



Terms of Reference ONE Joint Investment Board New Product Offerings Committee

Scope

The New Product Offerings Committee (the Committee) shall provide recommendations on new product offerings for the Prudent Investment (PI) Program to the ONE Joint Investment Board (ONE JIB).

Purpose

The Committee shall identify, evaluate and present potential product offerings to the ONE JIB, including but not restricted to the following topics:

- Cash equivalent replacement for High Interest Savings Account (HISA), as it is not an investment security;
- Possible expansion into passive investments
- Possible expansion into lower credit quality fixed income products
- Changes to the existing Prudent Investor product offerings (such as the two Canadian fixed income funds)
- Alternative products

This will be done bearing in mind the municipal responsibility under the prudent investor regime within the *Municipal Act, 2001* to consider:

- General economic conditions.
- The possible effect of inflation or deflation.
- The role that each investment or course of action plays within the municipality's portfolio of investments.
- The expected total return from income and the appreciation of capital.
- Needs for liquidity, regularity of income and preservation or appreciation of capital.

Composition and Operations

The Committee will consist of at least six members, including a minimum of four representatives from ONE JIB and two municipal finance professionals. One or both of the municipal finance representatives may be members of the ONE JIB, in which case the number of representatives from ONE JIB will be greater than four.

The Members of the Committee select the Chair.

ONE's Co-Presidents/CEO's are non-voting ex-officio members of the Committee and will make available meeting and analytical support.

Meetings

The Committee will meet at least four times a year, and more frequently when necessary, to complete its evaluation. The Committee operates under these Terms of Reference.

Duties and Responsibilities

The Committee has the responsibility to identify appropriate criteria for evaluating potential alternative products that may be candidates for the PI program. Further, the Committee has the responsibility for identifying and evaluating potential new products and potential changes to existing product offerings. The Committee will report its findings and recommendations to the ONE JIB in a timely fashion.

Terms of Reference Review and Self-Evaluation

On an annual basis, the Committee will review these Terms of Reference and evaluate the committee's performance against them. It will report the results of the review and self-evaluation and make appropriate recommendations to ONE JIB.