

MINUTES

FROM 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 June 19th, 2006
commencing at 9:30 A.M. ET

Present

Ken Nash	Director, Chairman
Laurie Comeau	Director
Gary Kugler	Director
Fred Long	Director, Treasurer
Michel Rhéaume	Director

In attendance

Elizabeth Dowdeswell	President
Kathryn Shaver	Executive Director, Secretary

1. Approval of Agenda / Constitution of Meeting

Mr. Nash chaired the June 19th, 2006 Board meeting.

Notice of the meeting having been given to all of the directors of the company in accordance with the by-laws and a quorum being present, the Chairman declared the meeting duly constituted for the transaction of business and called the meeting to order at 9:30 A.M.

The Agenda for the June 19th, 2006 meeting was approved with the addition of Agenda Item 3.

The Chairman welcomed Dr. Gary Kugler, appointed to the NWMO Board of Directors by Ontario Power Generation effective June 1, 2006. Mr. Nash noted that Dr. Kugler brings extensive nuclear and project management expertise from his distinguished career with Atomic Energy of Canada Limited and is currently a member of the Board of Directors of Ontario Power Generation.

2. Minutes of Previous Meeting

The minutes of the meeting of the Board of Directors held on May 24th 2006, copies having been sent to each director, were taken as read and approved.

3. Business Arising Since Previous Meeting

At the request of directors, the Chairman reviewed recent meetings with Natural Resources Canada and discussed NWMO's working assumptions concerning possible timelines for a government decision on the management approach.

4. NWMO Appointments

In introducing this agenda item, the Chairman reviewed the evolution of the NWMO mandate as set out in the *Nuclear Fuel Waste Act*. He noted that the first phase of NWMO's mandate, the study of management approaches and development of a recommendation to the federal government, had been completed. The Chairman commended Elizabeth Dowdeswell and NWMO staff for their excellent work in conducting the study over the past three years and congratulated them for bringing the organization to the successful completion of its first phase.

The Chairman profiled the organizational transition required as NWMO prepares to assume its next phase of its mandate - implementation of the management approach selected by government, in compliance with the *Nuclear Fuel Waste Act*. In advance of a government decision, NWMO member organizations have been undertaking preparatory work in recent months, drafting objectives and decision-sharing and cost-sharing arrangements that will form the basis of a new by-law and membership agreement to support implementation. Member organizations, having embraced the need to broaden the NWMO Board of Directors, have begun the process of Board review and expansion. Transition planning underway also seeks to ensure that NWMO is equipped with the expanded funding, expertise and governance required by the organization to conduct the extensive social, ethical, environmental, technical and financial work associated with development of a siting process and other implementation activities.

The Chairman reviewed the proposed NWMO appointments presented for Board approval, which represent part of the ongoing transition planning for the organization. Having reviewed the proposals, the Chairman invited Board discussion on the proposed appointments. Discussion ensued as directors sought clarification and elaboration on the scope of the proposed appointments. The Board discussed proposed timelines and plans for the timely internal and external communication of the organizational changes. Having discussed the proposals, and all directors being in agreement, the Board approved the appointments of Chairperson, President and Advisor to the Board of Directors to take effect June 30, 2006.

IT IS HEREBY RESOLVED that:

- Effective June 30, 2006 the following person be appointed Chairperson:
 - Gary Kugler.
- Effective June 30, 2006 the following person be appointed to hold the office of President:
 - Ken Nash.
- Effective June 30, 2006 the following person be appointed Advisor to the Board of Directors:
 - Elizabeth Dowdeswell.

The motion was made, seconded and unanimously passed.

Ms. Dowdeswell congratulated Dr. Kugler and Mr. Nash on their appointments as NWMO Chairperson and President, respectively, extending her best wishes as they prepare NWMO for the beginning of the next phase. She expressed her appreciation to the Board of Directors for its support during her tenure as President as she led the NWMO's study phase of its operations. She expressed her personal pride in the organization's accomplishments to date and the capabilities of NWMO staff.

In accepting the position of Board Chair, Dr. Kugler expressed his appreciation for the opportunity to work with the NWMO Board of Directors. He complimented the NWMO for conducting a very reflective and comprehensive study, and expressed his enthusiasm for leading the Board and moving forward with a very busy implementation agenda following a government decision.

