESPONSIBILITIES OF THE OFFICERS OF THE BOARD

CHAIR OF THE BOARD

Under the authority delegated by the membership through the by-laws, or through the resolutions and/or consent of the Board, the Chair of the Board shall:

- a. be the chief elected officer of the Chamber;
- b. be the spokesperson for the Board;
- c. ensure that the mission and strategic plan are followed;
- d. call, preside at and chair meetings of the Chamber including those of the Board, the Executive Committee, Annual General Meetings, and Special Meetings of the membership;
- e. determine the agenda for all Board, Executive Committee, Annual General Meetings and Special Meetings in collaboration with the President and CEO;
- f. facilitate discussions at the Board level and take all reasonable steps to ensure the appropriate level of communication among Directors and between management of the Chamber, the Board and Board committees;
- g. take all reasonable steps to ensure that Directors receive Board material in a timely manner and that the content of the material is appropriate;
- h. be the Chair of the Executive Committee to carry on the business of the Chamber between meetings of the Board;
- i. be a member of the Nominating & Governance Committee and of the Human Resources and Compensation Committee;
- j. be allowed to attend, as a guest, all meetings of the Board's Operating Committees and Task Forces;
- k. report to the membership on the actions of Officers and Directors over the past term at the Annual General Meeting;
- l. provide advice and counsel to the President and CEO;
- m. work with the President and CEO to see that policies and programs that will serve the Chamber's mission and goals are developed and presented to the Board;
- n. take and subscribe a solemn declaration in the following form, before entering upon the duties of the Office:

“I solemnly declare that I will be faithful and truly perform my duty as Chair of the Board of the Canadian Chamber of Commerce and that I will, in all matters connected with the discharge of such duty, do all things in my capacity to promote the objects for which the Canadian Chamber of Commerce was constituted, according to their true intent and meaning.”
- o. support the President and CEO as a liaison to affiliated domestic and international organizations;
- p. act as a signing officer of the Chamber to certify all documents and make declarations required by law (with one other Officer, Director or staff designated by the Board);
- q. take all reasonable steps to promote the Chamber as the voice of Canadian business, to consolidate the Chamber as a solid network and to promote integrity and entrepreneurship values;

- r. perform such other duties, functions, and responsibilities as assigned by the Board and/or approved by the membership.

FIRST VICE-CHAIR

The First Vice-Chair supports the Chair of the Board by working toward organizational goals, and begins to formulate plans for his or her term to ensure a smooth transition. Further, with the consent of the Board, the First Vice-Chair shall:

- a. assume the responsibilities of the Chair of the Board in his or her absence;
- b. be a member of the Executive, the Human Resources and Compensation, the Finance and the Annual Meeting Program Committees;
- c. attend meetings of the Board of Directors and its Committees, the Annual General Meetings, and Special Meetings of the membership;
- d. act as a signing officer of the Chamber to certify all documents and make declarations required by law (with one other Officer, Director or staff designated by the Board);
- e. accept responsibilities as delegated by the Chair of the Board;
- f. oversee projects and assume other responsibilities as assigned.

SECOND VICE-CHAIR

With the consent of the Board of Directors, the Second Vice Chair shall:

- a. assist the Chair of the Board and First Vice Chair with their duties;
- b. assume the responsibilities of the Chair of the Board when the Chair, and the First Vice-Chair are both absent;
- c. be a member of the Executive, the Human Resources and Compensation and the Finance Committees;
- d. attend meetings of the Board of Directors and its Committees, the Annual General Meetings, and Special Meetings of the membership;
- e. act as a signing officer of the Chamber to certify all documents and make declarations required by law (with one other Officer, Director or staff designated by the Board);
- f. oversee projects and assume other responsibilities as assigned.

THIRD VICE-CHAIR

With the consent of the Board of Directors, the Third Vice Chair shall:

- a. assist the Chair of the Board and First and Second Vice-Chairs with their duties;
- b. assume the responsibilities of the Chair of the Board when the Chair, the First Vice Chair, and the Second Vice-Chair are absent;
- c. be a member of the Executive, the Human Resources and Compensation and the Finance Committees;
- d. attend meetings of the Board of Directors and its Committees, the Annual General Meetings, and Special Meetings of the membership;
- e. act as a signing officer of the Chamber to certify all documents and make declarations required by law (with one other Officer, Director or staff designated by the Board);
- f. oversee projects and assume other responsibilities as assigned.

PRESIDENT AND CEO

The President and CEO is responsible for the day-to-day management of the Chamber. With the consent of the Board of Directors, the President and CEO shall:

- a. *With respect to strategic direction:*
 - formulate and recommend to the Board a long-term strategy;
 - meet with the Board to discuss the implementation of the strategic plan at least twice a year;
 - ensure the implementation of the corporate strategy and policies, and communicate them to the Chamber's members and external stakeholders;
 - formulate and recommend to the Board an annual business plan and budget in keeping with the corporate strategy, and, where approved by the Board, ensure the implementation of the business plan within the parameters of the Chamber's budget.

- b. *With respect to the Chamber's operations:*
 - oversee the finances of the Chamber;
 - be in charge of the administration and management of the Chamber and report to the Board of Directors;
 - exercise authority over the affairs and personnel of the Chamber's offices and publications, subject to the direction of the Board of Directors;
 - formulate and update a succession plan;
 - oversee the hiring, compensation and evaluation of competent human resources, subject to the Board's approval;
 - maintain a positive atmosphere and business ethic that allow the Chamber to attract, retain and motivate employees at every level;
 - report to the Board on policy matters at least twice a year;
 - develop an annual communication plan to be submitted to the Board for its approval;
 - coordinate the networking activities of the Chamber and assist the Chamber Network Committee in discharging its networking responsibilities.

- c. *With respect to corporate governance:*
 - maintain effective lines of communication with the Board and all the Directors;
 - take reasonable measures to ensure an open and positive climate between the Chamber and the public;
 - serve as the Chamber's principal spokesperson in both official languages with the media and, with the Chair of the Board, before Chamber and non-Chamber audiences alike.

