



ROLE OF THE BOARD OF DIRECTORS

The Board of Directors is responsible for the stewardship of the Corporation and for the supervision of the management of the business and affairs of the Corporation.

The Board will be satisfied that the Corporation is managed in a manner that permits it to effectively and efficiently fulfill its mission, values, goals and vision.

In order to achieve this, the Board is responsible for:

- choosing the CEO, approving the objectives and assessing the integrity and performance of the CEO, setting the compensation of the CEO and replacing the CEO, if warranted,
- satisfying itself that the senior management team is capable of successfully managing the Corporation under the direction of the CEO,
- reviewing succession plans for key executive positions,
- providing counsel, support and advice to the CEO and the senior management relating to major policy and strategic matters,
- adopting a strategic planning process and approving the strategic direction at least every three years and reviewing and approving the annual plan,
- adopting corporate governance practices,
- adopting policies, ensuring compliance with these policies and approving major corporate decisions relating to:
 - the identification of, and intervention in problem companies,
 - the management of operational and financial risk,
 - communications with policyholders, members, regulators and the media,
 - the availability of adequate and appropriate operational and insolvency funding,
 - confidentiality, compliance, conflicts and ethics,
 - investment strategy, policies and performance, and
 - measuring the overall performance of the organization.
- ensuring that:
 - competencies that are required of an effective director are set,
 - the Board is composed of directors with appropriate skills, experience, and knowledge,
 - the performance of the Board is assessed annually,
 - the committees have Board approved mandates against which their performance is assessed annually by the Board, and
 - the contribution of individual directors is assessed annually.

This 'Role of the Board' is intended to focus the work and assist in assessing the Board's performance. It is not intended to limit the scope of directors' fiduciary responsibilities.