

The Investor Relations Society

Terms of Reference for the Finance Committee

The Finance Committee shall have the following terms of reference

1. Constitution

- 1.1 The Board has established a Committee of the Board known as the Finance Committee.
- 1.2 The Terms of Reference for the Committee outlined below are defined by the Board and may be amended by the Board at any time to reflect changing circumstances.

2. Membership

- 2.1 The Board is the sole authority for the appointment of the Chairman of the Finance Committee and for the revocation of any such appointments.
- 2.2 The Finance Committee shall comprise not less than four members of whom at least two should be Board members. At least half of the members of the Committee should be qualified accountants.
- 2.3 The Chairman of the Committee will be the Society Treasurer.
- 2.4 All new Committee members are to be proposed by the Treasurer and agreed by the IR Society Board.
- 2.5 The quorum shall be two Committee members one of whom should be the Committee Chairman unless he/she is unable to attend then any other Board member. All members of the Committee shall be advised of the business to be transacted at any meeting even if they are unable to be present.
- 2.6 The meetings shall be in person or by telephonic or electronic means as long as all attending the meeting can hear the conversation.

3. Frequency of meetings

- 3.1 Meetings of the Finance Committee shall be held as necessary to undertake the duties outlined below but the Committee shall meet not less than nine times a year.
- 3.2 The Chairman of the Committee shall report to the Board after each meeting to advise of actions taken and decisions made.

- 3.3 The minutes of the meetings shall be circulated to all members of the Board prior to the next IR Society Board meeting.

4. Duties

- 4.1 The duties of the Committee shall include the following:

Set the yearly Society budget for Board approval;

Monitor performance against budget and forecasts and authorise actions to be taken by the executive team;

Monitor the cash position of the Society and report to the Board if cash balances fall below pre agreed levels;

Review options for the investment of the Society's surplus funds so as to adequately spread the risk of such investments. Recommend to the Board suitable levels of investments with institutions which are considered to be creditworthy;

Produce and review individual spending limits for Board members and executive team members to be authorised by the Board as necessary or at least once a year;

Review bank mandates and financial limits for cheque signatories to be approved by the Board as necessary or at least once a year;

Review debtors and authorise actions to be taken by the executive team to collect outstanding sums; and

Review creditors and investigate the reasons for non-payment of invoices;

These Terms of Reference were adopted by the Board on 17 November 2009