

MINUTES

**OF THE MEETING OF THE BOARD OF DIRECTORS OF THE
NUCLEAR WASTE MANAGEMENT ORGANIZATION (NWMO) /
SOCIÉTÉ DE GESTION DES DÉCHETS NUCLÉAIRES (SGDN)**

convened via Conference Call on February 19th, 2003, commencing at 8:00 A.M. EST.

Present

Stuart Groom	Director
Fred Long	Director and Treasurer
Adèle Malo	Director
Ken Nash	Director and Vice Chairman
René Pageau	Director

being a quorum of Directors of the company in accordance with article 8.8 of the By-Law,

and

David Crombie	Chairman, Advisory Council
Elizabeth Dowdeswell	President
Kathryn Shaver	Corporate Secretary

Regrets

Richard Dicerni	Chairman
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1. **Constitution of Meeting**

Mr. Nash chaired the February 19th Board meeting.

Notice of the meeting having been given to all of the Directors of the Company and a quorum of the members being present, Mr. Nash declared the meeting duly constituted for the transaction of business at 8:00 A.M.

2. **Approval of Agenda**

The Board of Directors approved the Agenda for the February 19th, 2003 meeting.

3. Approval of the Minutes – January 29th, 2003

The minutes of the meeting of the Board of Directors held on January 29th, 2003, a copy having been sent to each member of the Board, were approved as recorded.

Mr. Groom requested that an action list be circulated to track actions flowing from the January 29th meeting. (*)

4. Audited Financial Statements

Mr. Long introduced the Audited Financial Statements, tabled with the Board for approval.

The Audited Financial Statements address the financial position for the inaugural year of the NWMO, covering three months of operation in fiscal year 2002. The auditors (Deloitte & Touche) found that the financial statements of the NWMO presented fairly the financial position of the NWMO as at December 31, 2002, and were in accordance with Canadian generally accepted accounting principles.

Mr. Long addressed the auditors' 2002 Management Letter to the NWMO President in which they provide comment on the NWMO's accounting procedures and internal controls that were in effect in 2002. In the Letter, the auditors put forward recommendations aimed at assisting the NWMO's transition from a start-up organization. In responding to the auditors' recommendations, the NWMO management agreed with the points raised and undertook to ensure that each item is addressed accordingly.

The Board was in agreement with the direction of the auditors' recommendations. Ms. Malo requested that a plan be developed and tracked to ensure that the NWMO duly discharges its responsibilities in ensuring that the auditors' recommendations are met in a timely way. Mr. Groom suggested that the President and Treasurer provide the Board with an update at the next meeting. (*)

The President confirmed her intention to develop such a plan in consultation with the Treasurer, and to keep the Board updated. (*) She indicated that actions were already under way to address many of the items raised in the Management Letter.

Mr. Nash noted that the recommendation concerning an audit committee would require the Board's attention. The Board agreed with Mr. Pageau's suggestion that this issue be brought forward for discussion at the next Board meeting. (*)

IT IS HEREBY RESOLVED that:

- The 2002 Audited Financial Statements for the NWMO be approved.

This motion was made, seconded and unanimously passed.

5. Draft 2002 Annual Report

The President introduced the draft Annual Report, tabled with the Board for discussion.

Developed in fulfillment of the NWMO's legislative requirement under the *Nuclear Fuel Waste Act*, the 2002 report will address the organization's activities for the last three months of 2002. The President noted that an earlier draft had been reviewed with the Advisory Council, and that the drafting was on schedule in support of a March release. The report must be submitted to the Minister of Natural Resources Canada and to the public no later than the end of March 2003. The report will be published in both French and English, and will include the audited financial statements for 2002.

The President invited Board comments on the draft Report. The Board supported the approach taken in the report and concurred with the depiction of activities for 2002. Board members questioned whether or not the NWMO had the requisite information to support statements in the report concerning the status of company trust funds. The Corporate Secretary undertook to follow up with each of the four organizations for confirmation in this regard. (*) Ms. Malo indicated that she would forward additional written comments on the report. (*)

Mr. Pageau requested that a copy of the translated draft report be forwarded to him when available. (*)

Mr. Crombie briefed the Board on the Advisory Council's comments on an earlier draft of the Annual Report. The Advisory Council had a lengthy discussion through a special conference call convened for that purpose on February 11th. He noted that the significant issues raised by the Council appear to have been addressed.

6. Other Business

Mr. Crombie extended an invitation to Board members to join the Advisory Council for the meetings with:

- Linda Keen, President, CNSC – Thursday, March 27th (approx. 6 pm.)
- Lois Wilson, Commissioner, Seaborn Panel – Friday, March 28th (time to be confirmed).

Termination of Meeting

There being no other business, the meeting terminated at 8:35 A.M.

Asterisk (*) denotes action to be taken

Corporate Secretary