



**UNI-SELECT®**

## CORPORATE CHARTER

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# AUDIT COMMITTEE CHARTER

## PART I. COMMITTEE STRUCTURE

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### 1. PURPOSE OF COMMITTEE

The Audit Committee (“Committee”) is established by the Board of Directors to assist the Board in fulfilling its responsibilities with respect to the integrity of the Corporation’s financial statements, reports and financial reporting process. In so doing, it is the responsibility of the Committee to maintain free and open communication between the Board, the external auditors and management of the Corporation and monitor their performance, recognizing that the external auditors are ultimately accountable to the Committee, the Board and the shareholders of the Corporation.

### 2. COMPOSITION OF COMMITTEE

The Committee shall consist of as many members as the Board shall determine, but in any event not fewer than three directors, provided that each member shall be an independent director. In addition, each member of the Committee shall be financially literate and at least one member of the Committee shall have accounting or financial experience.

### 3. APPOINTMENT AND REMOVAL OF COMMITTEE MEMBERS

The members of the Committee shall be appointed by the Board, on the recommendation of the Chair of the Board. The members of the Committee shall be appointed annually at the meeting of the directors immediately following the annual meeting of shareholders and shall hold office until the next annual meeting or until their successors are appointed or until they cease to be directors of the Corporation. The Board may remove and replace any member of the Committee.

## PART II. COMMITTEE OPERATIONS

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### 1. VACANCIES

Where a vacancy occurs in the membership of the Committee, it may be filled by the Board on the recommendation of the Chair of the Board, and shall be filled by the Board if the membership of the Committee is fewer than three directors.

### 2. COMMITTEE CHAIR

The Board shall appoint a Chair for the Committee. The Chair may be removed and replaced by the Board.

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### 3. ABSENCE OF CHAIR

If the Chair is not present at a meeting of the Committee, one of the other members of the Committee present at the meeting shall be chosen by the Committee to preside at the meeting.

### 4. SECRETARY OF COMMITTEE

Members of the Committee shall designate from time to time a person who may, but need not be, a member of the Committee or a director, to be secretary of the Committee. The secretary shall keep minutes of the meetings of the Committee.

### 5. REGULAR MEETINGS

The Chair, in consultation with the Committee members, shall determine the schedule and frequency of the Committee meetings, provided that the Committee shall meet at least four times per year. The Committee may, at any time, and at each regularly scheduled Committee meeting shall, meet without the presence of management or non-independent directors.

### 6. SPECIAL MEETINGS

The Chair, or any two members of the Committee, may call a special meeting of the Committee.

### 7. QUORUM

A majority of the members of the Committee present in person or by telephone or other telecommunication device that permits all persons participating in the meeting to speak to each other shall constitute a quorum.

### 8. NOTICE OF MEETINGS

Notice of the time and place of every meeting shall be given in writing, by e-mail or facsimile communication, to each member of the Committee at least 24 hours prior to the time fixed for such meeting; provided, however, that a member may in any manner waive a notice of a meeting and attendance of a member at a meeting is a waiver of notice of the meeting, except where a member attends a meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called.

### 9. AGENDA

The Chair shall develop and set the Committee's agenda in consultation with other members of the Committee, the Board and management. The agenda and information concerning the business to be conducted at each Committee meeting shall, to the extent feasible, be communicated to the members of the Committee sufficiently in advance of each meeting to allow meaningful review.

### 10. DELEGATION

The Committee shall have the power to delegate its authority and duties to subcommittees or individual members of the Committee, as it considers appropriate.

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### 11. ACCESS

In discharging its responsibilities, the Committee shall have full access to all books, records, facilities and personnel of the Corporation.

### 12. ATTENDANCE OF OFFICERS OR EMPLOYEES AT A MEETING

The President and Chief Executive Officer of the Corporation and, at the invitation of the Chair, one or more officers or employees of the Corporation may, and if required by the Committee, shall attend a meeting of the Committee.

### 13. PROCEDURE, RECORDS AND REPORTING

The Committee shall fix its own procedure at meetings, keep records of its proceedings and report to the Board on its activities when the Committee may deem appropriate but no later than the next meeting of the Board.

