

Attn: Paul Straszak  
President and CEO  
PSEC

June 21, 2011

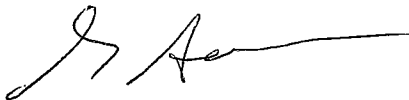
Re: Executive Compensation Letter of Attestation

Dear Paul,

This letter is to attest that all PSEC requirements for Compensation Disclosure for Executives for the BC Innovation Council (BCIC) have been met. The BCIC Board is aware of the executive compensation paid in the prior fiscal year and have verified that compensation provided was within approved compensation plan.

Please find enclosed a Statement of Executive Compensation for the year ended March 31, 2011, which provides an explanation of BCIC's compensation philosophy.

Yours sincerely,



Greg Aasen

Board Chair



## **STATEMENT OF EXECUTIVE COMPENSATION FOR THE YEAR ENDED MARCH 31, 2011**

### **Compensation Discussion and Analysis**

#### **About BCIC**

BCIC (British Columbia Innovation Council) develops entrepreneurial talent and commercializes technology. BCIC focuses on competitively positioning British Columbia in today's global knowledge economy in order to provide significant employment opportunities and a high standard of living for British Columbians.

To achieve this, BCIC has created programs designed to foster talent development and retention and technology commercialization. These programs are often partnerships with organizations and academic institutions enabling BCIC to cater to the specific needs of technology entrepreneurs based on the stage of their business.

BCIC's programs focus on sectors where BC has competitive advantages. They include information communications technology, wireless, digital media, web 2.0, video games, digital animation, special effects, clean technology and life sciences.

#### **Compensation Philosophy**

BCIC believes in remunerating its staff at rates comparable to those offered by similar organizations. In order to compete in attracting the best talent in British Columbia, BCIC implemented a new compensation plan in fall 2010 to rationalize compensation for current staff and standardize compensation for future placements.

To create a fair yet competitive compensation plan, BCIC directly surveyed and gathered data from crown corporations, the technology industry and core government agencies of similar size, breadth/type of mandate, subject matter and budget in order to establish relevant benchmarks for base salary, incentives, benefits and other perquisites appropriate for our compensation plan.

In addition, incentive-based compensation linking employee performance to achievement of both corporate and individual goals and deliverables has been integrated in the plan. A detailed employee performance review process will also be developed and brought to the BCIC Board and Public Sector Employers' Council (PSEC) for approval.

#### **Executive Compensation and Benefits**

The Board and its Human Resources and Compensation Committee determine BCIC's executive compensation within the guidelines provided by PSEC. The board and this committee played leadership roles in the development of the total compensation philosophy for BCIC's executive team.

- The Board approves the CEO compensation package, including base salary and benefits, which is subject to the approval of PSEC.

- Executive compensation is reviewed on a regular basis. The compensation ranges in the compensation plan have been, and will continue to be, benchmarked against industry market rates for similar positions collected through third party survey sources. From here on, executive compensation for new placements will be based on the ranges outlined in the compensation plan.
- BCIC's executives participate in the BC Pension Plan – Public Service, which is administrated by BC Pension Corporation.
- Vacation provisions are aligned with BC Public Service.
- All BCIC's executives are provided a competitive range of standard public sector benefits entitlements such as Medical Service Plan (MSP), extended health and dental, group life insurance and short and long term disability insurance.

### Compensation Disclosure Table for the period April 1, 2010 to March 31, 2011

Name and Principal Position (a)	Salary (b)	Bonus (c)	Incentive Plan Compensation Paid (d)	Pension (e)	All Other Compensation (f)	Total 2009/2010 (g)	Previous 2 Years Totals (h)
Danny Robinson - CEO (1)	60,883.36	-	-	5,345.57	6,349.24	72,578 (1)	N/A
Dean Rockwell - CEO (2)	91,541.71	-	-	9,336.32	8,179	109,057	2009/10 = \$195,098 2008/09 = \$101,599 (2)
Lisa Payne - CFO & VP Business Development (3)	149,000.00	-	-	14,549.32	8,337	171,886 (3)	2009/10 = \$79,692
Soren Harbel - VP Innovation Development (4)	-	-	-	-	-	-	2009/10 = \$26,197 2008/09 = \$176,655

- 1) Danny Robinson was hired as the CEO of BCIC on November 22, 2010. His reported compensation reflected his partial year earning FY 2010/11.
- 2) Dean Rockwell resigned as the CEO of BCIC on October 15, 2010. His reported compensation reflected his partial year earning FY 2010/11.
- 3) Lisa Payne was hired as the CFO & VP Business Development on October 19, 2009 and was appointed as the acting CEO in the absence of Dean Rockwell. Her reported compensation includes \$4,000 for her services rendered as the acting CEO of BCIC.
- 4) Soren Harbel left the position of VP Innovation Development in 2009, and his position was subsequently eliminated.

#### Table Overview:

1. Column (b): Dollar value of the base salary of the Named Executive Officers (NEO) earned during the year.
2. Column (c): Any discretionary cash awards that were not based on pre-determined performance criteria that were communicated to a NEO.
3. Column (d): Include the dollar value of all amounts paid for services performed during the covered fiscal year that are related to awards under an incentive plan.
4. Column (e): Include employers pension contributions made for each NEO.
5. Column (f): Include all other compensation not reported in any other column of this table such as:
  - Extended Health and Dental
  - Group Life and Accidental Death and Dismemberment benefits available to all employees
  - Long-term disability benefits available to all employees
  - Medical Service Plan premiums
6. Column (g): Include the dollar value of total compensation for the fiscal year. For each NEO, this is the sum of the amounts reported in columns (b) through (f).
7. Column (h): Include the total value of all compensation for the previous 2 fiscal years. This would be the value reported in column (g) in the previous 2 years.