

## **CURRENCY EXCHANGE INTERNATIONAL, CORP. (“CXI” or the “Company”)**

### **MANDATE OF THE BOARD OF DIRECTORS (the “Board”)**

The Board is responsible for providing stewardship, including direction setting, decision making and general oversight of the management of the business and affairs of the Company. The direction setting and decision making functions are exercised in the development, with management, of the Company’s fundamental policies and strategic goals, and through the approval of significant actions. The oversight function is carried out through the review of management decisions, the adequacy and operating effectiveness of systems and controls and the implementation of policies. The Board of Directors establishes formal delegations of authority, defining the limits of management’s power and authority and delegating to management certain powers to manage the business of the Company. The delegations of authority conform to statutory limitations specifying responsibilities of the Board and cannot be delegated to management. Any responsibilities not delegated to management remain with the Board of Directors and its committees.

The Board shall, in fulfilling its responsibilities, have unrestricted access to management and authority to select, retain, terminate, and approve the fees of any independent legal, accounting, or other advisor to assist it in fulfilling its responsibilities.

As an integral part of that stewardship responsibility, the Board will carry out the following duties, either itself, or through duly appointed and constituted Committees of the Board:

#### **1. Strategic Planning Process**

- a) Supervise the formulation of the strategic direction, plans and priorities of the Company and approve the strategic plan, developed and proposed by the Company’s management. The strategic plan will take into account the business opportunities and business risks of the Company. Review with senior management from time to time, the strategic planning environment, the emergence of new opportunities, trends and risks and the implications of these developments for the strategic direction of the Company.
- b) Approve significant strategic initiatives of the Company such as mergers and acquisitions.
- c) Monitor the Company’s performance against its strategic and business plans.
- d) Review and approve the Company’s financial objectives, business plans and actions, including significant capital allocations, expenditures, and the annual budget.
- e) Review and approve material transactions not in the ordinary course of business of the Company.

## **2. Internal Controls and Oversight Functions**

- a) Approve the Company's internal control framework and review the implementation of internal controls and their effectiveness.
- b) Oversee the integrity and effectiveness of the internal control framework and management information systems and obtain assurances on a regular basis that these systems and controls are designed and operating effectively.
- c) Approve the mandate, resources (amount and type) and budgets of the Company's Executive Officers and their respective functions, including Finance, Risk Management, Compliance and Internal Audit.
- d) Review and discuss the findings and reports produced by the Executive Officers, understand how material disagreements with Senior Management are being addressed, follow up on any concerns being raised by the Executive Officers and track Senior Management's action plans related thereto.
- e) Oversee compliance with applicable audit, accounting and reporting requirements.

## **3. Risk Management**

- a) Approve the Risk Appetite Framework and the Risk Appetite Statement.
- b) Review the systems and processes implemented by management to identify and manage the Company's principal risks.
- c) Review the process implemented by management to ensure the Company's compliance with applicable laws, regulations and guidelines.

## **4. Succession Planning and Evaluation of Senior Management**

- a) Supervise the succession planning processes of the Company, including the selection, appointment, goal-setting, performance review and development of the President and Chief Executive Officer ("CEO") and the Executive Officers.
- b) Evaluate and approve the compensation of the CEO and the Executive Officers, to ensure that it is competitive within the industry, that the form of compensation aligns the interests of each such individual with those of the Company and that the compensation is consistent with regulatory guidelines and prescribed best practices.

## **5. Corporate Governance**

- a) Develop the Company's approach to corporate governance and the Company's corporate governance principles and guidelines.
- b) Adopt a corporate code of ethics for all employees, management, and the Board, and monitor compliance with such code, if appropriate.
- c) Review the compensation of the Board to ensure that the compensation realistically reflects the responsibilities and risks involved in being an effective Director, and that the compensation is consistent with regulatory guidelines and prescribed best practices.
- d) Establish appropriate structures and procedures to allow the Board to function independently of management.
- e) Establish Committees of the Board, develop their mandates and, subject to applicable law, delegate such matters to any Committee in order to assist the Board in carrying out its duties and responsibilities.
- f) Establish expectations and responsibilities of Directors, including preparation for, attendance at, and participation in, Board and Committee meetings and Board educational sessions.
- g) Undertake regular evaluations of the Board, its Committees and individual Directors, and review the composition of the Board, with a view to the effectiveness and independence of the Board and its members.
- h) Satisfy itself as to the integrity of Senior Management and that Senior Management creates a culture of integrity throughout the Company.

## **6. Financial**

- a) The Board is responsible for monitoring of financial performance and other financial reporting matters as follows:
  - i) the Board shall be responsible for approving the interim and audited financial statements and the notes thereto and the Company's management discussion and analysis with respect to such financial statements which shall include the following:
    - overseeing the accurate reporting of the financial performance of the Company to its shareholders on a timely and regular basis;
    - overseeing that the financial results are reported fairly and in accordance with international financial reporting standards; and

- ensuring the integrity of the internal control and management information systems of the Company.
- b) The Board is responsible for establishing and reviewing from time to time a dividend policy for the Company.
- c) The Board approves a disclosure policy that includes a framework for investor relations and a public disclosure policy.

## **7. Financial Crime**

- a) Approve the Company's Anti-Money Laundering/Anti-Terrorist Financing ("AML/ATF") program framework, including key AML/ATF policies.
- b) Receive regular reports from the Chief Compliance Officer and other Senior Management on the design and operation of the AML/ATF program, including the adequacy of resources (people, data management systems and budget) supporting the program.

## **8. Reporting**

- a) Receive sufficient briefing with respect to inherent risks and controls of the Company so as to have an adequate level of understanding about the Company's Risk Management, Regulatory Compliance, AML/ATF, Finance, Information Technology and Operations.