



FINANCE AND GENERAL PURPOSE COMMITTEE CHARTER

Approvals

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NSIA Finance and General Purpose Committee Charter	July 03, 2014

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Nigeria Sovereign Investment Authority

Finance and General Purpose Committee Charter

Adopted on 03 July, 2014

A. INTRODUCTION

This document outlines the purpose and procedures of the Finance Committee (the Committee") of the Board of Directors of the Nigeria Sovereign Investment Authority ("NSIA").

B. AUTHORITY AND PURPOSE

The Committee has been established to carry out the following functions:

1. to exercise oversight responsibility with respect to NSIA's material and strategic financial matters, including those related to the funding, budgeting, expenditure and general operational and financial structure;
2. to advise and, as appropriate, authorize NSIA's Management ("Management") with respect to such matters; and
3. to direct and, as appropriate, make recommendations to the Board with respect to such matters.

C. COMPOSITION OF THE COMMITTEE

1. The Committee shall have at least three members of the Board, appointed by the Board on the recommendation of the Chairman of the Board;
2. One of the Committee members shall also be the Committee's Chairman;
3. Committee members should aim to serve for a term of at least three years;
4. Vacancies on the Committee shall be filled by the Board.
5. The Board may appoint members for a period shorter than one year to fill vacancies;

6. Committee members shall serve until their successors are elected or their earlier resignation or removal. Any member of the Compensation Committee may be removed or replaced, for any reason at any time, by a majority vote of the Board;

D. MEETINGS AND PROCEDURES

1. The Committee shall hold regular meetings at such dates, times and places as it may determine from time to time. The Chairman of the Committee or a majority of the members of the Committee may also call a special meeting of the Committee.
2. The Committee may form subcommittees for any purpose that the Committee deems appropriate and may delegate to such subcommittees such power and authority as the Committee deems appropriate; provided, however, that the Committee shall not delegate to a subcommittee any power or authority required by any law, regulation or listing standard to be exercised by the Committee as a whole.
3. The Committee may request that any directors, officers or employees of NSIA, or other persons whose advice and counsel are sought by the Committee, attend any meetings of the Committee, to provide such pertinent information as the Committee requests. The Committee may request that any such individual meet with the Committee in Executive session. It is generally expected that the Financial Controller will attend Committee meetings.
4. The Committee shall keep written minutes of its meetings, which minutes shall be maintained along with all other corporate books and records of NSIA.

E. FUNCTIONS

The functions of the Committee shall be:

1. to review NSIA's strategic and operational plans from perspective of funds flow, capital expenditure and financing requirements;
2. to determine the funding of NSIA's expenses;
3. to assess NSIA's distribution policy and the declaration of distributions or other forms of distributions of NSIA's profits;

4. to establish delegations of authority to the Committee or Management with respect to financial matters;
5. to review compliance with other regulatory requirements;
6. to act as the Tender Board of the Authority whose responsibilities in line with the Procurement policy are detailed below:
 - a. Consider and approve procurement policies
 - b. Review and approve the annual procurement plan
 - c. Provide “prior review” approvals for items falling within the prior-review threshold (contract values greater than N20million). For activities that fall within this threshold;
 - d. Approve shortlist of bidders
 - e. Review and approve the bid evaluation report; and
 - f. Review and approve the contract award

F. RESPONSIBILITIES

1. Matters Considered for Recommendation to the Board

The Committee periodically will review and consider the following matters to provide updates and, from time to time, provide recommendations to the Board:

- a. management of NSIA's finances;
- b. appraisal of financial implications of any proposed activities;
- c. consideration of annual budgets and accounts;
- d. management of regular reports on performance against budget for a financial year;
- e. assessment of:
 - (i) NSIA's relationships with other bodies;
 - (ii) NSIA's income and expenditure policies; and
 - (iii) NSIA's audited financial statements and its corresponding management letter.

2. Matters Reviewed Upon Request of Management

The Committee will review any other matters submitted to the Committee by Management and, if requested, consider such matters for recommendation to the Board, or for approval by the Committee if such matters are within the authority delegated to it by the Board, including:

- a. capital expenditures, divestments, acquisitions, joint ventures and other investments, and other capital transactions;
- b. leases, short- and long-term borrowings, and other financing transactions;
- c. interest rate swaps and similar arrangements for the purpose of managing the NSIA's exposure on outstanding debt; and
- d. registration and issuance of the NSIA's debt or equity securities.

3. Other Matters

The Committee will also:

- a. perform any other activities as the Committee deems appropriate, or as requested by the Board consistent with the Charter, NSIA's bylaws, and applicable law;
- b. review and reassess the adequacy of this Charter as appropriate and submit any suggested changes to the Board for consideration;
- c. conduct an annual performance evaluation of the Committee; and report regularly on its activities to the Board.

G. EVALUATION OF THE COMMITTEE

1. The Committee shall, on an annual basis, evaluate its performance under this Charter. In conducting this review, the Committee shall evaluate whether this Charter appropriately addresses the matters that are or should be within its scope.
2. The Committee shall address all matters that the Committee considers relevant to its performance, including the following:

- a. the adequacy, appropriateness and quality of the information and recommendations presented by the Committee to the Board,
 - b. the manner in which they were discussed or debated, and
 - c. whether the number and length of the meetings of the Committee were adequate for the Committee to complete its work in a thorough and thoughtful manner.
3. The Committee shall deliver to the Board a report setting forth the results of its evaluation, including any recommended amendments to this Charter and any recommended changes to NSIA's or the Board's policies or procedures. Any such recommended amendments and changes shall also be communicated to the Board.
 4. The report to the Board may take the form of an oral report by the Chairman of the Committee or any other member of the Committee designated by the Committee to make this report.

H. EXTERNAL ADVISORS

The Committee may retain, at NSIA's expense, such independent counsel or other advisors as it deems necessary.