TREASURER

The Treasurer, in collaboration with the President and CEO, shall inform the Board of the financial performance of the Chamber. The Treasurer shall further anticipate the association's future financial needs to carry out the strategic plan. With the consent of the Board, the Treasurer shall:

- a. oversee the finances of the Chamber;
- b. be a member of the Executive, the Audit, the Finance and the Human Resources and Compensation Committees;
- c. attend meetings of the Board of Directors and its Committees, the Annual General Meetings, and Special Meetings of the membership;

- d. in collaboration with the President and CEO, assist in the development of a budget for presentation to the Board for approval;
- e. inform Directors of the Chamber's financial status at Board and Executive committee meetings;
- f. present the membership with the financial statements and the report of auditors at the Annual General Meeting;
- g. assist in the development of financial policies and procedures in collaboration with the President and CEO and the Vice President and Chief Financial Officer;
- h. help the Chamber ensure that adequate resources are available to fund programs;
- i. act as a signing officer of the Chamber to certify all documents and make declarations required by law (with one other Officer, Director or staff designated by the Board);
- j. with the Audit Committee, recommend the appointment of auditors at the Annual General Meeting, establish the scope of the audit and audit fee;
- k. regularly submit to the Board certificates of compliance related to annual returns, payroll deductions and taxes;
- l. oversee projects and assume other responsibilities as assigned.

CORPORATE SECRETARY

The Corporate Secretary attends to the giving and service of all notices of the Chamber and shall keep the minutes of all meetings of the members, the Board and the Committees of the Board.

With the consent of the Board, the Corporate Secretary shall:

- a. provide a communication and information link between the Board, management and the members, with particular emphasis on facilitating the flow of information;
- b. receive information from management and take all reasonable steps to ensure that it is formulated so as to facilitate effective Board and committee evaluation, discussion and decision-making;
- c. advise management of Board and committee comments and decisions;
- d. assist the Chair of the Board and the Nominating & Governance Committee in providing director orientation and continuing education programs;
- e. keep, or have kept, minutes of the proceedings of the Chamber, have the care and custody of its records, and attend to the publication of its reports.

IMMEDIATE PAST CHAIR OF THE BOARD

The Immediate Past Chair of the Board is responsible for promoting the continuity and development of leadership in the Chamber. With the consent of the Board, the Immediate Past Chair of the Board shall:

- a. be a member of the Executive, the Nominating & Governance, the Human Resources and Compensation Committees and the Chamber Network Committee ;
- b. attend meetings of the Board of Directors and its Committees, the Annual General Meetings, and Special Meetings of the membership;
- c. monitor the ongoing performance of Officers and Directors and as necessary address performance issues with individual volunteers;
- d. identify committed and competent leaders for appointment and/or election to office in the Chamber;
- e. oversee the nomination processes, including ensuring the distribution of the slate of nominees to the membership and provincial chambers at least 30 days prior to the Annual General Meeting, and announce the results of the nomination and election procedures at the Annual General Meeting;

- f. deal with such other matters of governance as shall be referred to it by the Board;
- g. oversee projects and assume other responsibilities as assigned.

DIRECTORS

The Directors are collectively the representatives of the membership and are charged with the responsibility of exercising visionary leadership; establishing values and goals; setting policies and procedures; creating value in the programs and services to the benefit of the members; supporting the employees and volunteers of the association and respecting them as partners in advancing the mission of the Chamber. In conducting and supervising the business of the Chamber, the Directors shall:

- a. help frame the values, vision, and mission of the Chamber;
- b. help to identify the priority needs of the members and the resources required to achieve them and assist in formulating, establishing and assessing strategic plans, goals, and the annual budget;
- c. adopt programs to carry out the mission and goals and monitor the execution of the policies of the Board, and the goals and programs of the Chamber;
- d. be positive in communicating Board decisions to members, staff, and the public;
- e. identify and understand emerging issues pertaining to the Chamber's goals and represent the views of their industry and region;
- f. support and promote the programs and services to members, prospective members, the public and to other stakeholders and participate in membership retention and recruitment;
- g. comply with the by-laws and policies of the Chamber and ensure compliance by others;
- h. act as the originators of by-law amendments and help to develop policies deemed necessary consistent with the by-laws;
- i. prepare for and attend meetings of the Board in their entirety;
- j. review and understand the Board briefing documents and minutes, policy manuals, official publications, and related orientation resources;
- k. evaluate and follow up on actions taken at meetings of the Board;
- l. fulfill any assignments as Committee member, Board liaison, or representative of the Chamber;
- m. observe the governance policies, be corporate members in good standing (with the exception of Board Officers and nominees described in the Chamber's by-laws) and fulfill other duties as mutually agreed.



BOARD OF DIRECTORS: TERMS OF REFERENCE

CHAIR:

The Board is chaired by the Board Chair.

SECRETARY:

The Corporate Secretary is the secretary of the Board.

REPORTS TO:

The Board Chair reports annually to the members of the Chamber on Board activities.

MEETINGS:

There shall be held each year at least four (4) meetings of the Board. Meetings may be held in person or by means of telephone conference or such other communications facilities as to permit all persons participating in the meeting to communicate adequately with each other.

During each three (3) year term, the Board will hold at least one (1) Board meeting in each of the five (5) recognized regions of Canada which are: (i) British Columbia and the Yukon Territory; (ii) Alberta, Saskatchewan, Manitoba, the Northwest Territories and Nunavut; (iii) Ontario; (iv) Québec; and (v) the Atlantic Provinces.

Additional meetings of the Board shall be called by the President and CEO at the request of the Chair of the Board or at the written request of any ten (10) members of the Board. Meetings may be held by teleconference or in person.

Notice and agenda of Board meetings shall be sent to each member of the Board at least fourteen (14) days in advance thereof over the name of the President and CEO.

The Board members shall meet without the presence of management of the Chamber (*in camera*) before or after every Board meeting.

COMPOSITION:

The by-laws of the Chamber provide that the Board shall be composed of the following Directors:

- A. The Board Chair, the Vice-Chairs, the Treasurer, the Immediate Past Chair and the President and CEO;
- B. A maximum of thirty-two (32) Directors to be drawn from the representatives of Organization Members, Corporation Members and/or Associate Members of the Chamber;
- C. At least one Board member must be resident in each province and territory of Canada and shall be designated as representing the province or territory in which he/she resides;
- D. A Senior Elected Official of, and as designated by, each provincial Chamber. Each such provincial Director shall be entitled to designate a proxy to represent him/her at any

Board meeting, provided that such proxy be elected an acting Officer of the provincial Chamber in question;

- E. No more than six (6) other Directors who shall be nominated by the Board (or the Executive Committee acting on its behalf).