### 14. OUTSIDE CONSULTANTS OR ADVISORS

The Committee, when it considers it necessary or advisable, may retain, at the Corporation's expense, outside consultants or advisors to assist or advise the Committee independently on any matter within its mandate. The Committee shall have the sole authority to retain and terminate any such consultants or advisors, including sole authority to approve the fees and other retention terms for such persons.

## PART III. MANDATE OF COMMITTEE

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### 1. MONITORING THE PRESENTATION OF FINANCIAL INFORMATION

The Committee shall:

- a) verify by means of discussions with management and external auditors the quality and integrity of the accounting procedures and the process for presenting financial information, the controls and the procedures for disclosing information, and the Corporation's internal control systems.
- b) review with management and the external auditors and recommend to the Board for approval the annual audited financial statements to be incorporated in the Corporation's annual report, including information provided in the Corporation's Management Report and the annual and interim earnings' press releases, prior to their publication, filing or circulation;
- c) review with management and recommend to the Board for approval the consolidated quarterly financial statements of the Corporation and related information, including information provided in the Corporation's Management Report, prior to their publication, filing and communication, and review the level and type of financial information communicated, on occasion, to the financial markets;
- d) review the financial information contained in material public disclosure documents such as prospectuses, offering memorandums, annual information forms, press releases and other reports, financial or otherwise, submitted to the Board for approval prior to their release;

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- e) review with the external auditors and management the quality, relevancy and the communication of the Corporation's accounting principles and policies and the underlying hypothesis and practices with regards to the presentation of information as well as proposed amendments to the above;
- f) satisfy itself that adequate procedures are in place for the review of the Corporation's public disclosure of financial information extracted or derived from the Corporation's financial statements and periodically assess the adequacy of those procedures;
- g) review the analyses and other written communications prepared by management or the external auditors raising important questions regarding the presentation of the financial information and the decisions taken in the preparation of the financial statements, including the analyses of the impact of using other accounting methods in accordance with generally accepted accounting principles on the financial statements;
- h) verify that the management certificates with regards to the financial reports are in compliance with applicable legislation;
- i) review the results of the external audit, the important problems that caught the attention of the auditors during the audit, as well as the reaction or plan of action of management with regards to all letters of recommendation of the external auditors and all important recommendations submitted.

## 2. MONITOR THE MANAGEMENT OF RISK AND INTERNAL CONTROLS

The Committee shall:

- a) receive and review, periodically, a management report evaluating the adequate character and effectiveness of accounting and financial controls, the procedures for the communication of information and the internal control systems of the Corporation and satisfy itself that management is responding on a timely basis to any significant weaknesses which have been identified;
- b) examine the adequacy of insurance coverage each year and as needed;
- c) review the evaluation and risk management policies of the Corporation, including the Corporation's policies with regards to credit;
- d) review fixed asset expenditures and other important expenses, asset sales, leases and transactions between the Corporation and directors (with the Corporate Governance and Nominating Committee, if applicable), and all other transactions that may modify the financial or organizational structure of the Corporation or influence them in a considerable manner, including any off balance sheet items;
- e) manage, review and recommend, when deemed advisable, the Audit Committee Whistleblower Procedures;
- f) request that a special audit be undertaken, as needed;

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- g) review the litigations, claims and other eventualities and regulatory or accounting initiatives that may influence, in a significant manner, the financial situation or results of the Corporation and verify the relevancy of their communication in the documents examined by the Committee.

### 3. MONITORING THE EXTERNAL AUDITORS

The Committee shall:

