



GOVERNMENT'S LETTER OF EXPECTATIONS

BETWEEN

**THE MINISTER OF INTERNATIONAL TRADE
(AS REPRESENTATIVE OF THE GOVERNMENT OF BRITISH COLUMBIA)**

AND

**THE CHAIR OF THE BC IMMIGRANT INVESTMENT FUND LTD.
(AS REPRESENTATIVE OF THE CORPORATION)**

FOR 2014/15

PURPOSE

This Letter of Expectations (the Letter) provides Government's annual direction to the Crown corporation and is an agreement on the parties' respective accountabilities, roles, and responsibilities. The Letter confirms the Corporation's mandate and priority actions, articulates the key performance expectations as documented in the Government's Expectations Manual for British Columbia Crown Agencies¹, and forms the basis for the development of the Corporation's Service Plan and Annual Service Plan Report. The Letter does not create any legal or binding obligations on the parties. It is intended to create an opportunity for dialogue between the parties and to support an open, positive and co-operative working relationship, resulting in the achievement of government's policy and performance expectations in a transparent and accountable manner.

CORPORATION ACCOUNTABILITIES - MANDATE

Government has provided the following mandate direction to the BC Immigrant Investment Fund Ltd. (the "Corporation" or "BCIIF"), a corporation incorporated in 2000 under the *Company Act*:

- Subject to federal Immigrant Investor Program ("IIP") and related federal regulations, the Corporation will use the funds provided and investment income to invest in economic development and job creation opportunities in the province of British Columbia.

¹ The Province of British Columbia's Crown Agency Accountability System (<http://www.gov.bc.ca/caro/publications/index.html>) establishes guiding principles for the governance of Crown corporations. The *Government's Expectations For British Columbia Crown Agencies* provides for a Government's Letter of Expectations (Letter) to be developed.

- The Corporation will maintain best business and investment practices to realize positive investment returns and minimize the exposure of accessing the guarantee that the Province has given to the federal government on monies received under the IIP.

SPECIFIC CORPORATION ACCOUNTABILITIES

To achieve this mandate, the Corporation is directed to take the following specific actions:

- BCIF will monitor and report on its capital commitments of up to \$90 million in venture capital investments.
- BCIF will invest available funds in Government's Reporting Entity to finance provincially-approved capital projects that also qualify under the applicable federal regulations.
- BCIF will use either the Ministry of Finance or British Columbia Investment Management Corporation for investment or deposit of funds in liquid investments, other than amounts allocated to venture capital and Government Reporting Entity investments.
- BCIF will explore opportunities to invest its capital in ways that meet its core objectives and support the government's economic and jobs strategy.

GENERAL CORPORATION ACCOUNTABILITIES

Over the past decades, British Columbians have come to expect high quality products and services delivered by their Crown corporations. The Province is well served by our Crown corporations and it is up to the Boards and Senior Management teams of these organizations to manage in the best interests of the Province and our citizens and conduct its affairs with the principles of integrity, efficiency, effectiveness, and customer service.

As a Crown corporation, it is critical that the operations of the entity be done as efficiently as possible, in order to ensure families are provided with services at the lowest cost possible.

Government sets broad policy direction to ensure the Corporation's operation and performance is consistent with the Government's Strategic Plan, found at:

http://www.bcbudget.gov.bc.ca/2013_June_Update/stplan/2013_June_Strategic_Plan.pdf

and as such, the Corporation will:

- Ensure that the Corporation's priorities reflect Government's priorities of:

Strong Economy

A government that supports our economy by controlling spending to balance the budget, keeping taxes and government debt affordable and protecting B.C.'s hard-earned triple-A credit rating.

Jobs

A government that is focused on job creation and investment in the province.

Families

A government that works continuously to improve social programs that support

families of every description, and improve the lives of British Columbians.

