

# Governance Report – IIROC Board of Directors

## Directors

IIROC's Board of Directors is comprised of 15 Directors, including the President and CEO, with an even number of Independent and Industry (Marketplace or Dealer Member) Directors.

- Seven Independent Directors
- Five Dealer Member Directors
- Two Marketplace Directors

The Chair of the Board can be an Industry Director or an Independent Director.

TMX Group is entitled to nominate one of the Marketplace Directors in accordance with IIROC By-Laws. The other Marketplace Director is a representative of a Marketplace other than one associated or affiliated with TMX.

### President & CEO

**Susan Wolburgh Jenah** (joined February 2007)  
President & CEO, IIROC  
Toronto, Ontario

### Industry Directors

**Doug McGregor, Chair** (joined September 2009)  
Chairman and Co-CEO, RBC Capital Markets  
Toronto, Ontario  
• Member of Finance and Audit Committee

**Robert C. Blanchard** (joined August 2010)  
President, Haywood Securities Inc.  
Toronto, Ontario  
• Member of Human Resources and Pension Committee

**Tal Cohen** (joined November 2009)  
CEO, Chi-X Global  
New York, New York, USA  
• Member of Human Resources and Pension Committee

**M. Marianne Harris** (joined September 2010)  
Managing Director and President,  
Merrill Lynch Canada, Inc.  
Toronto, Ontario  
• Member of Human Resources and Pension Committee

**Michelle Khalili** (joined December 2008)  
Managing Director, Equity Capital Markets,  
CIBC World Markets  
Toronto, Ontario  
• Member of Human Resources and Pension Committee

**Thomas A. Kloet** (joined October 2008)  
CEO, TMX Group Inc.  
Toronto, Ontario  
• Member of Finance and Audit Committee

**Yves Néron** (joined September 2010)  
Senior Vice-President, Desjardins Securities  
Montreal, Quebec  
• Member of Human Resources and Pension Committee

### Independent Directors

**Gerry Rocchi, Vice Chair** (joined August 2004)  
CEO, Green Power Action Inc.  
Toronto, Ontario  
• Member of Corporate Governance Committee  
• Member of Finance and Audit Committee

**Kerry Adams** (joined May 2008)  
Investment Consultant  
Aurora, Ontario  
• Member of Corporate Governance Committee

**Mike Gagné** (joined September 2009)  
Corporate Director  
Invermere, British Columbia  
• Member of Corporate Governance Committee  
• Member of Finance and Audit Committee

**Eric Kirzner** (joined August 2010)  
Professor, Rotman School of Management,  
University of Toronto  
Toronto, Ontario  
• Member of Corporate Governance Committee

**Daniel Leclair** (joined June 2004)  
Corporate Director  
Shefford, Quebec  
• Chair, Finance and Audit Committee

**Daniel F. Muzyka** (joined June 2005)  
Professor and Dean, Sauder School of Business,  
The University of British Columbia  
Vancouver, British Columbia  
• Member of Corporate Governance Committee  
• Member of Human Resources and Pension Committee

**Grant Vingoe** (joined August 2004)  
Partner, Arnold & Porter LLP  
New York, New York, USA  
• Chair, Corporate Governance Committee

### Outgoing Directors

**Roger Casgrain** (served June 2005 to September 2010)  
Executive Vice President, Casgrain & Company  
Limited  
Montreal, Quebec  
• Member of Human Resources and Pension Committee

**Jill Denham** (served September 2009 to May 2010)  
Consultant  
Toronto, Ontario  
• Member of Corporate Governance Committee

**Robert LeSourd** (served May 2008 to April 2010)  
EVP and Managing Partner, Western  
Operations, Mackie Research Capital  
Calgary, Alberta  
• Member of Human Resources and Pension Committee

**Ronald S. Lloyd** (served June 2004 to September 2010)  
Chairman and CEO, Credit Suisse Securities  
(Canada) Inc.  
Toronto, Ontario  
• Chair, Human Resources and Pension Committee

From left  
Susan Wolburgh Jenah  
Doug McGregor, Chair  
Robert C. Blanchard  
M. Marianne Harris  
Michelle Khalili  
Thomas A. Kloet  
Yves Néron  
Tal Cohen



## 2010–2011 Board meetings

(April 1, 2010 to March 31, 2011)

A total of 32 meetings were held during the fiscal year ended March 31, 2011, including nine Board meetings, and one Annual General Meeting of Members. Below is a breakdown of attendance.