In the discussion ensuing, directors sought to formally recognize the contributions of Elizabeth Dowdeswell and the NWMO staff, and congratulated them for their achievements and for positioning the organization to move forward competently and confidently with the implementation mandate following a government decision. In particular, the directors were unanimous in extending their congratulations and appreciation to Ms. Dowdeswell for her leadership of the NWMO through the first phase of the organization's mandate. The Board expressed its pleasure that Ms. Dowdeswell had agreed to support the NWMO Board by leading the development of a collaborative siting process for the approach selected by government.

5. Banking Resolution - Signing Authority

The Chairman invited the NWMO Treasurer to introduce the proposals tabled for Board approval, concerning amendments to NWMO signing authorities on financial instruments.

Mr. Long reported that Board approval was sought on amendments to NWMO signing authorities and corporate banking resolution for purposes of:

- Updating the bank's signing authority register, in light of the resignation of a director from the NWMO Board; and
- Streamlining the process for signing cheques and other financial instruments associated with NWMO's bank accounts.

As context, Mr. Long reviewed the current structure of signing authorities within NWMO for implementing the requirements of the by-law that there be two authorized signatures on financial instruments over \$1,000. He reported that, from an operations perspective, the present practice of requiring signatures of senior officers (President, Treasurer) on all cheques over \$1,000 is proving unnecessary and inefficient. Accordingly, it is desirable to consider streamlining the process for smaller cheques.

Minor amendments to NWMO's corporate banking resolution are therefore proposed to:

- Update the bank's signing register to reflect the resignation of Adèle Malo from the NWMO Board of Directors; and
- Improve efficiencies in the cheque-signing process, to provide for more appropriate levels of review and oversight. The proposed amendments to designated signing authorities would continue the tiered system for signing financial instruments providing appropriate levels of due diligence and review and compliance with the by-law. While senior officers would be required to review and sign cheques for more substantive amounts (\$5,000 and over), more appropriate streamlining in signing authorities would be introduced for smaller amounts.

The Treasurer invited Board discussion of the proposals. In responding to directors' questions, the Treasurer confirmed that the proposed amendments would maintain due diligence in internal controls and consistency with the existing NWMO by-law. The Treasurer proposed Board consideration of these amendments as enhancements to the NWMO signing authorities within the scope of the existing by-law. Further, the Treasurer recommended that the Board, in amending governing documents for forthcoming implementation, consider opportunities to update by-law provisions that would enable the introduction of additional process enhancements for signing authorities.

Following discussion, the Board directed amendments to signing authorities and the banking resolution to take effect June 30, 2006:

IT IS HEREBY RESOLVED that:

- Financial instruments for amounts less than \$1,000 require any one signature of the President, Treasurer or Corporate Secretary.
- Financial instruments for amounts between \$1,000 and \$4,999.99 require any two signatures of the President, Treasurer, Corporate Secretary or Manager, Finance and Administration.
- Financial instruments for amounts equal to or greater than \$5,000 require any two signatures of the President, Treasurer or Corporate Secretary.
- The President or any other Officer is authorized and directed to execute and deliver to the Corporation's bankers such other banking documents as are required or necessary to operate the bank accounts with such bank, consistent with this resolution.

- On a regular basis, a schedule of all cheques issued will be prepared and made available to the President, Treasurer and Corporate Secretary for information.
- The banking resolution appended is adopted.

The motion was made, seconded and unanimously passed.

The Corporate Secretary was directed to communicate this resolution to the NWMO's financial institution and to arrange for appropriate documentation as may be required to execute the Board's resolutions, effective June 30, 2006.

6. Other Business

- The Chairman reported on recent work of members to further advance agreements on cost-sharing and key governance provisions. He reported that, further to the direction of members at the May 25, 2006 meeting, plans are under way to schedule an early July meeting with member organizations to enable preliminary discussion of general areas of amendments required to the NWMO general by-law and membership agreement.
- Mr. Nash indicated that the Board meeting agendas and calendar for the second half of 2006 would be reviewed with the Corporate Secretary and incoming NWMO Chairman.

Conclusion of Meeting

There being no other business, the Chairman declared the meeting terminated at 10:30 A.M.

Kathryn Shaver
Corporate Secretary

Ken Nash
Chairman