



TO: Business Board

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DATE: June 2, 2004 for Meeting of June 17, 2004

AGENDA ITEM: 8(a)

**ITEM IDENTIFICATION: University of Toronto Asset Management Corporation:
By-Law Amendment**

JURISDICTIONAL INFORMATION:

By-Law Number 1 of the University of Toronto Asset Management Corporation (UTAM), clause 66, states that “The Board of Directors may enact and re-enact by-laws or repeal, amend, alter or add to the by-laws or any of them, provided that . . . in the case of clauses 3 to 9 inclusive [including clause 3, Board of Directors] . . . no such enactment, reenactment, repeal, amendment, alteration or addition shall be enforced or acted upon until approved by the Business Board of Governing Council.”

PREVIOUS ACTION TAKEN:

On April 7, 2003, the Business Board approved amendments to By-Law Number 1 of the University of Toronto Asset Management Corporation. One of those amendments reduced the size of the Board from fourteen to ten.

HIGHLIGHTS:

It is proposed that the Business Board approve an amendment to UTAM’s By-Law to increase the size of the Board by one from ten to eleven.

The reduction of the Board was intended to make it more nimble and better able to handle its increased responsibilities, for example, for monitoring the asset mix in the endowment and pension funds. While the change succeeded in its objective, the reduction also left the Board with some difficulty in finding sufficient membership for its committees. In addition, for Board meetings required from time to time on short notice, the Board was able to muster quorum but would have found it advantageous to have somewhat broader participation.

The Chair of the Board and the President of the University have succeeded in recruiting two outstanding individuals - both recently retired as senior vice-presidents and chief investment officers of major, national insurance companies - who would be willing to serve on the UTAM Board. The Executive Committee of Governing Council has nominated them, subject to the Business Board's approval of the increase in the size of the Board. Attached, for member's information, is the list of the UTAM directors who would hold that position with approval of this proposal.

RECOMMENDATION:

THAT the following amendment to By-Law Number 1 of the University of Toronto Asset Management Corporation be approved:

THAT clause 3, "Board of Directors," be amended to read as follows:

The number of directors of the Corporation is hereby increased from ten to eleven (including three ex officio directors as hereinafter provided), and the affairs of the Corporation shall hereafter be managed by a board of eleven directors, each of whom at the time of his or her election or within ten days thereafter and throughout his or her term of office shall be a voting member of the Corporation.

**Proposed Members and Directors
2004**

Ira Gluskin (Chair) is President and Chief Investment Officer of Gluskin Sheff + Associates.

Joseph L. Rotman (member of the Governing Council, Vice-Chair) is Chairman and CEO of Roy-L Capital Corp., which is a private family investment company. He is currently a director of: the Bank of Montreal, Barrick Gold Corporation, Clairvest Group Inc., Ovation Inc., and Masonite International Corporation as well as local, national and international community and charitable organizations.

Robert J. Birgeneau is President of the University of Toronto.

Felix P. Chee is President and Chief Executive Officer of UTAM. He previously served as Vice-President - Business Affairs and Chief Financial Officer of the University.

William E. Hewitt, before his retirement, was Chief Investment Officer of Scotia Cassels Investment Counsel Limited, the investment management arm of the Bank of Nova Scotia. Previous positions have included Principal Officer and Vice-President, Investments for Sun Life Assurance Company of Canada.

Eric F. Kirzner (member of the faculty) is Professor of Finance in the Rotman School of Management, a member of the Advisory Board of the *Canadian Investment Review* and author or co-author of numerous books and articles on investments.

Anthony R. Melman is Vice-President of Onex Corporation.

Robert W. Morrison recently retired as Senior Vice-President and Chief Investment Officer at Canada Life Financial Corporation. He is a past-President of the Institute of Chartered Financial Analysts.

James J. Mossman recently retired as Senior Managing Director and Chief Investment Officer at the Blackstone Group, a New York-based group making leveraged buyouts and global real-estate acquisitions.

Ms Catherine J. Riggall is Interim Vice-President, Business Affairs of the University.

Thomas H. Simpson is Chair of the University's Governing Council. Prior to his retirement from business, he was Executive Vice-President and Director of Global Strategy Financial Inc.