DELEGATION OF AUTHORITY made as of the 25th day of June, 2010

FROM:

THE GOVERNING COUNCIL OF THE
UNIVERSITY OF TORONTO
(hereinafter called the “University”)

OF THE FIRST PART

TO:

UNIVERSITY OF TORONTO ASSET
MANAGEMENT CORPORATION
(hereinafter called “UTAM”)

OF THE SECOND PART

WHEREAS the University wishes to invest such of the money, investments and investment funds and the pension funds that come into the hands or are under the administration of the University (the “University Assets” and “Pension Assets” respectively);

AND WHEREAS the University sets investment risk and return targets and specifies other requirements in its investments policies, and their regulations, of or approved by the University, its Business Board or a committee to which it delegates authority, as amended from time to time (the “Investment Policies”), for funds in which it wishes to invest;

AND WHEREAS UTAM was incorporated pursuant to the Corporations Act (Ontario) by Letters Patent dated April 25, 2000, for the following objects, inter alia:
“(a) to manage, or see to and supervise the management of, the money, investments, investment funds and pension funds that come into the hands or are under the administration of The Governing Council of the University of Toronto, subject to and in accordance with the applicable policies from time to time approved by or on behalf of the Council; and

(b) to carry out such other duties and responsibilities on behalf of the said Council as may be properly delegated or assigned to the Corporation;”

AND WHEREAS the University wishes to delegate authority to UTAM to permit it to act as agent for the University in respect of the matters hereinafter set out;

NOW THEREFORE THIS DELEGATION OF AUTHORITY WITNESSETH the terms of such delegation are as follows:

DELEGATION OF AUTHORITY

1. Terms of Delegation: The University hereby delegates to UTAM, with permitted delegation by the UTAM Board to UTAM staff, should the UTAM Board so desire, the power and authority to take all such actions and execute all such documents as may be necessary or desirable to:

(a) recommend the investment strategy from time to time for the University Assets and the Pension Assets including, without limitation, making asset allocation recommendations concerning the University Assets and Pension Assets for consideration and approval by the University;

(b) execute the investment strategy for the University Assets and the Pension Assets, subject to such terms, conditions and limitations as are specified from time to time by the University; and
(c) undertake such additional activities concerning the University Assets and the Pension Assets as may be specified from time to time by the University;

which collectively are referred to as the "Services".

2. **Authorization to act:** Any matter with respect to which UTAM is authorized to act as the University's agent may be undertaken by such officer or officers of UTAM as are authorized to take such action in accordance with a resolution of the directors of UTAM. All agreements and other documents executed by UTAM as agent for the University shall be executed by such officer or officers of UTAM as are authorized to execute same in accordance with resolutions of the directors of UTAM (in force from time to time) in the following manner, and if so executed, the University acknowledges that such agreement or document is binding upon the University:

"UNIVERSITY OF TORONTO
ASSET MANAGEMENT CORPORATION
as agent on behalf of the
GOVERNING COUNCIL OF
THE UNIVERSITY OF TORONTO

Per: ____________________________"

3. **Other services:** As permitted by regulation and subject to the prior approval of the senior officer of the University responsible for financial matters as so designated by the President of the University (the "senior university officer") on behalf of the University in each instance, and upon such terms and conditions as the senior university officer may prescribe, UTAM may also, as provided in its said Letters Patent, and provided that the quality, level and timeliness of the Services provided to the University are not impaired in any way:
(a) manage, or see to and supervise the management of, the money, investments, investment funds and pension funds that come into the hands or are under the administration of any university, college or institution that is federated or affiliated with the University; and

(b) manage, or see to and supervise the management of, the money, investments, investment funds and pension funds that come into the hands or are under the administration of other charitable or non-charitable, philanthropic and not-for-profit organizations, institutes and associations;

which collectively are referred to as "Other Services".

Examples of institutions falling under (a) above are the universities federated and colleges affiliated with the University, its affiliated teaching hospitals and The Toronto School of Theology and its member institutions. Examples of organizations falling under (b) above are other universities, community colleges and educational and research institutes.

GENERAL RESTRICTIONS

4. **Investment Management Agreement:** UTAM shall enter into an investment management agreement (the "IMA") with the University, to be amended from time to time, and pursuant to which it will exercise the power and authority delegated to it under this Delegation of Authority in providing investment management services to the University as agent of the University.

5. **Other Instructions:** UTAM will also be subject to and act in accordance with any other instructions issued by the University pursuant to the IMA from time to time, including, without limitation, specifications of permitted and prohibited investments that may arise from University policy or from other means.
6. **Limitation on Authority:** Nothing contained in this Agreement shall be construed to give UTAM or any of its officers, directors or employees the power to take any action on behalf of the University which is outside the scope of its authority hereunder or under the IMA, or shall constitute the parties as joint venturers, partners, co-owners or otherwise as participants in a joint undertaking.

7. **Termination by University:** The University may terminate this Delegation of Authority pursuant to the then current IMA executed by the University of Toronto and UTAM.

**OTHER**

8. **Indemnity:** The University hereby agrees to indemnify the directors and officers of UTAM from and against all costs, charges and expenses for which the directors and officers of UTAM are entitled to indemnity under By-law No. 1 of UTAM.

9. **Invalid Provisions:** The invalidity of any particular provision of this Delegation of Authority shall not affect the validity of any other provision and in such event, the Delegation of Authority shall be construed as if the invalid provision had been omitted.

10. **Governing Law:** This Delegation of Authority shall be construed and interpreted in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

11. **Notices:** Any notice required or permitted to be given hereunder by one party to the other shall be in writing and hand-delivered, in the case of notice to the University, to it in care of the Office of the Vice-President, Business Affairs, Simcoe Hall, 27 King’s College Circle, Toronto, M5S 1A1, marked for the attention of that officer, and in the case of notice to UTAM, to it at MaRS Centre, Heritage Building, 101 College Street, Suite 350 Toronto, Ontario, Canada M5G 1L7, marked for the attention of its President, with a copy similarly delivered and marked for the attention of its Chair of the Board, and any notice so delivered
shall be deemed to have and become effective on the second business day following the day of delivery.

IN WITNESS WHEREOF the University has caused this Delegation to be executed and sealed under the hands of its officers, duly authorized.

THE GOVERNING COUNCIL OF THE UNIVERSITY OF TORONTO

By:

By:

Amendments to sections 4, 6, 7 and 8 of the University of Toronto Asset Management Corporation By-Law Number 1, approved by Business Board, June 17, 2010