



NOV - 9 2016

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Brenda M. Leong  
Chair and Chief Executive Officer  
British Columbia Securities Commission  
701 West Georgia Street  
Vancouver BC V7Y 1L2

Dear Ms. Leong:

This Mandate Letter confirms your organization's mandate, provides government's annual strategic direction and sets out key performance expectations for the 2017/18 fiscal year.

On behalf of the Province of British Columbia, thank you for your leadership and the contributions made by the British Columbia Securities Commission (BCSC) over the past year and congratulations on the efforts made towards the following achievements:

- Providing expertise and Commission resources to effectively support the Ministry of Finance in developing the Cooperative Capital Markets Regulatory System (CCMRS).
- Leading key Canadian Securities Administrators (CSA) initiatives to provide flexible capital raising rules to ensure market integrity, and improve investor protection, while minimizing the burden on market participants, including:
  - Adopting a harmonized reporting structure and allowing for electronic reporting of exempt distributions to streamline issuers' reporting obligations and to improve our oversight of the private placement market.
  - Co-leading the CSA initiative to ensure existing resale restrictions on reporting issuers selling under prospectus exemptions in the private placement market are competitive with international peers.
  - BCSC staff initiative developing a proposal to simplify the regulatory process for non-reporting, unlisted issuers conducting private placements in other Canadian and foreign jurisdictions, and reporting issuers conducting public offerings in foreign jurisdictions.

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- CSA initiative developing a proposal to streamline regulatory obligations for reporting issuers.

BC's Corporate Governance Framework takes a principles-based approach in providing direction for effective governance of ministries and Public Sector Organizations (PSOs). Since June 2014, the Taxpayer Accountability Principles (TAP) have provided guidance to ensure that the actions taken and services provided strengthen accountability and promote cost control while meeting the public policy objectives established by government on behalf of the citizens of BC.

It is critical that public sector organizations operate as efficiently as possible, in order to ensure British Columbians are provided with effective services at the lowest cost possible. This requires constant focus on maintaining a cost-conscious and principled culture through the efficient delivery of services that stand the test of public scrutiny and help develop a prosperous economy in an environmentally sustainable manner. This is critical to government's commitment to control spending and balance the budget.

Government is making open information a priority across the public sector to enhance government transparency and accountability in the use of public resources, the delivery of programs and public services.

Government provided the following mandate direction to the BCSC under the *Securities Act*:  
To protect and promote the public interest by fostering:

- A securities market that is fair and warrants public confidence; and
- A dynamic and competitive securities industry that provides investment opportunities and access to capital.

To achieve this mandate, the BCSC is directed to take the following strategic actions:

- Assist the Ministry of Finance in developing a CCMRS for Canada that protects British Columbia's interests and ensures BC's securities industry benefits from being part of the new regime, by:
  - Continuing to develop the regulations of the CCMRS; and
  - Supporting the passage of the *Capital Markets Act*, the *Capital Markets Regulatory Authority Act* and the implementation legislation.
- Continue to finalize and/or develop flexible capital raising rules that assist BC's venture market while ensuring investor protection.
- Co-lead the CSA initiative to rebuild its shared national e-filing systems to increase BCSC's analytic capabilities through data quality and workflow improvements.

The ongoing culture shift to principled public sector governance remains a priority for government. PSOs are expected to undertake more comprehensive professional development to enhance orientation of their board members and senior executives. Government will be

providing programming and resources designed to complement components of orientation to ensure understanding of the accountabilities and expectations of public sector boards and organizations. For detailed information about TAP directives, please refer to the following link, [Taxpayer Accountability Principles](#).

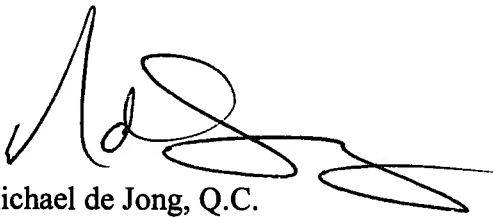
Government is committed to continue to revitalize the relationship between Government and PSOs. This strong focus on increased two-way communication supports and ensures a common understanding of Government's expectations. Timely communication of emerging issues, which may affect the business of the BCSC and/or the interests of government, is critical to building trust and the effective delivery of public services, including information on any risks to achieving financial forecasts and performance targets. With the TAP embedded in the Annual Service Plans and Reports, this will support board chairs in assessing and communicating the organization's overall performance.