Director	Board of Directors	Finance and Audit	Corporate Governance	Human Resources and Pension	Special Meetings	Total Compensation**
Kerry Adams	6/6		14/14		2/3	\$42,972.18
Robert C. Blanchard*	4/4			2/2	1/1	
Roger Casgrain^	3/4				1/2	
Tal Cohen	5/6			1/2	2/3	
Jill Denham^	1/1		3/3			\$6,117.89
Mike Gagné	6/6	6/6	14/14		3/3	\$55,548.35
M. Marianne Harris*	4/4			2/2	1/1	
Michelle Khalili	6/6			2/2	3/3	
Eric Kirzner*	4/4		4/5		1/1	\$22,529.38
Thomas A. Kloet	5/6	6/6			2/3	
Daniel Leclair	6/6	6/6			3/3	\$45,095.02
Robert LeSourd^						
Ronald S. Lloyd^	1/2				1/2	
Doug McGregor	6/6	3/6			2/3	
Daniel F. Muzyka	5/6		10/12	2/2	2/3	\$45,076.60
Yves Néron*	4/4			2/2	1/1	
Gerry Rocchi	6/6	6/6	11/11		3/3	\$52,667.04
Grant Vingoe	6/6		14/14		3/3	\$48,500.00
Susan Wolburgh Jenah	6/6	6/6	14/14	2/2	3/3	

\* Director joined Board during the year.

^ Director stepped down during the year.

\*\* Only Independent Directors are compensated by IIROC.

## Director compensation

IIROC does not compensate Industry Directors for their participation on IIROC's Board or its Committees.

IIROC compensates Independent Directors in accordance with the following framework:

### Board

- Annual retainer – \$15,000 per annum
- Chair of the Board – an additional \$7,500, if the Chair is an Independent Director
- Vice Chair of the Board – an additional \$2,500, if the Vice Chair is an Independent Director
- Board meetings less than two hours in duration – a fee of \$1,000
- Board meetings of two hours or longer – a fee of \$1,500

### Committee

- Committee Members – \$1,500 per annum
- Committee Chairs – \$4,000 (except in the case of the Human Resources and Pension Committee Chair where the retainer will be \$3,500)
- Committee meetings less than two hours in duration – \$1,000
- Committee meetings of two hours or longer – \$1,500

In the event that the location of a Board meeting requires an additional travel day and the Director attends in person, a supplementary travel fee of \$1,000 is allowed.

## Board Committee mandates

### Corporate Governance Committee

Recommends candidates eligible to serve on the Board and its committees; reviews IIROC governance principles and practices; identifies and manages potential conflicts of interest; establishes Board self-assessment process; and appoints individuals to the Hearing Committee.

### Finance and Audit Committee

Assists the Board in oversight of: accounting and financial reporting processes; qualifications, independence and performance of IIROC's independent auditor; and IIROC's risk management processes and control systems.

### Human Resources and Pension Committee

Ensures IIROC can attract and retain personnel with the appropriate status and experience to achieve its objectives and enhance the professionalism and effectiveness of the organization. Assists the Board in its oversight of IIROC's human resources policies and procedures, benefits and pension plans and with related regulatory compliance.



From left  
Kerry Adams  
Mike Gagné  
Eric Kirzner  
Daniel Leclair  
Daniel Muzyka  
Gerry Rocchi, Vice Chair  
Grant Vingoe