- a) recommend to the Board the appointment of the external auditors and, if required, their removal (in each case, subject to shareholder approval), evaluate and recommend the approval of the remuneration of the auditors, as well as, control their qualifications and their independence;
- b) approve all the auditing services provided by the external auditors of the Corporation or its subsidiaries, determine the services, other than auditing services, that the external auditors are not authorized to provide and review and approve in advance all non-audit services that the external auditors are authorized to provide and the fees for such services;
- c) review the recommendations made by the shareholders and the Board regarding the renewal of the mandate of the external auditors or their replacement for the Corporation and all the Pension Funds of the Corporation;
- d) ensure that the external auditors report freely to the Committee and the Board;
- e) discuss with the external auditors not only of the compliance of the Corporation's accounting principles but also their quality, including (i) all essential accounting practices and policies used, (ii) other ways of treating the financial information that is the subject of discussions with management, the scope of their usage and the treatment preferred by the external auditors and (iii) all other important written communications between the Corporation and the external auditors (including any disagreements with management) and to report to the Board on such meetings;
- f) review, at least once a year, the external auditors' report describing their internal quality control procedures, all important questions raised at the last internal quality control review of their firm or, on occasion, during a control by their peers or at the time of an investigation by governmental or professional authorities in the preceding five years, relating to one or more audit mandates executed by the auditors, as long as the documents are available, and the solutions implemented pursuant to such review;
- g) review, at least once a year, the official disclosure report of the external auditors describing all their relations with the Corporation and confirming their independence, and have discussions with the external auditors with regards to the relations or services that may influence their objectivity or their independence;
- h) review the Corporation's practices with regards to the hiring of actual or former partners or employees of its present or former external auditors;
- i) oversee the work of the external auditors including, the resolution of disagreements between management and the external auditors regarding financial reporting;

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- j) ensure that the Committee has, at all times, direct communications with the external auditors and meets separately with the external auditors, in the absence of management, at least once a year and as often as it deems it necessary;
- k) as part of its external oversight responsibilities, conduct an annual assessment of the external auditors, to consider and assess (i) independence, objectivity and professional skepticism, (ii) quality of the engagement team and services to be provided, and (iii) quality of communications and interactions with the external auditor and, at least every five years, conduct a comprehensive review of external auditors.

### 4. REVIEW OF FINANCINGS

Review the appropriateness and the conditions of financings and equity offerings.

### 5. OVERSIGHT IN RESPECT OF PENSION MATTERS

The Committee shall:

- a) consider and, in accordance with regulatory requirements, recommend for approval any changes in the Corporation's pension plans after consultation with the Human Resources and Compensation Committee when such changes may adversely affect the financial situation of the Corporation;
- b) recommend the termination of investment managers in light of the performance of the Corporation's pension plans;
- c) receive, review and report to the Board on the actuarial valuation and funding requirements for the Corporation's pension plans.

### 6. LIMITATION OF RESPONSIBILITY

Although the Committee has the responsibilities and powers established by the present Charter, it is not obligated to plan or conduct the audits or to determine if the financial statements of the Corporation are complete and accurate and if they are in compliance with generally accepted accounting principles. This responsibility rests with management and the external auditors.

No provision of the present Charter assigns to the Committee the Board's responsibility of ensuring that the Corporation respects all laws or applicable regulations or to extend the scope of the standards that apply to the liability of the directors or the members of the Committee pursuant to legal or regulatory requirements. Even if the Committee has a precise mandate and its members may have financial experience, they do not have the obligation to act as auditors or to conduct an audit, nor to determine if the financial statements of the Corporation are complete and accurate. The members of the Committee have the right to rely upon, in the absence of information to the contrary, (i) the integrity of the persons and the organizations that submit information to them, (ii) the exactness and integrity of the information provided, and (iii) the representations made by management regarding services, other than auditing services, that the external auditors provide to the Corporation. The Committee has not been given the responsibility to monitor so that it may determine independently if (i) management applied the proper principles with regards to accounting or the presentation of the financial information or proper internal controls and procedures or (ii) the financial statements of the Corporation were reviewed and, where applicable, audited according to generally accepted accounting principles.

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### 7. SELF-EVALUATION

The Committee shall conduct an annual performance self-evaluation, including a review of its compliance with this Charter, in accordance with the process developed by the Corporate Governance and Nominating Committee and approved by the Board, and shall report to the Board the results of the self-evaluation.

### 8. REVIEW OF DISCLOSURE

The Committee shall review those portions of the Corporation's annual disclosure documents containing information relating to matters within the Committee's mandate before the Corporation publicly discloses this information.

### 9. REVIEW OF COMMITTEE'S CHARTER

The Committee shall assess the adequacy of this Charter on an annual basis and recommend any changes to the Board.

### 10. NON-EXHAUSTIVE LIST

The foregoing list of duties is not exhaustive and the Committee may, in addition, perform such other functions as may be necessary or appropriate for the performance of its responsibilities.