



JAN 28 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 2016/17 fiscal year.

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

- Providing expertise and Commission resources and support for the Ministry of Finance as part of the development of the Cooperative Capital Markets Regulatory System.
- Leading key Canadian Securities Administrators (CSA) initiatives to foster capital formation, simplify venture issuer disclosure, and reduce costs while maintaining investor protection.
- Developing flexible capital raising rules to assist BC's venture market, including:
 - Streamlining and tailoring disclosure obligations for venture issuers;
 - Creating an existing security holder exemption that allows public companies to raise money from existing retail shareholders, without a prospectus;
 - Developing a crowdfunding exemption that allows companies to raise capital through crowdfunding portals;
 - Proposing changes to the rights offering regime designed to make rights offerings more attractive to reporting issuers by decreasing both the time and costs involved;
 - Proposing an investment dealer prospectus exemption.

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Last year, government established a common set of principles for the BC public sector organizations. The intent of the Taxpayer Accountability Principles (TAP) is to strengthen accountability and promote cost control. These principles instill a common frame of reference to inform decisions and ensure that the actions taken and services provided meet public policy objectives established by government on behalf of the citizens of BC. All public sector organizations are expected to understand the responsibility they have to the citizens of BC and how it is complementary to the fiduciary duty to their organizations.

One of government's core values is respect for the taxpayer's dollar. 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. The foundation of this work is the government's commitment to controlling spending and balancing the budget.

Government is providing the following mandate direction to 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:

- Continue to finalize and /or develop flexible capital raising rules to assist BC's venture market.
- Assist the Ministry of Finance in developing a Cooperative Capital Markets Regulatory System (CCMRS) for Canada that protects British Columbia's interests and ensures British Columbia's securities industry is not negatively impacted by a new regime, by:
 - Supporting the finalization of the provincial/territorial *Capital Markets Act*;
 - Continuing to develop the draft initial regulations of the CCMRS;
 - Supporting the operational integration of the BCSC into the Capital Markets Regulatory Authority.

To achieve this, several actions as detailed in the 2014 TAP Transition Letter are to continue to be implemented and refined, such as on-going orientation, the joint strategic engagement plan, and the evaluation plan. For detailed information about TAP directives, please refer to the following link, [Taxpayer Accountability Principles](#).

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, [PSO Accountability Summary](#).

Government is committed to continuing 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 any issues which may affect the business of 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.

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 the TAP, key results and working together to protect the public interest at all times.

Sincerely,



Michael de Jong, Q.C.
Minister

Signed By:



Brenda Leong, Chair and CEO
British Columbia Securities Commission

02/01/16

Date



Nigel P. Cave, Vice Chair
British Columbia Securities Commission

02/01/16

Date



Judith Downes, Commissioner
British Columbia Securities Commission

02/04/16

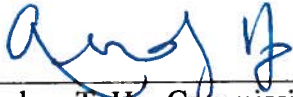
Date



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

2 February 2016

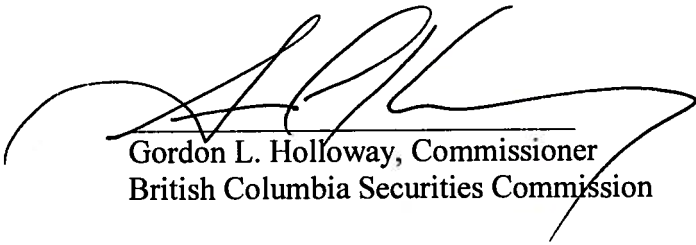
Date



Audrey T. Ho, Commissioner
British Columbia Securities Commission

February 2, 2016

Date



Gordon L. Holloway, Commissioner
British Columbia Securities Commission

FEB 3, 2016

Date



Don Rowlett, Commissioner
British Columbia Securities Commission

Feb 2/16

Date



Suzanne K. Wiltshire, Commissioner
British Columbia Securities Commission

02/02/16

Date

Enclosure

cc: Honourable Christy Clark, Premier

John Dyble, Deputy Minister to the Premier and Cabinet Secretary

Kim Henderson, Deputy Minister and Secretary to Treasury Board
Ministry of Finance

Cheryl Wenezenki-Yolland, Associate Deputy Minister
Ministry of Finance