The term of office for each Director designated in paragraphs A, D and E above shall be one (1) Term with the exception of the President and CEO who shall be appointed by the Board and who shall remain in office until such time as the Board terminates their appointment. The term of office for each Director elected pursuant to paragraphs B and C above, shall be two (2) terms, with one-half (1/2) of the total number of Directors being elected each term. Directors other than the President and CEO shall not be eligible for re-election to the same office after serving therein for six (6) consecutive terms until at least one (1) term has elapsed.

BASIC MANDATE:

The Board shall supervise and conduct the business of the Chamber. It may adopt such rules and regulations deemed necessary in regard thereto, so long as they are consistent with the provisions of applicable laws and corporate policies. The Board shall have the following functions and powers:

1. *With respect to strategic planning*
 - Adopting a strategic planning process and reviewing and updating, on at least an annual basis, the strategic plan.
 - At least twice a year, meeting with the President and CEO to discuss the implementation of the strategic plan, priorities of the Chamber and tactical issues.

2. *With respect to human resources and performance assessment*
 - Monitoring the succession planning process for senior management and the Board of Directors.
 - Choosing the President and CEO and approving the appointment of other senior management.
 - Approving annually the goals and objectives of the President and CEO.
 - Monitoring and assessing the performance of the President and CEO against his/her goals and objectives and ensuring that the President and CEO assesses the performance of other members of management reporting to him/her.
 - Approving the compensation of senior management (particularly the President and CEO) and the compensation policy for the other employees of the Chamber, taking into consideration goals and objectives fixed by the Board.
 - Establishing, at its discretion, appropriate rules and regulations to reimburse the reasonable expenses of Directors and members incurred in attending meetings of the Board and of the Executive Committee, or other authorized committees or task forces.

3. *With respect to financial matters and internal control*
 - Monitoring the reliability and quality of the Chamber's financial statements and the appropriateness of their disclosure.
 - Monitoring the Chamber's internal control and management information systems.
 - Monitoring the Chamber's compliance with applicable legal and regulatory requirements.
 - Taking appropriate steps to identify the potential risks and opportunities affecting the Chamber and to monitor the management of these risks and opportunities.

4. *With respect to corporate governance matters*
 - Reviewing the size and composition of the Board and its committees taking into account competencies, skills and personal qualities of each member of the Board.
 - Approving the list of Board nominees for election by members.
 - Taking reasonable measures to ensure the competent and ethical operation of the Chamber.
 - Developing the Chamber's approach with respect to corporate governance, including developing a set of corporate governance principles and guidelines that are specifically applicable to the Chamber.
 - Adopting and periodically reviewing the Chamber's code of conduct and taking reasonable steps to see to it that this code is respected.
 - Ensuring the annual performance assessment of the Board, Board committees, Board and committee chairs and individual Directors.
 - Adopting and periodically reviewing the policy for orientation and continuing education of Directors.
 - Adopting and periodically reviewing a policy for receiving feedback or comments concerning the Chamber from stakeholders.
 - Adopting annually and periodically reviewing with the President and CEO the communication plan of the Chamber.

5. *With respect to policy matters*
 - Selecting policy pronouncements to be prioritized by the Chamber and monitoring their implementation.
 - Submitting any general policy to the vote of Organization Members at an Annual General Meeting or by referendum in accordance with the provisions of the by-laws.

6. *With respect to improving the Chamber network*
 - Reviewing the recommendations of the Chamber Network Committee and taking action to improve the Chamber network.
 - Overseeing the general flow of communication and consultations between the Chamber, provincial and local chambers of commerce.
 - Receiving regular reports from representatives of Organization Members on the activities of such Organization Members.

QUORUM:

Ten (10) Directors shall constitute a quorum at meetings of the Board, provided that Directors from at least four (4) of the five (5) recognized regions of Canada are present. Each matter before the Board, unless otherwise specified in the Chamber's by-laws, shall be decided by a majority of the votes cast on the matter.

BOARD AND DIRECTOR PERFORMANCE:

The performance and effectiveness of the Board and individual Directors will be assessed annually as part of the Board's evaluation process.

The Board will review its charter on a periodical basis to ensure that it remains appropriate to the circumstances of the Chamber.



COMMITTEES OF THE CANADIAN CHAMBER

Three types of committees exist at the Canadian Chamber: permanent committees, expert committees, and operating committees.

Permanent committees of the Chamber provide guidance to the Board and the Canadian Chamber on key operational issues such as finance and member relations. Their mandates are approved by the Chair of the Board and they are composed solely of Directors of the Chamber. They can be permanent in nature or created for a special purpose.

Through regular consultation with the Policy Committee of the Board, the Canadian Chamber's expert and operating committees provide guidance to the Board and the Canadian Chamber on key policy areas. Their mandates are approved by the President and CEO and they may be composed of Directors of the Chamber as well as corporate member experts. They are created to foster a specific goal or objective.

1. The Permanent Committees of the Chamber are:
 - The Executive Committee;
 - The Audit Committee;
 - The Finance Committee;
 - The Nominating & Governance Committee;
 - The Human Resources & Compensation Committee;
 - The Policy Committee;
 - The Corporate Relations Committee;
 - The Chamber Network Committee;
 - The International Strategic Advisory Committee;
 - The Annual Meeting Program Committee.

2. The Expert Committees of the Chamber are:
 - The Health Care Committee;
 - The Biotechnology Committee;
 - The Competition Law and Policy Committee;
 - The Economic and Taxation Committee;
 - The Electronic Commerce and Telecommunications Committee;
 - The Environment Committee;
 - The Intellectual Property Committee;
 - The International Affairs Committee;
 - The Transportation Committee.

3. The Operating Committees of the Chamber are:
 - The Arbitration Committee;
 - The Ottawa Liaison Committee.



PERMANENT COMMITTEES: TERMS OF REFERENCE

Executive Committee

CHAIR:

The Chair of the Board is the chair of this committee.

SECRETARY:

The Corporate Secretary is the secretary of this committee.

