

British Columbia Securities Commission
Executive Compensation Report
For the Year Ended March 31, 2011

Organization

The BCSC is the independent provincial government agency responsible for regulating capital markets in British Columbia through the administration of the *Securities Act*. Our mission is to protect and promote the public interest by fostering:

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

Compensation structure

We are accountable to the provincial legislature and the public through the Minister of Finance. Our compensation plan requires *Public Sector Employers' Council* approval.

The BCSC manages its compensation through effective internal governance policies and practices, including as follows:

- Our Audit and Human Resources committees comprise only independent commissioners appointed by the Lieutenant Governor-in-Council
- The Audit Committee oversees the BCSC's annual budget and the Human Resources Committee oversees the design and administration of BCSC performance management and compensation practices
- Semi-annually, the Human Resources Committee reviews the Chair's performance against her objectives. In consultation with the Chair, the Human Resources Committee reviews the performance of other executives and senior managers
- The Human Resources Committee recommends, for board approval, the Chair's incentive compensation for the preceding year and the Chair's salary for the ensuing year
- The Chair and Executive Director consult the Human Resources Committee on the incentive compensation and salaries of the other executives and senior managers

Compensation philosophy

Our goal is median compensation. We strive to offer remuneration comparable to that offered by competing organizations. To remain competitive, we conduct annual salary surveys and propose adjustments when surveyed positions are significantly below the median. Like most of our competitors, our compensation plan includes performance-based incentives and a comprehensive benefits package. In some cases, total compensation is subject to government compensation maximums.

Incentive principles

Employees participate in an incentive plan, following these principles:

- Incentives depend on our ability to fund them
- Incentives are based on individual, divisional and commission performance

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Incentive targets

Incentive targets vary depending on positions' impact on commission performance. Named officers (Chair, Vice Chair, Executive Director, Director of Enforcement, and the Director of Corporate Finance) have incentive targets ranging from 20 – 40%. Incentives also reflect the following performance measurements:

- How well the employee met their personal objectives
- How well the division met its performance targets
- How well the commission met its service plan and operating plan targets

The personal achievement factor ranges from nil to 1.75 and multiplies the two other factors.

Read our annual report available on www.bcsc.bc.ca for more information about fiscal 2011 performance.

Fiscal 2011 compensation summary

Name	Position	Base	Incentive	Pension	Other ¹	2011	2010	2009
Brenda M Leong	Chair	378,000	55,578	38,124	27,549	499,251	499,251	388,132
Brent W. Aitken	Vice Chair	324,155	104,696	-	14,780	443,631	464,688	417,647
Paul Bourque	Executive Director	217,808	60,089	20,314	45,285	343,496	-	-
Langley E. Evans	Director of Enforcement	204,140	37,627	20,609	11,583	273,959	277,998	262,431
Martin D.C. Eady	Director of Corporate Finance	193,671	35,450	19,996	12,906	262,023	263,980	245,557

¹ Other compensation includes long-term disability plan premiums, Canada Pension Plan premiums, parking and transit, extended health and dental plan premiums, professional membership fees, Medical Services Plan premiums, Employment Insurance premiums, Workers Compensation Plan premiums, group life insurance premiums, accommodation, and fitness reimbursements