

REGULATORY COMMITTEE CHARTER

Owner: Vector’s board of directors
 Approved: June 2010
 Review: June 2011

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1. STATUS AND OBJECTIVES

1.1 Status

The regulatory committee is a sub-committee of the board of Vector and exercises the board’s authority in respect to those responsibilities delegated to it by the board and is accountable to the board for its performance.

1.2 Objectives

The objectives of the regulatory committee are to:

- (a) Provide strategic guidance and feedback to the board and management on Vector’s regulatory policy and practice; and
- (b) Act as a formal forum for the free and open communication between the board and management on regulatory matters.

2. COMPOSITION

2.1 Membership and qualifications

The regulatory committee shall comprise not less than three members. The chair shall be an independent director and shall not be the chairman of the board.

2.2 Appointment and removal of members

The board must appoint the members and chair of the regulatory committee. Members may be removed from the regulatory committee by the board at any time during their tenure.

3. MEETINGS AND PROCEDURE

3.1 Meetings

The regulatory committee should meet formally at least three times per year and at such other times the regulatory committee considers appropriate to fulfil its responsibilities.

3.2 Board procedure to apply

The procedure of the board in relation to meetings shall apply to the regulatory committee with all necessary modifications.

3.3 Quorum

A quorum for an regulatory committee meeting shall be three members.

3.4 Attendance at meetings

The regulatory committee may extend an invitation for attendance to other directors, the chief executive officer and the general manager regulation & pricing where the committee thinks this is appropriate.

4. AUTHORITY

4.1 The board authorises the regulatory committee, within the scope of its responsibilities to:

- (c) Seek any information it requires from any employee of Vector and external parties;
- (d) Obtain external legal or other professional advice; and
- (e) Require the attendance of Vector officers at meetings as appropriate.

5. RESPONSIBILITIES

5.1 The board has delegated to the regulatory committee the responsibilities set out in **Appendix 1**. The regulatory committee may vary the times of meetings and the meeting at which it considers matters as the committee sees fit.

6. REPORTING

6.1 The regulatory committee shall regularly update the board about regulatory committee activities at the next scheduled board meeting (unless circumstances require earlier communication) and make appropriate recommendations, and should ensure that the board is made aware of any matters which may significantly impact on the affairs of the business.

7. REVIEW OF REGULATORY COMMITTEE

7.1 The regulatory committee shall undertake a regular self review of its:

- (a) objectives and responsibilities; and
- (b) charter.

APPENDIX 1

The functions of the Committee include:

Communications with regulatory authorities

- (i) Reviewing and approving Vector's strategy regarding any other submissions, queries and responses to regulatory authorities, that are strategically important;

General

- (ii) Obtaining regular updates from management and the company's legal advisers regarding regulatory matters;
- (iii) Undertaking a regular review, as determined by the committee, of the company's regulatory position;
- (iv) Reviewing the findings of any significant examinations by regulatory agencies;
- (v) Liaising with the risk and assurance committee in considering risks of a regulatory nature, whether those matters have been referred to the risk and assurance committee by the board or raised by the regulatory committee itself;
- (vi) Ensuring that there is full and frank dialogue between the regulatory committee, board and management of the company; and
- (vii) Any other directives that the board may set give to the regulatory committee.