



May 27, 2020

Christina Zacharuk
Chief Executive Officer & President
Public Sector Employers' Council Secretariat
2nd Floor, 880 Douglas Street
Victoria, BC V8W 2B7

Dear Ms. Zacharuk,

On behalf of the Board of Directors of BC Financial Services Authority (BCFSA), I confirm the BCFSA's Compensation Philosophy and the amounts paid to BCFSA's highest paid employees in the fiscal year 2019/2020 are set out in Attachments 1 and 2, respectively, to this letter. This represents the period from November 1, 2019 (when BCFSA commenced business operations) to March 31, 2020.

The disclosed information is accurate and includes all compensation paid by the employer. This also includes the value of any pre- or post-employment payments made during the 12-month period before or after the term of employment. The compensation provided is in accordance with the compensation plan approved for BCFSA and complies with the Executive Compensation Disclosure guidelines issued by Public Sector Employers' Council Secretariat.

Yours truly,

A handwritten signature in black ink that reads 'Stanley Hamilton'.

Stanley Hamilton
Chair

ATTACHMENT 1 - COMPENSATION PHILOSOPHY

BCFSA provides a total compensation package that balances our need to attract and retain employees in a competitive marketplace with our responsibility to operate in an affordable and sustainable manner. Our total compensation package consists of direct (e.g., salary) and indirect (e.g., pension, health and dental benefits, and vacation) compensation components.

Our compensation philosophy reflects the following principles:

- Decisions will be objective
- Salary design will consider job attributes
- Salary increases will be performance based
- Employees and the public will understand the compensation program

We strive to offer a total compensation package that reflects median placement in our targeted employment sector marketplace. We conduct periodic surveys and propose adjustments where appropriate. All proposed adjustments to our total compensation program are presented to the Board of Directors for endorsement and then to the Minister of Finance, through the Public Sector Employers Council (PSEC), for approval.

To maintain our diverse regulatory and financial services industry expertise, we benchmark total compensation against similar organizations in the following sectors:

1. Core BC public service
2. Broader BC public service
3. Canadian provincial and federal regulators
4. Private sectors (used when public sector comparators are not available)

We maintain a comprehensive compensation and performance management policy for employees. We award performance-based salary increases. We meet with employees to review and formally document their performance, at least bi-annually.

Information and documents related to Compensation matters, included those set out below, can be found at www.bcfsa.ca:

- Board of Directors Compensation Policy;
- Annual Financial Information Act Report; and
- Annual Executive Compensation Disclosure.

BC Financial Services Authority

Summary Compensation Table at 2020

Name and Position	Salary	Holdback/Bonus/ Incentive Plan Compensation	Benefits	Pension	All Other Compensation (expanded below)	2019/2020 Total Compensation	Previous Two Years Totals Total Compensation	
							2018/2019	2017/2018
Blair Fraser Morrison, Chief Executive Officer and Chief Stutory Officer	\$ 119,709	-	\$ 6,419	\$ 11,791	-	\$ 137,919		
Christopher Carter, Vice President and Deputy Superintendent Market Conduct, Deputy Superintendent Mortgage Brokers	\$ 80,121	-	\$ 6,024	\$ 7,892	\$ 5,611	\$ 99,648		
Frank Chong, Vice President and Deputy Superintendent Financial Institutions Regulations	\$ 81,095	-	\$ 6,111	\$ 7,988	\$ 6,523	\$ 101,717		
Christopher Robin Elgar, Vice President and Deputy Superintent Financial Institutions Supervision	\$ 84,714	-	\$ 6,081	\$ 8,344	-	\$ 99,139		
Michael Peters, Vice President and Deputy Superintendent Pensions	\$ 77,465	-	\$ 6,019	\$ 7,630	\$ 11,487	\$ 102,601		

Summary Other Compensation Table at 2020

Name and Position	All Other Compensation	Severance	Vacation Payout	Paid Leave	Vehicle / Transportation Allowance	Perquisites / Other Allowances	Other
Blair Fraser Morrison, Chief Executive Officer and Chief Stutory Officer	-	-	-	-	-	-	-
Christopher Carter, Vice President and Deputy Superintendent Market Conduct, Deputy Superintendent Mortgage Brokers	\$ 5,611	-	\$ 5,611	-	-	-	-
Frank Chong, Vice President and Deputy Superintendent Financial Institutions Regulations	\$ 6,523	-	\$ 6,523	-	-	-	-
Christopher Robin Elgar, Vice President and Deputy Superintent Financial Institutions Supervision	-	-	-	-	-	-	-
Michael Peters, Vice President and Deputy Superintendent Pensions	\$ 11,487	-	\$ 11,487	-	-	-	-

Notes

Blair Fraser Morrison, Chief Executive Officer and Chief Statutory Officer	
Christopher Carter, Vice President and Deputy Superintendent Market Conduct, Deputy Superintendent Mortgage Brokers	
Frank Chong, Vice President and Deputy Superintendent Financial Institutions Regulations	
Christopher Robin Elgar, Vice President and Deputy Superintendent Financial Institutions Supervision	
Michael Peters, Vice President and Deputy Superintendent Pensions	