

Risk Management Committee

The **Risk Management Committee** is constituted pursuant to ARTICLE 13.1 (k) of the Exchange Agreement that provides for the appointment of sub-committees of the Exchange as may be deemed to be necessary or desirable for the operation of the Program.

PURPOSE

To monitor and report to the Board on matters relating to enterprise risk management (“ERM”) in accordance with the ERM Policy and Framework and to provide oversight to the development of risk management and loss prevention initiatives for Subscribers.

COMPOSITION

The Risk Management Committee shall include:

1. 3-4 Board members, including one (1) director with enterprise risk management expertise if available; and
2. The Chief Executive Officer.

The committee may include one (1) non-Board member (non-voting) as an external representative with enterprise risk management expertise.

RESPONSIBILITIES

Without limiting the generality of the responsibilities of the Risk Management Committee, the Committee shall:

1. Provide oversight for enterprise risk management activities to ensure that:
 - Effective processes are in place for risk identification and assessment;
 - Effective processes are in place for development of response plans outlining risk assignment and implementation accountabilities; and
 - Risk related responsibility is clearly delineated for the Board and committees.
2. Draft and review the ERM Policy and Framework at least every two years and submit it to the Board for approval.
3. Monitor and review changes to those risks assigned to the Committee and report to the Board in accordance with the ERM Policy and Framework.
4. Provide oversight for risk awareness and reduction strategies designed for Subscribers by assisting with the development of:
 - Relevant and timely information; and
 - Communication strategies to promote Subscriber participation awareness.

5. Review Subscriber and other participant feedback and evaluations of strategies, and report to the Board as appropriate.
6. Review all Risk Response Worksheets twice per year.
7. Review the Risk Management Committee Terms of Reference annually and recommend changes, if any, to the Board.

QUORUM

A quorum will consist of a simple majority of the voting members.

MEETINGS AND MINUTES

The Committee will meet a minimum of four (4) times per year.

Meetings may be conducted by teleconference or video conference at the discretion of the Committee Chair and as required by the members.

Minutes will be taken at each meeting and once approved by the Committee, the minutes will be distributed to the Board of Directors.

Original Approval Date:	December 12, 2018
Current Approval Date:	June 13, 2024
Next Review:	June 2025