REPORTS TO:

The chair or the secretary of the committee shall report regularly to the Board on the activities of the committee.

MEETINGS:

The Executive Committee shall meet every month. The Chair of the Board shall call additional meetings as required to deal with urgent matters. Meetings may be held in person or by means of telephone conference or such other communications facilities as permit all persons participating in the meeting to communicate adequately with each other.

Notice and agenda of committee meetings shall be sent to each member of the committee reasonably in advance of committee meetings.

The Executive Committee members shall meet without the presence of management of the Chamber before or after every Executive Committee meeting.

COMPOSITION:

The Committee shall be composed of nine (9) to fifteen (15) Directors selected by the Board, including at least one Director who is resident in each of the five recognized regions of Canada which are: (i) British Columbia and the Yukon Territory; (ii) Alberta, Saskatchewan, Manitoba, the Northwest Territories and Nunavut; (iii) Ontario; (iv) Québec; and (v) the Atlantic Provinces and the following:

- A. The Chair of the Board;
- B. The Vice Chairs of the Board;
- C. The Treasurer of the Board;
- D. The Immediate Past Chair of the Board;
- E. The President and CEO of the Chamber;
- F. The Chairs of the Policy, Corporate Relations and Chamber Network Committees.

The members of the Executive Committee (other than the Officers) shall be appointed for one term and shall not be eligible for re-appointment to the committee after holding membership thereon for two successive terms until at least one term has elapsed. Any Executive Committee member may be removed by a majority vote of the Board.

BASIC MANDATE:

1. To the fullest extent permitted by law, the Executive Committee shall carry on, and shall have full power to carry on, the business of the Chamber between the meetings of the Board, including to authorize budgeted expenditures, and shall report on its activities at each meeting of the Board, including status reports on strategic issues and priorities of the Chamber.
2. The Executive Committee shall have the power to name committee chairs in between Board meetings and to appoint such committees and task forces, as it may deem advisable to study and report back to the Board on an as needed basis but at least annually, on matters submitted to them.
3. From time to time, the Executive Committee may purchase or authorize the purchase, or acquire or authorize the acquisition of stocks, bonds or securities, and alienate, sell, convey or otherwise dispose of the same in the best interests of the Chamber.

QUORUM:

A majority of the Executive Committee members shall constitute a quorum at meetings of the Executive Committee. Each matter before the Executive Committee, unless otherwise specified in the Chamber's by-laws, shall be decided by a majority of the votes cast on the matter.

COMMITTEE PERFORMANCE:

The performance and effectiveness of the committee will be assessed annually as part of the Board's evaluation process.

The Board will review the committee's charter on a periodical basis to ensure that it remains appropriate to the circumstances of the Chamber.

Annual Meeting Program Committee**CHAIR:**

The chair of the Annual Meeting Program Committee is appointed annually by the Board.

SECRETARY:

The committee shall nominate its secretary.

REPORTS TO:

The chair or the secretary of the committee shall report regularly to the Board or to the Executive Committee on the activities of the committee.

MEETINGS:

Meetings of the committee are held annually and on an as needed basis, at the call of the committee chair. Meetings may be held in person or by means of telephone conference or such other communications facilities as to permit all persons participating in the meeting to communicate adequately with each other.

Notice and agenda of committee meetings shall be sent to each member of the committee reasonably in advance of committee meetings.

COMPOSITION:

The committee shall be composed of nine (9) to fifteen (15) Directors selected by the Board, including at least one member of the Executive Committee and the following:

- A. The Chair of the Board and the President and CEO;
- B. The First Vice-Chair;
- C. One or more Directors from the province in which the meeting is to be held;
- D. Other members as selected by the Board.

BASIC MANDATE:

The Annual Meeting Program Committee has the following responsibilities:

1. To provide direction regarding the theme and the business program and to identify key speakers and potential sponsors for the Chamber's National Convention.
2. To provide advice and assistance to management in the organization and conduct of other elements of the Annual General Meeting.
3. To start its work no later than December of each year. In order to permit complete and effective marketing of the program content and speakers to potential registration, the Committee will aim to complete its work no later than the June Board Meeting of the following year.

QUORUM:

A majority of the Annual Meeting Program Committee members shall constitute a quorum at meetings of the committee. Each matter before the Annual Meeting Program Committee shall be decided by a majority of the votes cast on the matter.

COMMITTEE PERFORMANCE:

The performance and effectiveness of the committee will be assessed annually as part of the Board's evaluation process.

The Board will review the committee's charter on a periodical basis to ensure that it remains appropriate to the circumstances of the Chamber.

Audit Committee

CHAIR:

The chair of the Audit Committee is appointed annually by the Board.

SECRETARY:

The committee shall nominate its secretary.

REPORTS TO:

The chair or the secretary of the committee shall report regularly to the Board or to the Executive Committee on the activities of the committee.

MEETINGS:

Meetings of the committee are held at least twice a year and on an as needed basis, at the call of the committee chair. Meetings may be held in person or by means of telephone conference or such other communications facilities as to permit all persons participating in the meeting to communicate adequately with each other.

Notice and agenda of committee meetings shall be sent to each member of the committee reasonably in advance of committee meetings.

The Audit Committee members shall meet without the presence of management of the Chamber before or after every Audit Committee meeting. It may also meet separately with the President and CEO and with the external auditor of the Chamber.

COMPOSITION:

The committee shall be composed of seven (7) to nine (9) Directors selected by the Board, including at least one member of the Executive Committee and the following:

- A. The Treasurer of the Board;
- B. Five (5) additional Directors who are financially literate and have accounting or auditing experience.

BASIC MANDATE:

The primary function of the Audit Committee is to assist the Board in fulfilling its oversight responsibilities related to the quality and integrity of financial reporting. Consistent with this function, the Audit Committee assures fair presentation of the financial position and a result of operations of the Chamber in accordance with Canadian generally accepted accounting principles, and ensures that appropriate systems and controls are maintained for the proper recording of transactions and protection of assets.

