

Board Administrative Policy:

Expectations of the Lawyers Financial Board of Directors

Policy Originally Adopted: September 20, 2014

Revised and Approved by Governance Committee: January 21, 2025

Revised Policy Adopted by Board of Directors: February 21, 2025

A. Background

Lawyers Financial directors are elected pursuant to the Lawyers Financial Articles of Continuance, the Lawyers Financial By-Law No. 1, and the Lawyers Financial Board of Directors Policy titled Election of Lawyers Financial Board of Directors (“BOD Election Policy”). The BOD Election Policy sets out the processes to be followed for Lawyers Financial director elections.

Those processes contemplate that Lawyers Financial will provide to Recruiting Branches an outline of the responsibilities and time commitment required of a director, as well as the competencies, personal attributes, experience and abilities desired for candidates. This Policy sets out the Expectations of the Lawyers Financial Board of Directors to be communicated to Recruiting Branches.

The complement of the Board of Directors is twelve: one from each province, one from the three territories and one from CBA National.

B. Expectations of Directors

1. Board Meetings

Directors are expected to attend four board meetings each year, usually held in February, May, September, and November. Each Board meeting is scheduled for two days, plus travel time. Board meetings are held throughout the country and on occasion outside Canada. In addition to the in-person meetings, directors will be called upon occasionally to attend Board meetings via telephone or video conferencing.

The material for each Board meeting is voluminous and requires at least a half day to review. The business of Lawyers Financial is complex and each director is expected to attend meetings well-prepared and to participate fully in the work of the Lawyers Financial Board.

The time commitment for each Board director is estimated to be between 250 and 300 hours per year.

2. Committees

Each director is expected to sit on at least one committee of the Board. The Committees may meet in person in conjunction with Board meetings or separately from Board meetings via conference call or video conferencing.

Committee members are expected to attend meetings well prepared and to participate fully in the work

of the committee.

The current Standing Committees of the Board are: Finance; Audit and Risk Management; CBA/Lawyers Financial Liaison; Governance; Human Resources and Compensation; and Nominating. From time to time *ad hoc* or other Committees may be established.

3. Additional Duties of Directors

All Lawyers Financial directors are strongly encouraged to promote Lawyers Financial whenever possible, and offer assistance to Lawyers Financial management and their local Lawyers Financial advisors when assistance is requested. Some of the ways a director can assist include the following:

- 1) promoting Lawyers Financial awareness within their respective CBA branches through reports on Lawyers Financial activities, word of mouth and networking opportunities;
- 2) assisting Lawyers Financial Advisors through personal endorsements and introductions to other lawyers and law firms;
- 3) sharing ideas and sponsorship opportunities with Lawyers Financial management; and
- 4) performing general ambassador-type functions for Lawyers Financial.

4. Table Officers (Chair, Vice Chair and Past Chair)

Each Table Officer holds a position for a two-year term before moving on to the next position. A person becomes a Table Officer by being elected Vice Chair, followed by a two-year term as Chair and then a two-year term as Past Chair. Each person who becomes a Lawyers Financial Table Officer will have served 10 to 12 years on the Lawyers Financial Board by the time they complete their term as Past Chair. The yearly time commitment for the Table Officers is estimated to be: Vice-Chair (600 to 800 hours), Chair (800 to 1,000 hours) and Past Chair (400 to 600 hours).

The Lawyers Financial Table Officers serve as directors or the Lawyers Financial shareholder representative on the Board of Chancery Reinsurance Limited, which requires two trips to Barbados each year for Chancery Board meetings.

The Vice Chair, Chair and Past Chair each receive an honorarium that is set by Board policy.

5. Duties of Table Officers

The Chair and Vice Chair sit on each of the Lawyers Financial Board Committees. The Chair and Vice Chair attend the Lawyers Financial advisor meetings once a year. The Chair and Vice Chair report on Lawyers Financial activities to the National CBA.

C. Expectations of Individual Directors

Lawyers Financial seeks to have its directors individually, and its Board of Directors collectively, possess the following attributes (no priority intended):

- 1) an excellent record for preparation, attendance, participation, interest and initiative in previous leadership roles;
- 2) an approach that is informed, independent, objective, candid and respectful;
- 3) good judgment and reasoned decision-making;
- 4) supportive of diversity ;
- 5) the ability to work efficiently, collegially and constructively with the Board and Lawyers Financial Management;
- 6) an understanding of Lawyers Financial Board governance; and
- 7) the ability, time, energy, interest and commitment to be a Lawyers Financial director.