



Opportunity Calgary
Investment Fund

8.0 BOARD COMMITTEES

8.1 ROLE OF BOARD COMMITTEES

The Board establishes standing committees and ad hoc committees to assist the Board with its governance functions. Committees serve in an advisory capacity and make recommendations to the Board. The Board maintains accountability for all of the actions, decisions and recommendations of its committees.

Committees operate within terms of reference approved by the Board. Each committee shall maintain notes as a record of all committee meetings, and report regularly to the Board on its activities.



8.3 OCIF AUDIT COMMITTEE

<i>Date Approved:</i>	September 21, 2018
<i>Date Revised:</i>	October 18, 2019

Purpose

The Audit Committee (“Committee”) shall be a Committee of the Board responsible for stewardship of the Corporation’s finances. The Committee has oversight responsibility and makes recommendations to the Board on:

- A. Reviewing and assessing processes relating to annual budgets;
- B. Identifying and monitoring risks;
- C. Monitoring the Corporation’s compliance with financial and regulatory requirements;
- D. Overseeing the monitoring and the integrity of the Corporation’s accounting and financial reporting processes, financial statements and systems of internal controls regarding accounting and financial reporting and accounting compliance;
- E. Overseeing audits of the Corporation’s financial statements, and
- F. Overseeing and monitoring the qualifications, independence and performance of the Corporation’s auditors.

Responsibilities

Management, together with the Board and the Committee, is responsible for setting the proper tone, creating and maintaining a culture of honesty and high ethical standards and establishing appropriate controls to ensure accurate financial accounting reporting, and to prevent and detect fraud.

To achieve reliable financial statements, internal controls must be in place to ensure that: records accurately and fairly reflect transactions in, and dispositions of, OCIF assets; records of transactions are sufficient to prepare financial statements in accordance with Canadian generally accepted accounting principles; receipts and expenditures are properly authorized; and, that steps are in place to prevent and detect irregularities that could have a material effect on OCIF’s financial statements, and to ensure financial system integrity and continuity.



Financial Management, Reporting, External Auditors and Risk

- A. Review financial results and have the right to inspect all of the accounts and records of OCIF and to discuss those accounts and records with OCIF's management, the Board and the Auditors;
- B. Review and recommend for approval by the Board the annual audited financial statements;
- C. Review quarterly interim (unaudited) financial statements and reports from OCIF;
- D. Ensure, through management confirmation, timely filings with Registry office and City of Calgary, including any other regulatory filings;
- E. Review OCIF cash flow forecasts, liquidity, and cash management strategies;
- F. Review and bring for approval by the Board, the annual budget and business plan and any revisions thereto, including:
 - reviewing the financial impact of new or changed projects and proposals subsequent to the Board's approval of annual budgets and business plan, where practicable, prior to their presentation to the Board for consideration, and make recommendations to the Board;
- G. Review and recommend for approval by the Board, annual reports and all other financial information and financial statements prepared for public distribution;
- H. Review and recommend for approval by the Board, OCIF's financial and accounting policies, including the Signing Authority Matrix.
- I. Make recommendations to the Board with regard to the selection of the independent auditor and review and approve auditor fees, including advance approval of any non-audit services performed. Meet annually with the external auditors and report to the Board on such meetings, including an assessment of their independence. Meet separately with the external auditors to discuss any matters that the Committee or auditors believe should be discussed in camera, including any fraud and risks of fraud, illegal acts, deficiencies in internal control and similar issues;
- J. Review the results of the annual audit and make recommendations thereon to the Board;
- K. Review the design and effectiveness of the systems of internal control over financial and operational reporting. Review recommendations from the external auditors for internal control improvement, management's consideration thereof and, as appropriate, implementation and results;
- L. Review compliance with all applicable finance and audit legal and regulatory requirements, including confirmation of filing of Corporate Returns; and
- M. Review and make recommendation to the Board regarding OCIF's risk management procedures and controls, including:
 - the maintenance of appropriate insurance;
 - reliability and integrity of the financial system, and
 - Referring any significant business and financial risks with the external auditors, including their assessment of management's related plans, processes and



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programs, paying particular attention to large, complex, related party, and/or unusual transactions, including joint ventures, partnerships and other contractual arrangements, and the associated accounting treatment and financial statement disclosures.

Membership

The Committee shall be comprised of a Committee Chair, and a minimum of two (2) other Board members.

The Corporate Governance & Effectiveness Committee will recommend Audit Committee members and Audit Committee Chair appointment for approval by the Board.

Authority and Accountability

1. The Committee shall report regularly to the Board on its activities.
2. The Committee, in consultation with the Board Chair, shall have the authority to direct and supervise the investigation of any matter brought to its attention within the scope of its duties.
3. The Committee shall review its terms of reference as needed, but at least annually, and recommend changes as necessary. The timeframe for an annual review of committee terms of reference will be for the committee meeting immediately prior to the Board of Directors Business Planning meeting with Management.

Meetings

The Committee may require the attendance of OCIF (CED) senior management at meetings as appropriate.

Resources

The Committee shall be provided with the resources necessary to carry out its responsibilities. The Committee may retain such advisors and consultants as it deems necessary to assist the Committee in discharging its responsibilities.