The Audit Committee has the following responsibilities:

1. To oversee the appropriateness and integrity of the accounting principles and practices used by the Chamber.
2. For the Chamber's financial statements and other financial reporting, including:
 - a) Reviewing and discussing with management and the external auditor the Chamber's annual financial statements;
 - b) Recommending to the Board approval of the audited financial statements;
 - c) Reviewing major issues regarding accounting principles and financial statement presentation;
 - d) Reviewing all critical accounting policies and practices, including all alternative treatments of financial information.
3. To oversee the appropriateness of the disclosure principles and practices followed by management in preparing the financial statements.
4. To oversee the external auditor's qualifications, independence and performance, including:
 - a) Recommending the external auditor for appointment or replacement to the Board and for ratification by the Chamber's Organization Members;
 - b) Recommending compensation of the external auditor to the Board;
 - c) Reviewing and pre-approval of all audit and non-audit services and fees to be performed by the external auditor;
 - d) Reviewing the overall scope of the external audit plan at least annually;
 - e) Receiving all reporting from the external auditor (i.e., the external auditor reports to the audit committee);
 - f) Periodically reviewing the status and findings of the external auditor's audit program;
 - g) Confirming the external auditor's independence, including reviewing the Chamber's hiring policies for employees of former employees of the external auditor.
5. To oversee management's establishment of an adequate system of internal controls and procedures and effective performance of those internal controls and procedures.
6. To authorize the retention/hiring of independent professionals to assist in conducting of any investigation identified by this committee as required.
7. For other issues or questions delegated to it by the Board of directors.

QUORUM:

A majority of the Audit Committee members shall constitute a quorum at meetings of the committee. Each matter before the Audit Committee shall be decided by a majority of the votes cast on the matter.

COMMITTEE PERFORMANCE:

The performance and effectiveness of the committee will be assessed annually as part of the Board's evaluation process.

The Board will review the committee's charter on a periodical basis to ensure that it remains appropriate to the circumstances of the Chamber.

Chamber Network Committee**CHAIR:**

The chair of the Chamber Network Committee is appointed annually by the Board

SECRETARY:

The committee shall nominate its secretary.

REPORTS TO:

The chair or the secretary of the committee shall report regularly to the Board or to the Executive Committee on the activities of the committee.

MEETINGS:

Meetings of the committee are held annually or on an as needed basis, at the call of the committee chair. Meetings may be held in person or by means of telephone conference or such other communications facilities as to permit all persons participating in the meeting to communicate adequately with each other.

Notice and agenda of committee meetings shall be sent to each member of the committee reasonably in advance of committee meetings.

COMPOSITION:

The committee shall be composed of twelve (12) to fifteen (15) Directors selected by the Board, including the immediate Past Chair of the Board, at least one member of the Executive Committee and one member who is resident in each of the five (5) recognized regions of Canada which are: (i) British Columbia and the Yukon Territory; (ii) Alberta, Saskatchewan, Manitoba, the Northwest Territories and Nunavut; (iii) Ontario; (iv) Quebec; and (v) the Atlantic Provinces.

BASIC MANDATE:

The Chamber Network Committee has the following responsibilities:

1. To review staff recommendations and recommend to the Board direction for action that would serve to:
 - a) Improve contact and communication among the national, provincial and local chambers of commerce;
 - b) Improve consultation with local chambers and support of the Chamber's priorities within the network at large;
 - c) Strengthen the advocacy know-how of local chambers.

2. To serve as a common meeting ground for people with an interest in the evolution of the federation of chambers in Canada. To further act as a “clearing house” and catalyst for ideas to further the strength, relevance and overall effectiveness of the chamber network at all levels and its ability to work together in common cause.

QUORUM:

A majority of the Chamber Network Committee members shall constitute a quorum at meetings of the committee. Each matter before the Chamber Network Committee shall be decided by a majority of the votes cast on the matter.

COMMITTEE PERFORMANCE:

The performance and effectiveness of the committee will be assessed annually as part of the Board’s evaluation process.

The Board will review the committee’s charter on a periodical basis to ensure that it remains appropriate to the circumstances of the Chamber.

Corporate Relations Committee

CHAIR:

The chair of the Corporate Relations Committee is appointed annually by the Board.

SECRETARY:

The committee shall nominate its secretary.

REPORTS TO:

The chair or the secretary of the committee shall report regularly to the Board or to the Executive Committee on the activities of the committee.

MEETINGS:

Meetings of the committee are held annually and on an as needed basis, at the call of the committee chair. Meetings may be held in person or by means of telephone conference or such other communications facilities as to permit all persons participating in the meeting to communicate adequately with each other.

Notice and agenda of committee meetings shall be sent to each member of the committee reasonably in advance of committee meetings.

COMPOSITION:

The committee shall be composed of twelve (12) to fifteen (15) Directors selected by the Board, including at least one member of the Executive Committee.

BASIC MANDATE:

The Corporate Relations Committee has the following responsibilities:

1. To provide general guidance to the President and CEO and the corporate relations staff on approaches to corporate membership. Directors will be asked to give strategic advice on corporate membership, marketing and communications approaches designed by staff to acquire and retain new members.
2. To be actively involved in the process of recruiting and retaining members, on the advice of the staff. In this capacity, the chair of the committee should use his or her judgment and

influence with committee members to encourage rapport between committee members and those corporate members or prospects with whom they have had prior contact or association.

QUORUM:

A majority of the Corporate Relations Committee members shall constitute a quorum at meetings of the committee. Each matter before the Corporate Relations Committee shall be decided by a majority of the votes cast on the matter.

COMMITTEE PERFORMANCE:

The performance and effectiveness of the committee will be assessed annually as part of the Board's evaluation process.

The Board will review the committee's charter on a periodical basis to ensure that it remains appropriate to the circumstances of the Chamber.

Finance Committee

CHAIR:

The chair of the Finance Committee is appointed annually by the Board.

SECRETARY:

The committee shall appoint its secretary.

REPORTS TO:

The chair or the secretary of the committee shall report regularly to the Board or to the Executive Committee on the activities of the committee.

MEETINGS:

Meetings of the committee are held annually and on an as needed basis, at the call of the committee chair. Meetings may be held in person or by means of telephone conference or such other communications facilities as to permit all persons participating in the meeting to communicate adequately with each other.

Notice and agenda of committee meetings shall be sent to each member of the committee reasonably in advance of committee meetings.