In addition, it is expected that your organization will continue to be diligent in ensuring familiarity with and adherence to statutory obligations and policies that have broad application across the public sector. Please refer to the following link for a summary of these accountabilities, [Crown Accountabilities](#).

Each board member is required to acknowledge the direction provided in the Mandate Letter by signing this letter. The Mandate Letter is to be posted publicly on your organization's website, and a copy signed by all board members provided to the ministry and made available to the public upon request.

I look forward to our regular meetings focusing on strategic priorities, performance against TAP, and working together to protect the public interest at all times.

Sincerely,



Michael de Jong, Q.C.  
Minister

Signed By:



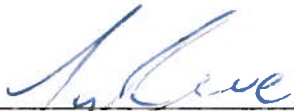
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Brenda Leong, Chair and CEO  
British Columbia Securities Commission

NOV 15, 2016

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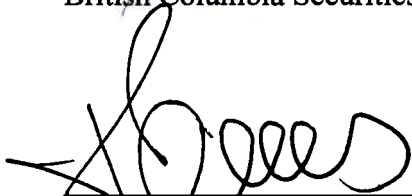
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Nigel P. Cave, Vice Chair  
British Columbia Securities Commission

Nov. 18 2016

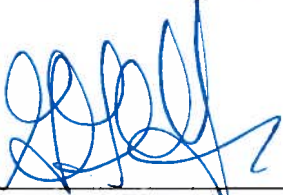
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Judith Downes, Commissioner  
British Columbia Securities Commission

NOV 17 2016

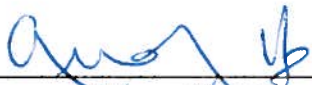
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George C. Glover, Jr., Commissioner  
British Columbia Securities Commission

1 Dec. 2016

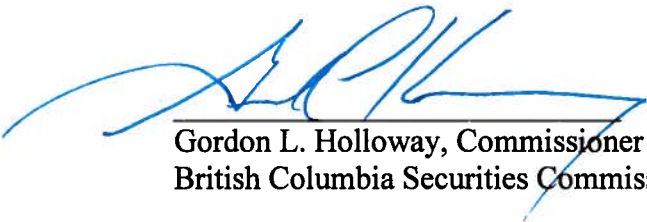
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Audrey T. Ho, Commissioner  
British Columbia Securities Commission

Nov 17, 2016

Date



Gordon L. Holloway, Commissioner  
British Columbia Securities Commission

DEC 1, 2016

Date



Don Rowlett, Commissioner  
British Columbia Securities Commission

Nov. 17, 2016

Date

  
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Suzanne K. Wiltshire, Commissioner  
British Columbia Securities Commission

*November 17, 2016*  
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Date

Enclosure

cc: Honourable Christy Clark  
Premier

Kim Henderson  
Deputy Minister to the Premier and Cabinet Secretary

Athana Mentzelopoulos  
Deputy Minister and Secretary to Treasury Board  
Ministry of Finance

Cheryl Wenezenki-Yolland  
Associate Deputy Minister  
Ministry of Finance

## B.C. Taxpayer Accountability Principles

Further information available at: <http://gov.bc.ca/crownaccountabilities>

- 1 Cost Consciousness (Efficiency)**

Strengthen cost management capabilities and foster a culture of cost-consciousness at all levels of public sector organizations. Provide public services and programs as efficiently and effectively as possible to “bend the cost curve” and support sustainable public policies and programs as a lasting legacy for generations to come.
- 2 Accountability**

Transparently manage responsibilities according to a set of common public sector principles in the best interest of the citizens of the province. By enhancing organizational efficiency and effectiveness in the planning, reporting and decision making, public sector organizations will ensure actions are aligned with government’s strategic mandate.
- 3 Appropriate Compensation**

Comply with a rigorous, standardized approach to performance management and employee compensation, which reflects appropriate compensation for work across the public sector that is consistent with government’s taxpayer accountability principles and respectful of the taxpayer.
- 4 Service**

Maintain a clear focus on positive outcomes for citizens of British Columbia by delivering cost-efficient, effective, value-for-money public services and programs.
- 5 Respect**

Engage in equitable, compassionate, respectful and effective communications that ensure all parties are properly informed or consulted on actions, decisions and public communications in a timely manner. Proactively collaborate in a spirit of partnership that respects the use of taxpayers’ monies.
- 6 Integrity**

Make decisions and take actions that are transparent, ethical and free from conflict of interest. Require the establishment of a strong ethical code of conduct for all employees and executives. Serve the citizens of British Columbia by respecting the shared public trust and acting in accordance with the taxpayer accountability principles.