

## CI FINANCIAL CORP.

### BOARD OF DIRECTORS' MANDATE

As of January 1, 2011

The Board of Directors is responsible for the stewardship of the Company and in that regard has the duty to manage and supervise the management of the business and affairs of the Company.

#### **Composition**

The Board is elected annually by shareholders. The articles of incorporation of the Company stipulate that the Board shall consist of a minimum of three and no more than fifteen Directors, with the number of Directors from time to time within such range being fixed by resolution of the Directors.

A majority of Directors shall be "independent". "Independent" shall have the meaning, as the context requires, given to it in National Policy 58-201 – *Corporate Governance Guidelines*, as may be amended from time to time.

The Board shall consider its size and composition on a regular basis, in view of its responsibilities and the risks and strategic direction of the Company.

#### **Duties and Responsibilities**

In fulfilling its mandate, the Board's responsibilities include:

##### **1. Strategic Planning**

- Providing oversight and guidance on the strategic issues facing the Company.
- Approving significant business decisions not specifically delegated to management.
- Assisting management in formulating strategic and operating plans.
- Approving the Company's financial objectives.

##### **2. Financial Information and Internal Controls**

- Overseeing the financial reporting and disclosure obligations of the Company imposed pursuant to laws, regulations, rules or policies.
- Monitoring the integrity of the Company's management information systems and the effectiveness of its internal controls.
- Overseeing the processes underlying management's certification and attestations with respect to the Company's internal control and disclosure control procedures.
- Approving the Company's financial statements, management's discussion and analysis (MD&A) and press releases and overseeing the Company's compliance with audit, accounting and reporting requirements.
- Overseeing management of taxation issues.

##### **3. Identification and Management of Risks**

- Ensuring that appropriate processes are in place to identify, manage and mitigate the principal risks inherent in the Company's business and operations.
- Overseeing and monitoring processes to provide reasonable assurance that the business of the Company is being operated in compliance with all applicable legal and regulatory requirements.

4. **Human Resource Management and Executive Compensation**

- Assisting management in developing policies and practices to enable the Company to attract, develop and retain skilled senior executives
- Overseeing the Company's executive compensation and the compensation philosophy used in determining the compensation awarded to non-executive employees.
- Succession planning for senior management, including recruiting, appointment and evaluation and, if necessary, termination of the chief executive officer, and oversight of appointment and performance of other senior executive officers.

5. **Governance**

- Developing, approving and monitoring the Company's approach to corporate governance
- Establishing and maintaining formal processes for annual assessment of the effectiveness of the Board, individual directors and the Board committees.
- Monitoring the composition of the Board and assessing the skills and competencies necessary for the Board.
- Taking reasonable steps to ensure that the Company has procedures in place to permit the Board to function independently.

6. **Integrity and Ethics**

- Approving and monitoring compliance with the Company's Code of Ethics and Business Conduct and other policies which foster a culture of integrity.
- Obtaining reasonable assurance that the senior management strives to create a culture of integrity.
- Establishing and overseeing a whistleblower process.

7. **Corporate Communications**

- Approving the Company's Disclosure Policy.
- Monitoring compliance with applicable corporate and securities law requirements regarding the accuracy and timeliness of disclosure.

**Committees**

Subject to applicable laws and the articles and by-laws of the Company, the Board shall delegate certain authority and responsibilities to its committees and require that each of them perform certain advisory functions and make recommendations to the Board in accordance with written charters. The Board has approved charters for each Board committee and shall approve mandates for each new Board committee. The Board had established the following standing committees: the Audit Committee, the Compensation Committee, the Governance Committee. The Board may establish other Board committees or merge or disband any Board committee. Each committee is required to reassess its written charter at least annually and report to the Board thereon. To facilitate communication between the Board and each Board

committee, each committee chair shall provide a report to the Board on material matters considered by the committee at the first Board meeting after the committee's meeting.

### **Meetings**

The Board shall schedule four regular meetings annually and special meetings shall be called as necessary. The frequency of meetings and the nature of agenda items shall depend on the state of the Company's affairs and particular opportunities or risks that the Company faces. In its discretion, the Board may elect to conduct all or any part of its meetings in the absence of management and/or the non-independent Directors.

#### **(a) Secretary and Minutes**

The Corporate Secretary, his or her designate or any other person the Board requests shall act as secretary of Board meetings. Minutes of Board meetings shall be recorded and maintained by the Corporate Secretary and subsequently presented to the Board for approval.

#### **(b) Meetings Without Management**

The independent members of the Board shall hold regularly scheduled meetings, or portions of regularly scheduled meetings, at which non-independent Directors and members of management are not present.

#### **(c) Directors' Responsibilities**

Each Director is expected to attend all meetings of the Board and any committee of which he or she is a member. Directors will be expected to have read and considered the materials sent to them in advance of each meeting and to actively participate in the meetings.

### **Service on Other Boards and Committees**

Directors may serve on the boards of other public companies so long as these commitments do not materially interfere and are compatible with their ability to fulfill their duties as a member of the Board. No Director should serve on the board of a competitor or of a regulatory body with oversight of the Company or its subsidiaries. Each Director should, when considering membership on another board or committee, make every effort to ensure that such membership will not impair the Director's time and availability for his or her commitment to the Company. Directors should advise the chair of the Governance Committee and the Chief Executive Officer before accepting membership on other boards of directors (or similar bodies) or any audit committee or other significant committee assignment on any other board of directors (or similar body), or establishing other significant relationships with businesses, institutions, governmental units or regulatory entities, particularly those that may result in significant time commitments or a change in the Director's relationship to the Company.

### **Continuation of Board Members**

When a Director's principal occupation or business association changes substantially from the position he or she held when originally invited to join the Board (determined by reference to factors such as country of principal residence, principal occupation, industry affiliation, other boards on which the Director serves etc.), the Board shall, considering the recommendation of the Governance Committee and in light of all the circumstances, determine whether the Board should request that the Director resign.

### **Authority of the Board**

The Board shall have unrestricted access to management and employees of the Company.

Subject to prior consultation with the Chief Executive Officer (except in unusual circumstances), the Board is authorized to:

1. retain and terminate external legal counsel, consultants and other advisors it determines necessary to carry out the Board's duties and responsibilities; and
2. set and require the Company to pay the compensation and charged expenses for any advisors engaged by the Board.

### **Security Ownership by Directors**

Each Director (except Directors who are officers of the Company) is required to beneficially own that number of securities of the Company the market value of which is at least three times the annual Directors' fees paid to such Director. Each Director who is a member of management of the Company is required to beneficially own that number of securities of the Company the market value of which is at least five times his current base salary.

### **Annual Review of the Mandate**

At a Board meeting prior to the annual general meeting of securityholders of the Company, the Board shall review and reassess the Mandate for adequacy and make changes as it deems necessary.

### **No Rights Created**

This Mandate is a statement of broad policies and is intended as a component of the flexible governance framework within which the Board, assisted by its committees, directs the affairs of the Company. While it should be interpreted in the context of all applicable laws, regulations and listing requirements, as well as in the context of the Company's Articles and By-laws, it is not intended to establish any legally binding obligations.