COMPOSITION:

The committee shall be composed of twelve (12) to fifteen (15) Directors selected by the Board, including at least one member of the Executive Committee and the following:

- A. The Treasurer of the Board;
- B. The Vice Chairs of the Board;
- C. Two Directors with experience in the financial sector;

BASIC MANDATE:

The Finance Committee has the following responsibilities:

1. To provide guidance on the financial operations of the Chamber.
2. To review and provide recommendations on the following:
 - a) The annual budget;
 - b) Quarterly financial statements and discussion of variances;
 - c) Investments for both long-term funds and short-term funds;

- d) Major capital expenditures;
- e) Leases and contracts;
- f) Unbudgeted items;
- g) Large projects or contracts with costs over \$500,000.00;
- h) Any other matters pertinent to the financing of the Chamber.

QUORUM:

A majority of the Finance Committee members shall constitute a quorum at meetings of the committee. Each matter before the Finance Committee shall be decided by a majority of the votes cast on the matter.

COMMITTEE PERFORMANCE:

The performance and effectiveness of the committee will be assessed annually as part of the Board's evaluation process.

The Board will review the committee's charter on a periodical basis to ensure that it remains appropriate to the circumstances of the Chamber.

Human Resources & Compensation Committee

CHAIR:

The Chair of the Board is the chair of this committee.

SECRETARY:

The committee shall appoint its secretary.

REPORTS TO:

The chair or the secretary of the committee shall report regularly to the Board or to the Executive Committee on the activities of the committee.

MEETINGS:

Meetings of the committee are held annually and on an as needed basis, at the call of the committee chair. Meetings may be held in person or by means of telephone conference or such other communications facilities as to permit all persons participating in the meeting to communicate adequately with each other.

Notice and agenda of committee meetings shall be sent to each member of the committee reasonably in advance of committee meetings.

COMPOSITION:

The committee shall be composed of five (5) to nine (9) Directors selected by the Board, including at least one member of the Executive Committee and the following:

- A. The Chair of the Board;
- B. The Vice Chairs, Treasurer and Immediate Past Chair of the Board;

BASIC MANDATE:

The Human Resources & Compensation Committee has the following responsibilities:

1. The Committee shall review the succession plans for senior management (including the President and CEO).

2. The Committee shall recommend to the Board the President and CEO's remuneration, benefits and terms of employment.
3. The Committee shall recommend to the Board compensation policy and guidelines for other members of senior management and staff. This includes benefit and pension plans, and any employment contracts containing termination or other special provisions outside of normal employment practices of the Chamber.
4. The Committee shall, as required, review organizational structure recommended by the President and CEO.
5. The Committee shall, on an annual basis, review the performance of the executive management group using information provided by the President and CEO.
6. The Committee shall on an annual basis, review the objectives of the President and CEO, and assess his/her performance in relation to those objectives.
7. The Committee shall, on an annual basis, review a high level assessment of the Chamber's human resources and human resources policies.

QUORUM:

A majority of the Human Resources & Compensation Committee members shall constitute a quorum at meetings of the committee. Each matter before the Human Resources & Compensation Committee shall be decided by a majority of the votes cast on the matter.

COMMITTEE PERFORMANCE:

The performance and effectiveness of the committee will be assessed annually as part of the Board's evaluation process.

The Board will review the committee's charter on a periodical basis to ensure that it remains appropriate to the circumstances of the Chamber.

International Strategic Advisory Committee

CHAIR:

The chair of the International Strategic Advisory Committee is appointed annually by the Board.

SECRETARY:

The committee shall nominate its secretary.

REPORTS TO:

The chair or the secretary of the committee shall report regularly to the Board or to the Executive Committee on the activities of the committee.

MEETINGS:

Meetings of the committee are held annually and on an as needed basis, at the call of the committee chair. Meetings may be held in person or by means of telephone conference or such other communications facilities as to permit all persons participating in the meeting to communicate adequately with each other.

Notice and agenda of committee meetings shall be sent to each member of the committee reasonably in advance of committee meetings.

COMPOSITION:

The committee shall be composed of Directors selected by the Board, including at least one member of the Executive Committee.

BASIC MANDATE:

The International Strategic Advisory Committee has the following responsibilities:

1. To allow Directors with international interests and expertise to assist the full Board in directing the ongoing work of the International Division and the Chamber's involvement in international issues generally.
2. To make recommendations to the full Board in terms of official policy adoption and general direction of the Chamber's international activities and profile.
3. To review proposals for new activities or international initiatives before they are presented to the full Board for consideration and approval.

QUORUM:

A majority of the International Strategic Advisory Committee members shall constitute a quorum at meetings of the committee. Each matter before the International Strategic Advisory Committee shall be decided by a majority of the votes cast on the matter.

COMMITTEE PERFORMANCE:

The performance and effectiveness of the committee will be assessed annually as part of the Board's evaluation process.

The Board will review the committee's charter on a periodical basis to ensure that it remains appropriate to the circumstances of the Chamber.

Nominating & Governance Committee**CHAIR:**

The Chair of the Board is the chair of this committee.

SECRETARY:

The Corporate Secretary is the secretary of this committee.

REPORTS TO:

The chair or the secretary of the committee shall report regularly to the Board or to the Executive Committee on the activities of the committee.

MEETINGS:

Meetings of the committee are held annually and on an as needed basis, at the call of the committee chair. Meetings may be held in person or by means of telephone conference or such other communications facilities as to permit all persons participating in the meeting to communicate adequately with each other.

Notice and agenda of committee meetings shall be sent to each member of the committee reasonably in advance of committee meetings.

COMPOSITION:

The committee shall be composed of five (5) to seven (7) Directors selected by the Board, including at least one member of the Executive Committee and the following:

- A. The Chair of the Board;
- B. The Immediate Past Chair of the Board;
- C. Five members who shall be resident Directors from each of the five recognized regions of Canada which are: (i) British Columbia and the Yukon Territory; (ii) Alberta, Saskatchewan, Manitoba, the Northwest Territories and Nunavut; (iii) Ontario; (iv) Québec; and (v) the Atlantic Provinces.

