

**ENMAX CORPORATION**  
**BOARD OF DIRECTORS**  
**TERMS OF REFERENCE FOR THE ENMAX PENSION PLAN AND**  
**SUPPLEMENTAL RETIREMENT PLAN**

**Construction**

1. Capitalized terms used in this document shall have the meanings defined in the Plan or as defined in this document.

**Purpose**

2. The Board of Directors of ENMAX Corporation (the "Board") is responsible for the governance of the ENMAX Pension Plan (the "Plan") and Supplemental Retirement Plan (SRP) sponsored by ENMAX Corporation ("ENMAX"), and they will ensure that such Plan and SRP complies with all applicable laws, regulations and corporate policies.

**Responsibilities**

3. In discharging its mandate for the Plan and the SRP, the Board will meet at least once annually and will have the following responsibilities:
  - (a) Approve the Plan and SRP's governance structure including the number and type of committees involved in the administration of the Plan and SRP and any amendments to the governance structure.
  - (b) Delegate oversight of pension plan governance to a committee appointed by the Board to be named the Pension Governance Committee (the "Committee").
  - (c) Formulate and approve the Mandate, including any amendments, of the Pension Governance Committee.
  - (d) Constitute a Joint Pension Board ("JPB") which shall act as a liaison between ENMAX and Members of the Plan and shall act to provide recommendations, input and advice to management on matters of concern to Members of the Plan relating to the operation, administration and interpretation of the Plan. At no time shall the JPB have responsibility for making, nor shall it make, any decisions in respect of the operation, administration or interpretation of the Plan;

- (e) Formulate and approve the Terms of Reference relating to the Plan and SRP including any amendments for the Joint Pension Board (“JPB”).
- (f) Monitor compliance of the Joint Pension Board through receipt of Joint Pension Board minutes.
- (g) Review the Plan and SRP’s quarterly and annual Audited financial statements.
- (h) Receive an annual report from management with review by the Pension Governance Committee. This report will specify:
  - (i) whether the Plan and SRP are in compliance with all applicable laws, regulations and corporate policies;
  - (ii) any updated funding policies for the Plan;
  - (iii) funded status of the Plan;
  - (iv) any changes to the statement of investment policy and goals for the Plan;
  - (v) any changes to the investment options for the DC Provisions of the Plan;
  - (vi) the nature of the ENMAX-sponsored education and communication programs for Plan and SRP Members, as well as the results of regular assessments of the effectiveness of such programs;
  - (vii) fund investment returns and investment performance evaluation for the Plan;
  - (viii) administration and investment management costs for the Plan and SRP;
  - (ix) status of the obligations of ENMAX under the SRP;
  - (x) any events, circumstances or factors that may have a material impact on the Plan and SRP; and
  - (xi) recommendations with respect to ongoing appropriateness of existing Plan and SRP governance structures.

Upon receipt of this report the Board may request an explanation or justification from management as to why various parameters and results are reasonable, changed or unchanged from past reports, and may make directions to management relating to the ongoing management of the Plan.

- (i) Approve any amendments to the Plan or SRP that are of a material nature. Changes of a material nature are those that may have a financial impact to ENMAX or the Plan or SRP. The Board delegates the authority to approve the following amendments to the President and C.E.O:

- (i) documentation of administrative practice or benefit interpretation;
- (ii) changes required as a result of changes to Applicable Pension Laws and Revenue Rules or that are requested by the regulators of Applicable Pension Laws or Revenue Rules; or
- (iii) minor modifications to the Plan or SRP provisions,

provided any of the above amendments do not have a financial impact on ENMAX or the Plan or the SRP.

- (ii) Receive periodically, reported on compliance with the requirements regarding minimum employer contributions and compliance by the Corporation with creation and destruction of records requirements under the *Employment Pension Plans Act* (Alberta).
4. These terms of reference are subject to approval and amendment by the Board of Directors.