

PENSION COMMITTEE

Terms of Reference

1. Authority

- a) The Pension Group (the “Group”) is created and responsible to the Board of Governors (the “Committee”) of Concordia University of Edmonton (the “University”).
- b) The Vice President, Finance & Operations shall provide management support to the Committee.
- c) The Office of the University Secretariat shall provide administrative support to the Committee.
- d) The Committee shall function in accordance with the Bylaws of the Board of Governors, Section 13 “Board Committees”.

2. Mandate

Subject to Section 4, the Group shall monitor, evaluate and make recommendations to the Board of Governors with respect to the management and control of the Pension Plan of the University and its employees (the “Plan”).

In particular, the Committee shall:

2.1 Pension Plan Oversight

On an annual basis or as determined by the Pension Committee Chair:

- a) Establish criteria for the selection, termination, and performance monitoring of investment manager(s) and other third-party service providers;
- b) Approve the selection or termination of investment managers and other third-party service providers;
- c) Review the performance measures established for measuring the performance of the investment managers and other third-party service providers;
- d) Determine the training needs through annual self-assessment and other means;
- e) Provide appropriate training and education to those involved in Plan governance, including Committee members;
- f) Provide oversight of the Plan’s financial management;
- g) Review investment manager structure;
- h) Approve third-party service provider agreements;
- i) Review and amend the Plan’s Statement of Investment Policies and Procedures (the

“SIP&P”);

- j) Establish an appropriate asset mix for the Plan;
- k) Develop a policy for the payment of fees and expenses from the Plan fund and periodically assess the competitiveness and reasonableness of these fees and expenses;
- l) Make decisions relating to funding strategy based on advice of the Plan’s actuary;
- m) Delegate various tasks to service providers or staff of the University;
- n) Ensure actuarial valuations are prepared as required and assist in decisions on funding and contribution strategy; recommend Plan amendments to the Board and arrange for the preparation of such amendments.

3. Membership

- a) The Committee shall consist of at least one member of the Finance Committee, at least two Board (including committee) members and other individuals appointed by the Board. The Chair of the Committee will be appointed by the Chair of the Board.
- b) The Vice-President Finance & Operations will normally be invited to attend committee meetings.
- c) No member of the staff (academic or non-academic) nor any student of the University shall be a member of the Committee.

The terms of service for this committee will be as outlined in the Board Bylaws.

Financial literacy is a prerequisite for service on the Committee. The majority of members of the Committee shall be capable of reading and understanding pension plans of the breadth and complexity of those of the University, and at least one member of the Committee shall have accounting or related financial or pension management expertise.

4. Limits on Authority

Notwithstanding the provisions in Section 2, the Committee shall bring to the Executive Committee for final approval:

- a) Reports, information and recommendations with respect to issues that, in the opinion of the Committee, may pose a material risk to the University.

5. Reliance on Management and Experts

In contributing to the Committee’s discharging of its duties under these Terms of Reference, each member of the Committee shall be entitled to rely in good faith upon:

- a) Any report of a lawyer, accountant, actuary, appraiser or other person whose profession

lends credibility to a report made by such a person.

“Good faith reliance” means that the Committee member has considered the relevant issues, questioned the information provided and assumptions used, and assessed whether the analysis provided by management or the expert is reasonable. Generally good faith reliance does not require that the member question the honesty, competency and integrity of management or the expert unless there is a reason to doubt the honesty, competency and integrity.

6. Limitations of Committee’s Duties

In contributing to the Committee’s discharging of its duties under these Terms of Reference, each member of the Committee shall be obligated only to exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances. Nothing in these Terms of Reference is intended, or may be construed, to impose on any member of the Committee a standard of care or diligence that is in any way more onerous or extensive than the standard to which all Board members are subject.

7. Meetings

The Committee shall meet a minimum of four (4) times per year, or more frequently as circumstances dictate. The Committee Chair shall prepare and/or approve an agenda in advance of each meeting.

8. Annual Work Plan

The Committee will develop and approve an annual work plan to be provided to the Board for information.