BASIC MANDATE:

The Nominating & Governance Committee has the following responsibilities:

1. To prepare and recommend to the Board the slate of nominees including the Board Officers and the appropriate number of other Directors to fill vacancies in the Board that will arise at the subsequent Annual Meeting.
2. To mail the aforementioned slate once approved by the Board to Organization Members and to each Provincial Chamber at least thirty (30) days before the Annual General Meeting.
3. To monitor the ongoing performance of the Board and of Directors through periodic assessments of the Board, its committees, Board and committee chairs, other Board officers and individual Directors.
4. To review, from time to time, the governance policies of the Chamber, and to report to the Board annually.
5. To recommend to the Board orientation and continuing education programs for Directors.
6. To deal with such other matters of governance as shall be referred to it by the Board.
7. In addition to observing the requirements set out in the Chamber's by-laws regarding Board vacancies, the Nominating Committee will ensure that Board policies are respected. Northern Chambers will be consulted in the event of Director vacancies for any of the three Territories.

QUORUM:

A majority of the Nominating & Governance Committee members shall constitute a quorum at meetings of the committee. Each matter before the Nominating & Governance Committee shall be decided by a majority of the votes cast on the matter.

COMMITTEE PERFORMANCE:

The performance and effectiveness of the committee will be assessed annually as part of the Board's evaluation process.

The Board will review the committee's charter on a periodical basis to ensure that it remains appropriate to the circumstances of the Chamber.

Policy Committee

CHAIR:

The chair of the Policy Committee is appointed annually by the Board.

SECRETARY:

The committee shall appoint its secretary.

REPORTS TO:

The chair or the secretary of the committee shall report regularly to the Board or to the Executive Committee on the activities of the committee.

MEETINGS:

Meetings of the committee are held annually and on an as needed basis, at the call of the committee chair. Meetings may be held in person or by means of telephone conference or such other communications facilities as to permit all persons participating in the meeting to communicate adequately with each other.

Notice and agenda of committee meetings shall be sent to each member of the committee reasonably in advance of committee meetings.

All directors are invited to attend and participate to the meetings of the Policy Committee.

COMPOSITION:

The committee shall be composed of Directors selected by the Board, including at least one member of the Executive Committee and the following:

- A. Five members who shall be resident Directors from each of the five recognized regions of Canada which are: (i) British Columbia and the Yukon Territory; (ii) Alberta, Saskatchewan, Manitoba, the Northwest Territories and Nunavut; (iii) Ontario; (iv) Québec; and (v) the Atlantic Provinces;

BASIC MANDATE:

The Policy Committee has the following responsibilities:

1. To provide advice and guidance to staff in a timely fashion on the Chamber's annual policy development process (includes the policy resolution process and the work of the task forces) in order to ensure the process is kept current, effective, and results in policy positions that reflect the views of Chamber members. This includes evaluating policy resolutions submitted to the Chamber for consideration at its Annual General Meeting.
2. To provide overall guidance to Chamber staff in setting annual policy priorities based on policy resolutions, National Policy Committee recommendations, Board input, and emerging issues.
3. On an *ad hoc* basis, the committee may be asked by staff to review and make recommendations on extraordinary policy positions that may affect specific members or a sub-set of members.

QUORUM:

A majority of the Policy Committee members shall constitute a quorum at meetings of the committee. Each matter before the Policy Committee shall be decided by a majority of the votes cast on the matter.

COMMITTEE PERFORMANCE:

The performance and effectiveness of the committee will be assessed annually as part of the Board's evaluation process.

The Board will review the committee's charter on a periodical basis to ensure that it remains appropriate to the circumstances of the Chamber.



EXPERT COMMITTEES: MANDATES

Biotechnology Committee

Chair: Art Stirling, Pioneer Hi-Bred Limited
Contact: Scott Campbell, Policy Analyst - (416) 868-6415 ext: 228

The committee is composed of representatives of firms engaged in the use of biotechnology, including the chemical, agricultural and food production & processing sectors. Its mandate is to help provide science-based and balanced information about biotechnology to Canadians, to promote the benefits of biotechnology by highlighting its economic benefits to key individuals in government as well as to our membership, and to work with the federal government in ensuring that good public policy decisions are made regarding biotechnology.

Competition Law and Policy Committee

Chair: John Clifford, McMillan Binch Mendelsohn
Contact: Chris Gray, Policy Analyst – (613) 238-4000 ext: 251

The committee is composed of individuals representing primarily law firms or counsel for corporations with expertise in competition law matters. This committee deals with a number of issues in the area of competition law and policy. The committee monitors and responds to federal government (Competition Bureau) and parliamentary issues and proposals in the field of competition law and policy. In carrying out this function, the task force provides technical and strategic advice to the Canadian Chamber and prepares briefs and other advocacy materials. In addition, the committee monitors International competition policy and works closely with the International Chamber of Commerce (ICC) on various issues.

Economic and Taxation Committee

Chair: Peter Harris, Cassels Brock & Blackwell LLP
Contact: Tina Kremmidas, Assistant Vice-President & Senior Economist - (416) 868-6415 ext: 222

The committee is composed of economists and tax practitioners which includes representatives from the financial services, accounting and legal professions as well as industry. Its mandate is to consider and report on matters related to national economic and taxation policy. The committee prepares policy resolutions and reviews resolutions from member boards of trade and local chambers. The committee reviews Canadian Chamber reports, briefs and submissions in the areas of economic policy and taxation and provides advice to the Canadian Chamber on economic policy and taxation matters.

Electronic Commerce and Telecommunications Committee

Chair: David Kidd, Blake, Cassels & Graydon
Contact: Chris Gray, Policy Analyst – (613) 238-4000 ext: 251

The e-commerce and telecommunications committee is comprised of senior business people engaged in the fields of e-commerce and telecommunications (information and communications technologies - ICT). The focus of the committee is to monitor and respond to government policy

issues as well as feed into the government policies that our members feel would be beneficial for the business community. The committee and the secretariat work closely with the e-commerce branch at Industry Canada to collaborate on issues and provide input to ensure the interests of Canadian businesses are met. The committee is also the primary voice of the ICT industry in Canada for international telecommunications and e-commerce policy. Input on international policy issues is provided from committee members to the Business and Industry Advisory Council (BIAC), to the OECD and through the International Chamber of Commerce (ICC). The committee also focuses on driving adoption of ICT, especially among SMEs to ensure that Canada can remain innovative and competitive globally.

