



Finance and Procurement Committee Charter

1. ESTABLISHMENT:

1.1 The Board of the Spectrum Management Authority "the Authority" had established the Finance and Procurement Committee of the Board (hereinafter called the Committee) with all the powers and duties set forth in this charter and subsequent resolutions of the Board.

1.1.1 The Committee shall prudently employ any powers delegated to it by the Board of Directors for the purpose of carrying out its duties or fulfilling its purpose.

2. PURPOSE

The purpose of the charter is:

2.1 The major objective of the Finance and Procurement Committee is to provide oversight in reviewing and resolving financial issues in order to secure the interest and financial health of the Authority.

2.1.1 To oversee and give guidance to the procurement affairs of the Authority in keeping with all legislation, policies and standards and by so doing, ensure that funds are fully accounted for, and procurement of goods and services are done in compliance with the Law.

2.1.2 The Committee is also responsible for:

- overseeing all areas of corporate finance for the Company, including capital structure, equity and debt financings, capital expenditures, cash management, banking activities and relationships, investments and foreign exchange activities;
- ascertaining whether systems of control now in place are operating so as to promote the most economic, efficient and effective use of resources, as also safeguarding the Authority's assets; and
- providing oversight to ensure procurement responsibilities are fulfilled.



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3. MEMBERSHIP

3.1 The members of the Committee shall be no fewer than four (4) non-executive directors of the Board of Directors, to include a Chairman. The Chairman of the Board shall appoint the Chairman of the Committee who should be an independent non-executive director. ¹A Director will not be considered to be "independent" if any of the following conditions exist at the time of determination or existed at any time during the preceding five-year period:

- The Director is employed by the SMA or the portfolio Ministry;
- An immediate family member of the Director is employed as an officer of the SMA;
- The Director is employed by or affiliated with the SMA's independent auditor;
- An immediate family member of the Director is employed as a partner, principal or manager by the SMA's independent auditor; or
- An executive officer of the SMA serves on the Board of Directors of a company that employs the director or employs an immediate family member of the director as an officer;
- For purposes of the above, "immediate family member" includes spouse, parents, children, siblings, mothers-in-law, fathers-in-law, sons-in-law, daughters-in-law, brothers-in-law, sisters-in-law and other persons living in the director's home (not including employees of the Director).

3.1.1 The members of the Committee should not include the Chairman of the Audit Committee. The majority of the members of the Committee should be financially literate and at least one member of the Committee shall be a qualified accountant, registered under the Public Accountancy Act, or possess expertise in the area of finance.

¹ Page 24; Term and Definition: The GOJ Policy Guidelines for the Nomination, Selection and Appointment of the Boards of Public Bodies



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3.1.2 Membership of the Committee may, with the approval of the Chairman of the Board be terminated for failure to attend three (3) consecutive meetings where no valid excuse has been provided; or for any other reason deemed valid by the Committee.

3.2 *Co-opted Members and Invitees*

3.2.1 The Chairman of the Committee shall with the approval of the Board, co-opt or invite to its meetings, any individual who is not a member of the Board but who possesses the necessary skills and qualifications to assist the Committee to adequately perform its functions.

3.2.2 Co-opted members shall not be more than two (2). ²Every co-opted individual shall have all rights and responsibilities of the other members of the Committee with respect to the work of the Committee.

3.2.3 Invitees include the head of entity, respective department heads and immediate support staff. Invitees are not allowed to vote and cannot be counted for purposes of a quorum.

4. QUORUM

4.1 The quorum for meetings consists of three (3) members of the Committee of which two (2) must be a member of the Board.

