



POLICY 3.2 INVESTMENTS

Department: Finance

Date Approved: April 19, 2013

Rescinds:

Board Res. No: 063/04/19/13

PURPOSE:

To specify how funds will be invested, in conjunction with the Company Cash Management Policy, to earn a reasonable rate of return.

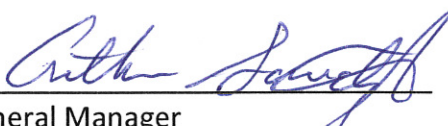
SCOPE:

Interest income is a significant revenue source for the Company. If secure rates of return in excess of the Company's current account rate of Royal Bank Prime Less 1.90% can be achieved without risk to principal, with minimal restrictions, and minimal cost to the Company, it is in the public interest that excess funds be invested in such a manner.

POLICY:

- 1) The Company will invest sums over and above sums required to meet budgeted operational and capital project expenditures, net of grants, with Royal Bank Investments (hereinafter called the "investment pool") if the returns are in excess of the Company current account rate.
- 2) The Director of Finance shall provide a report of fund mixes and returns to the Board on an annual basis, or when requested by the Board.
- 3) As part of the annual budgetary process, cash flow forecasts for the forthcoming year will be prepared and investing shall be conducted in accordance with Section 1 and Section 4 of this policy.
- 4) The Director of Finance, under the direction of the General Manager, can, upon receiving the Board's approval, invest operational and capital funds required later in the year into the investment pool.
- 5) All investment orders/transfers shall be signed by one of either the General Manager or the Director of Finance and one of either the Chairman or Deputy Chairman.


Chairman


General Manager