- Comply with Crown Agency Accountability System guidelines, policy, due dates and best practices, as set out from time to time and as applicable to the Corporation, found at <http://www.gov.bc.ca/caro/publications/index.html> including the Information and Events Calendar for commercial and service delivery Crown corporations, Government's Expectations Manual for British Columbia Crown Agencies and the Best Practices Guideline & Disclosure Requirements for Governing Boards of British Columbia Sector Organizations.
- Comply with all legislation and policies applicable to the Corporation including but not limited to:
 - The executive compensation policies for Crown corporations. Found at: http://www.fin.gov.bc.ca/psec/disclosedocs/crown_corporation_executive_compensation_july_2012.pdf;
 - Ensure Government is advised in advance of the release of any information requests by the Corporation under the *Freedom of Information and Protection of Privacy Act*;
 - Government's requirements to be carbon neutral under the *Greenhouse Gas Reduction Targets Act*.
- Follow the spirit and intent of the financial policy requirements in the Ministry of Finance Core Policy and Procedures Manual found at: <http://www.fin.gov.bc.ca/ocg/fmb/manuals/CPM/CPMtoc.htm>
- Participate in government's Core and Crown reviews, which may include the review of Crown mandates, and implement the recommendations of these reviews.
- Ensure that any planned deficit spending or use of the retained earnings is approved in advance by Treasury Board.
- Inform Government immediately if the Corporation is unable to meet the performance and financial targets identified in its Service Plan.

GOVERNMENT RESPONSIBILITIES

Specific to the Corporation, Government will:

- approve the Corporation's mandate to use the funds provided and investment income generated to invest in economic development and job creation opportunities in the province of British Columbia (subject to the federal IIP, related federal regulations and the *Business Corporations Act*).
- confirm the role of the Minister of Finance as fiscal agent to the Corporation, providing the Corporation with access to government financing and banking; and
- reconfirm any other actions the Government has committed to undertake in support of specific actions in the Corporation Accountabilities section above.

During the term of this Letter, Government may provide further policy direction to the Ministry of International Trade who will communicate any such direction, including implementation expectations, to the BCIF as decisions are made.

AREAS OF SHARED ACCOUNTABILITY

Government and the Corporation are committed to transparency and accountability to the public and have planning, reporting and disclosure requirements in the *Budget Transparency and Accountability Act*, the *Financial Administration Act*, and/or the *Financial Information Act*.

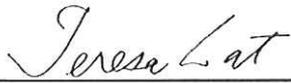
On a quarterly basis, the Minister Responsible Teresa Wat, the Deputy Minister Shannon Baskerville, the Board Chair Gord MacDougall, and the Chief Executive Officer Shauna Turner (Acting), will meet to discuss relevant and current corporation business. The meeting will be to review the achievement of the goals, objectives, performance measures, financial targets and risk assessments identified in the Corporation's Service Plan.

The parties agree that each will advise the other in a timely manner of any issues that may materially affect the business of the Corporation and/or the interests of Government, including information on any risks to achieving financial forecasts and performance targets.

The Corporation and the Crown Agencies Resource Office will post the most recent signed copy of the Government's Letter of Expectations on their respective websites.

REVIEW AND REVISION OF THIS LETTER

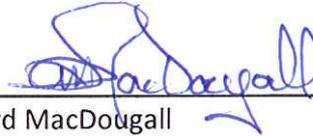
The Minister of International Trade is accountable for undertaking reviews of this Letter and monitoring its implementation. Government and the Corporation may agree to amend this Letter on a more frequent than annual basis.



Honourable Teresa Wat
Minister of International Trade

December 20, 2013

Date



Gord MacDougall
Chair, BC Immigrant Investment Fund Ltd.

Jan 6/14

Date

cc. Honourable Christy Clark
Premier

John Dyble
Deputy Minister to the Premier and Cabinet Secretary

Peter Milburn
Deputy Minister and Secretary to Treasury Board
Ministry of Finance

Cheryl Wenezenki-Yolland
Associate Deputy Minister
Ministry of Finance

Shannon Baskerville
Deputy Minister
Ministry of International Trade

Shauna Turner
A/ Chief Executive Officer
BC Immigrant Investment Fund Ltd.