5. DUTIES AND RESPONSIBILITIES

5.1 The Finance and Procurement Committee shall have the power and authority to recommend to the Board of Directors, any and all strategies, plans, policies and actions related to corporate finance and procurement, including the following:

- keeping abreast of updated Circulars from the Ministry of Finance and the Public Service affecting the entity regarding finance and procurement and sharing same with the Board;
- capital structure plans and strategies and specific equity or debt financings;

² Public Bodies Management and Accountability Act: Section 8 (8)



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- capital expenditure plans and strategies and specific capital projects;
- strategic and financial investment plans and strategies and specific investments;
- mergers, acquisitions and divestitures;
- cash management plans and strategies and all activities relating to cash accounts and cash investments portfolio, including the establishment and maintenance of bank, investment and brokerage accounts; and Plans and strategies for managing foreign currency exchange exposure and other exposures to economic risks and with full adherence to the Financial administration and Audit Act.
- Review and recommend finance and accounting policies to the Board of Directors through the Corporate Governance and Human Resources Committee.
- review and assess the effectiveness of systems for internal financial control and financial reporting, as also those relating to the Procurement Regulations stipulated by the Ministry of Finance.
- monitor compliance with the Government procurement policy and internal procedures for both capital and recurrent expenditures.
- assure integrity and transparency of the SMA's procurement process.

Notwithstanding the power and authority of the Committee to act on behalf of the Board of Directors with respect to such matters, the Committee, will submit any such matter, along with its recommendation with respect thereto, to the full Board of Directors for consideration and approval.

6. RESOURCES AND AUTHORITY:

- 6.1 The Committee shall have the resources and authority to discharge its responsibilities, including the authority, to the extent it deems necessary or appropriate, to retain independent financial, legal or other advisors under the company's procurement guidelines. The Company shall provide



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funding, for payment of compensation to any independent advisors or administrative support employed for such purposes.

7. MEETINGS AND REPORTS:

7.1 The Committee shall hold regular meetings at least once each month, generally in conjunction with the regularly scheduled meetings of the Board of Directors, and such special meetings as the Chair of the Committee or the Chairman of the Board may direct. The Committee shall maintain written minutes of its meetings, which will be filed with the minutes of the Board of Directors. The Company Secretary will be the custodian of all minutes of the meeting.

The Committee may meet by video conference or telephone conference call its members so decide.

7.1.1 The respective departments shall submit monthly reports to the Committee for review. The reports shall include but not be limited to details of action taken in response to specific instructions given by the Committee, explanation of variances and corrective measures taken.

7.1.2 The Committee may request any member of management or staff to attend meetings of the Committee in order to carry out its responsibilities.

7.1.3 The Chairman shall ensure that decisions and recommendations of the Committee are arrived at in a timely manner. The Chairman shall report to the Board after each meeting of the Committee on its findings and on any other actions taken by it and any matters which require the approval of the Board.

7.1.4 Unless otherwise agreed, notice of each meeting together with an agenda shall be forwarded to each member of the committee and any other person attending, at least five (5) calendar days prior to the date of the meeting.

7.1.5 The Committee shall consider other matters as determined by the Board.



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8. CONFLICT OF INTEREST:

8.1 Where there is a conflict of interest, the Committee Member so affected shall declare his/her interest to the Committee Chairman, and the details of the conflict are to be recorded by the Secretary. That member shall not participate in the deliberations on the particular matter and will recuse himself/herself from the discussion in respect of those interests during the period of discussion of the matter.

9. REMUNERATION:

9.1 Members of the Committee will be compensated for meetings attended as per the guidelines of the Ministry of Finance.

10. REVIEW

The Charter shall be reviewed every two (2) years or at such intervals as the Board may require.

Title:	<i>Spectrum Management Authority Finance and Procurement Committee Charter</i>
Recommended By:	<i>Finance and Procurement Committee</i>
Date of Recommendation:	<i>March 22, 2023</i>
Reviewed By:	<i>Corporate Governance and Human Resources Committee</i>
Review Date:	<i>May 16, 2023</i>
Approved By:	<i>Board of Directors</i>
Date Approved:	<i>June 7, 2023</i>
Managed By:	<i>Company Secretary</i>

Chairman of the Board of Directors

Company Secretary