Environment Committee

Chair: Robert Redhead, Newalta Corporation
Contact: Scott Campbell, Policy Analyst - (416) 868-6415 ext: 228

The committee is composed of members experienced in and knowledgeable about environmental policy and includes representatives of broad business interests including the natural resources and manufacturing industries, transport services and the small business sector. Its mandate is to establish, within the Canadian Chamber, a permanent group of experts on the environment in order to identify, monitor, promote awareness and provide input on policy matters of interest to Canadian Chamber members and the Board of Directors on a timely basis. This may include conducting studies on environmental issues, providing support to other national committees, chambers and boards of trade.

Health Care Committee

Chair: TBD
Contact: Tina Kremmidas, Assistant Vice-President & Senior Economist - (416) 868-6415 ext: 222

The Health Care Committee's mandate is to guide the work of the Canadian Chamber of Commerce in dealing with the subject of health care in Canada. In particular, the committee focuses on developing policy positions for the Canadian Chamber for use in dealing with reform of the health care system in Canada. This includes working with Chamber staff in participating in the annual policy resolution process.

Intellectual Property Committee

Chair: Lee Webster, Osler, Hoskin & Harcourt LLP
Contact: Chris Gray, Policy Analyst – (613) 238-4000 ext: 251

This committee is composed of members specializing in intellectual property issues. The committee's mandate is to monitor developments in government policy issues which could affect members' intellectual property rights and to lead the Canadian Chamber's efforts in either responding to government action or initiating and helping communicate the Canadian Chamber's views to the appropriate audiences. This will include a review of proposed government policy or legislative changes regarding intellectual property rights. The committee is also kept updated on international intellectual property matters through the Canadian Chamber's involvement with the International Chamber of Commerce (ICC).

International Affairs Committee

Co-Chairs: Milos Barutciski, Bennett Jones LLP and Cliff Sosnow, Blake Cassels & Graydon LLP

Contact: Brian Zeiler-Kligman, Policy Analyst, International – (613) 238-4000 ext: 225

The committee is composed of representatives of member corporations possessing specialized knowledge in the field of international affairs. The International Affairs Committee is the lead group at the Canadian Chamber on international policy issues and ensures that the Canadian Chamber is on the frontline of such issues. As a member of the Business and Industry Advisory Council (BIAC) to the Organization for Economic Co-operation and Development (OECD) and as the national committee of the International Chamber of Commerce (ICC), the committee is at the forefront of developing international business positions that advise and influence policy at various international organizations. The committee actively reviews trade and investment developments and make recommendations to the Canadian Chamber's Board of Directors on policy positions to be taken vis-à-vis the federal government.

Transportation Committee

Chair: Keith Robson, Hamilton Port Authority

Contact: Ryan Stein, Policy Analyst – (613) 238-4000 ext: 250

This committee is composed of senior representatives from member corporations within the transportation industry, including suppliers and users of transportation services, as well as owners and operators of transportation infrastructure and facilities. The committee is to consider and report to the Board of Directors on matters related to transportation in Canada. The committee's focus would include issues such as: competition, framework legislation for the industries; taxation and user fees, infrastructure investment, such as airports, highways, ports, railways and border crossings, harmonization of standards; i.e., between Canada and U.S. and between Canadian provinces, and public-private partnerships.



OPERATING COMMITTEES: MANDATES

Arbitration Committee

Chair: John Lorn McDougall, Fraser Milner Casgrain LLP

Contact: Brian Zeiler-Kligman, Policy Analyst, International - (613) 238-4000 ext: 225

The committee is comprised of individuals from corporate members, primarily domestic and foreign law firms, academia and sole practitioners, with expertise in the area of international commercial arbitration. The committee tracks developments in international commercial arbitration policy and rules and is the lead committee on international arbitration issues. The Canadian Chamber of Commerce's Arbitration Committee is the Canadian national committee for the International Chamber of Commerce (ICC) Court of Arbitration and receives requests from the ICC Court for the appointment of arbitrators in arbitration cases. The committee maintains a roster of eligible Canadian arbitrators for such appointments.

Ottawa Liaison Committee

Chair: Robert E. Waite, Canada Post Corporation

Contact: Ryan Stein, Policy Analyst – (613) 238-4000 ext: 250

This committee is composed of senior representatives from a cross-section of the Canadian Chamber's corporate membership. Its mandate is to maintain liaison with senior federal government officials and politicians by way of informal "off the record" meetings to secure information with respect to current or upcoming federal government legislative policy or other actions that will be of assistance to the Canadian Chamber and its members. The committee supplements the work of the Canadian Chamber's expert committees by working directly with various federal government departments.



REASONABLE EXPENSES OF DIRECTORS

While this policy qualifies certain individuals to obtain reimbursement for their expenses under specified circumstances, it is hoped that, wherever possible, potential claimants may be able to arrange business travel in conjunction with Chamber meetings, thus lessening the total claims against the Chamber's budget.

1. ELIGIBLE EXPENSES

Under this procedure, eligible claimants may request reimbursement for their travel expenses only – economy air or rail fare – upon submission of original ticket. (Seat sales should be sought whenever possible)*.

2. BASIC QUALIFICATION

Notwithstanding item three (3) below, only those persons who must travel in excess of 640 kilometres (400 miles) from their home to the meeting site will be eligible to claim any expenses whatsoever.

3. APPLICABILITY

This policy applies to certain Chamber members in respect of specific meetings only, as follows:

a) MEMBERS OF THE EXECUTIVE COMMITTEE

Eligible for reimbursement in respect of Executive Committee meetings and Board meetings except those held in conjunction with the Annual General Meeting.

b) MEMBERS OF THE BOARD AND PROVINCIAL CHAMBER PRESIDENTS (OR THEIR DESIGNATES)

Eligible for reimbursement in respect of Board meetings except those held in conjunction with the Annual General Meeting.

4. PROCEDURE FOR CLAIMS

Directors who wish to apply for reimbursement must seek the pre-approval of the Chair of the Board. Once approved by the Chair of the Board, expense claims, including original tickets, should be submitted to the Corporate Secretary for payment.

All applicants for reimbursement will be treated in strict confidence by the Corporate Secretary.

This procedure will be monitored as an aggregate budgetary figure and will be subject to review by the Board on an annual basis.

* The Chamber will cover cancellation insurance for seat sale tickets.