

**fmi*igf Finance & Audit Committee
Terms of Reference
Updated January 2021**

Objective

The primary purpose of the Finance and Audit Committee (FAC) is to assist the fmi*igf Board of Directors in meeting its responsibilities. In this capacity, the FAC shall:

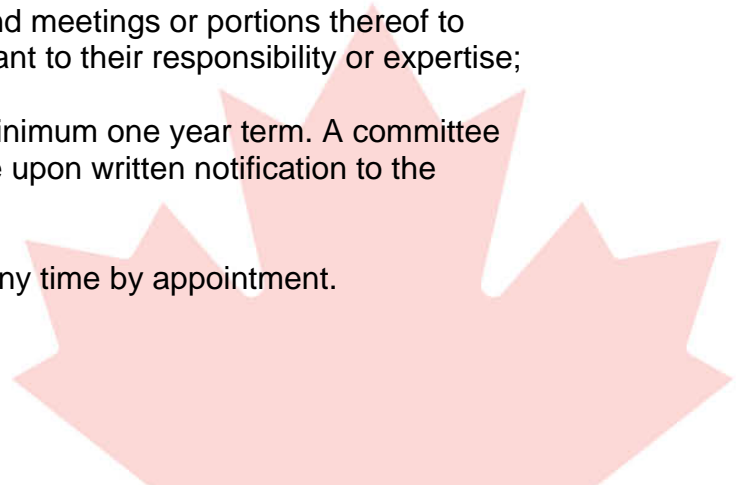
- Act in an advisory capacity to the Board
- Ensure the adequacy and reliability of financial reporting by reviewing and recommending for approval to the Board all budgets, financial statements, accounting policies, internal and external audits, management plans and information
- Act as the liaison between the Board and its auditors.

Composition

1. The Committee shall be composed of the Treasurer/Secretary of fmi*igf plus a minimum of three individuals to a maximum of seven individuals appointed from the fmi*igf membership who will, when possible, be regionally representative;
2. The fmi*igf Treasurer/Secretary will Chair the FAC committee and report to the BOD at every Board meeting;

The FAC shall elect from the appointed members a Co-Chair to represent the Chair in his or her absence;

3. CEO is a permanent non-voting member of the committee and may participate as desired;
4. A majority of members of the FAC committee will constitute a quorum;
5. The Chair may invite individuals to attend meetings or portions thereof to participate in discussions of items relevant to their responsibility or expertise;
6. FAC appointed members will serve a minimum one year term. A committee member may resign from the committee upon written notification to the committee Chair.
7. The Chair may fill a vacant position at any time by appointment.



Meetings

1. The Committee shall meet not less than three times a year (to coincide with key dates in the company fiscal cycle);
2. Extraordinary meetings may be called by the Chair;
3. The FAC may create sub-committees or working groups as is deemed necessary to further the objectives of the FAC committee.
4. FAC members will be expected to attend all committee meetings and at a minimum, 50% of them, including extraordinary meetings.

Functions and Responsibilities

Roles and responsibilities:

Audits

FAC shall:

1. Review and recommend for approval the appointment and compensation of external auditors;
2. Review the auditor's evaluation of internal controls and processes and recommend to the Board steps to minimize risk of exposure.
3. Review and recommend for approval the acceptance of the Annual Audited Statement;
4. Act as the Board's liaison with External Auditors.

Compliance & Reporting

FAC shall:

1. Ensure that fmi*igf National is in compliance with reporting requirements as set out in the General Operating By-Laws and the policies.
2. Ensure that fmi*igf meets its statutory obligations and conducts its affairs in accordance with legal and regulatory requirements.

3. The FAC will review the Terms of Reference, Financial Management Policy and Investment policy as often as is required and make recommendations to the Board on changes to keep them relevant and current

Budgets and Performance

FAC shall:

1. Review, challenge and make recommendations on the annual budget for presentation to the Board
2. Review, challenge and make recommendations to financial reports and budget forecasts
3. Make recommendations to the Board on areas of efficiencies or risk

Finance

FAC shall:

1. Oversee the preparation of Annual Financial Statements
2. Maintain the Financial Management Framework and associated policies
3. Review the annual fmi*igf risk assessment and analysis