

**INVESTMENT INDUSTRY REGULATORY
ORGANIZATION OF CANADA
("IIROC")**

HUMAN RESOURCES AND PENSION COMMITTEE CHARTER

Mandate

The Human Resources and Pension Committee (the "**Committee**") is appointed by the Board of IIROC and charged with ensuring that IIROC can attract and retain personnel with the appropriate status and experience to achieve its corporate objectives by offering compensation, pension and benefit plans that are competitive, motivating and rewarding. The mandate of the Committee includes ensuring that IIROC can attract and retain a workforce that will enhance the professionalism and effectiveness of the organization. The Committee is charged with assisting the Board in its oversight of IIROC's human resources policies and procedures, benefits and pension plans and with ensuring regulatory compliance thereof.

Membership

The Committee shall consist of at least five directors. Members of the Committee will be appointed by the Board for one year terms upon the recommendation of the Corporate Governance Committee. The Chair of the Committee will be elected by the members of the Committee.

Organization

The Committee will meet at least two times a year, or more frequently as it deems necessary to carry out its responsibilities. Meetings of the Committee may be called by the Chair or a majority of the members of the Committee. A majority of the Committee members will constitute a quorum and the act of a majority of the Committee members present at any meeting at which a quorum is present will be the act of the Committee.

Attendance by invitation at all or a portion of Committee meetings is determined by the Committee Chair or its members, and would normally include the Chief Executive Officer, the Senior Vice President, Finance and Administration, the Director, Human Resources and such other officers or support staff as may be deemed appropriate.

In discharging its responsibilities, the Committee will have the authority to obtain, at IIROC's expense, advice and assistance from internal resources and external advisors or professionals (including compensation and pension consultants) it deems appropriate.

The Committee has the authority to make recommendations to the Board, but does not have decision-making authority unless such authority is specifically provided by resolution of the Board.

The Committee will periodically report to the Board and will report each year with respect to the activities of the Committee in compliance with this charter. It will assess the adequacy of this charter annually and may propose changes to the Board for approval. On a biennial basis, the Committee will review its own performance and report the results to the Board.

Specific Responsibilities

The Committee's specific responsibilities include the following:

- (1) Review periodically, and at least annually, IIROC's human resources policies and employee compensation and benefits plans (including pension and supplementary income plans), including oversight of the funded status of such plans and review of compliance of such policies and plans with applicable law and their alignment with IIROC's mission and strategic direction.
- (2) Review and advise the Board and CEO with respect to human resources matters relating to executive management, including recruitment, employment and severance arrangements, development and succession planning.
- (3) Review and advise the Board with respect to human resources matters relating to the CEO, including succession planning, compensation and development plans for the CEO. The Chair of the Corporate Governance Committee will be invited to attend such meetings of HR&P C when CEO succession planning is discussed.
- (4) Review procedures for the confidential receipt, retention and treatment of complaints or concerns regarding human resources or pension matters and for the protection from retaliation of those who report such complaints or raise such concerns in good faith.
- (5) Review and advise the Board with respect to Independent Director compensation.
- (6) Conduct or oversee, as appropriate, inquiries into any matter brought to its attention within the scope of its duties.