

BOARD SUCCESSION: THE RECRUITING AND APPOINTMENT OF DIRECTORS

The Provincial Government has delegated the Motor Vehicle Sales Authority of British Columbia (VSA) to be responsible for the administration of the Motor Dealer Act (*MDA*), the Business Practices and Consumer Protection Act and other related statutes and regulations as they relate to the sale of motor vehicles in British Columbia. The VSA is currently inviting nominations from both the industry and the public at large for appointment to its Board of Directors and the Customer Compensation Fund Board.

The Governance Committee is looking for candidates who will help diversify the board in terms of activities and interests of the board members, and seeking candidates who are knowledgeable about the industry and consumer affairs, or have proven experience in board governance.

I. NOMINATIONS: CRITERIA AND PROCESS

A. Specific Criteria

There are a number of specific criteria that all those appointed to the board must satisfy.

1. A candidate must agree to the completion of any reasonable background checks that the board's Governance Committee, at its sole discretion, may require. These background checks shall be for the sole purpose of determining the honesty, integrity, financial responsibility, and suitability of the person nominated to be a director. These checks may include and are not limited to the following: VSA inspection findings, any history of complaints, and a Canada-wide criminal record check. The Governance Committee shall retain the results of these checks in confidence.
2. A candidate must be a resident of British Columbia and be at least nineteen (19) years of age.
3. A candidate may not be an undischarged bankruptee.
4. A candidate must satisfy such other qualifications or criteria that the Governance Committee may, from time to time, establish.
5. Two letters of reference, substantiating the nominee's capabilities against the brief prepared by the Governance Committee, must accompany the nominations.

In the case of those nominated by a motor dealer industry association, the candidate will also be required to provide evidence that he / she has been duly nominated by the members of his / her association.

B. General Criteria

The Governance Committee will base their recommendations for board appointments on the following general and descriptive specific criteria:

1. Expertise – Expertise includes professional qualifications and / or expertise in a particular field, the knowledge or skills of which would be called upon during the term of an appointment. Directors have a duty to make this knowledge or expertise available to the organization. Expertise in the following areas would be considered an asset:
 - the law, particularly administrative law;
 - investigation and enforcement;
 - finance and accounting;
 - business management;
 - public administration;
 - education, training and certification;
 - vision and strategy.

2. Industry Knowledge – This is knowledge that pertains to the motor dealer industry either as a licensed dealer, salesperson or broker, or as a person with considerable knowledgeable of the industry gained through other organizations that have dealings with motor dealers and could include:
 - licensed franchised dealerships;
 - licensed used car dealerships;
 - licensed recreational vehicle dealerships;
 - licensed / registered vehicle brokers;
 - other private businesses or public organizations.

3. Public Policy – The VSA, as a delegated administrative authority, is a creature of government and is mandated to administer legislation and regulations pertinent to the motor dealer industry. Knowledge and experience in the following areas would be an important asset to the organization:
 - the development and administration of public policy;
 - the processes for government over-sight and accountability;
 - the general operations and administration of government (its structures and processes);

- regulatory responsibilities of government.
4. Governance – Experience and knowledge of board governance; the role and responsibilities of a board of directors; the duties and obligations of directors; leadership in shaping vision and strategy; and, the difference between governance and management as well as maintaining that distinction on the board are important qualities for any director. Previous experience on boards of directors and the types and levels of those organizations will be considered indicators of knowledge and understanding of governance.
 5. Consumer Affairs – Business will be extensively comprised of matters related to consumer protection matters within the motor dealer industry. Knowledge, experience or expertise in all aspects of consumer protection will be of assistance to the board.
 6. The Intangibles – The Governance Committee will incorporate into their decision making a consideration of qualifications that are difficult to define or measure and hence are essentially intangible. These considerations will help the committee members in establishing the relative merit of those nominated to them. For example, it is here that the committee is able to work towards creating a board with appropriate regional representation and gender balance.

In no particular order of priority, some of the criteria that the Governance Committee may use are:

- *Time Commitment:* This relates to the ability and willingness of the candidate to devote the time required for attendance at meetings and assuming responsibility for special projects.
- *Availability:* The ease and availability of the candidate to attend meetings on relatively short notice.
- *Regional Representation:* Favouring persons whose places of residence, all other things being equal, help to ensure a board with an appropriate regional representation.
- *Gender:* Taking the matter of gender into consideration so as to ensure a board with an appropriate gender balance.
- *Director Independence:* The ability of a nominated person to be independent minded, not to be susceptible to outside influence, and able to speak with objective candor.
- *Leadership:* The candidate has been a leader in their occupation or community and will avail the board and organization of these qualities.

- *Access To Decision-Makers:* The candidate has a special network of business or professional relationships that enables the person, if and when appropriate, to access key decision-makers on matters pertaining to the business of the VSA.

C. The Process

For routine and anticipated vacancies, the Governance Committee will publish in a timely fashion a brief that describes the role and capabilities required of those who will fill the position becoming vacant on the board. For unanticipated vacancies, the Governance Committee will publish a brief specific to the circumstances.

For each vacancy, the Governance Committee will request that two names be placed in nomination with it. (This is a means of giving the committee some freedom to exercise a choice based on the specific and general criteria.)

II. THE GOVERNANCE COMMITTEE'S RECOMMENDATION

The Governance Committee will recommend to the board the names of those to be appointed to fill the vacancies on the board.

Nominations with attached resumes and two letters of reference are to be returned to the offices of the VSA. Office staff will verify completeness and distribute the nomination packages to the Governance Committee. The Governance Committee is responsible for notifying nominees of their nomination in writing. The information requirements for publications, and the preparation of all relevant information for presentation to the Governance Committee to include:

- Full Name
- Current Occupation
- Official Title
- Business address & mailing address if different
- Fax number and e-mail address
- A brief biographical sketch
- Two letters of reference

Please provide the information requested below and send it along with the candidates resume and letters of reference to the following address by 12:00 noon, Friday, November 21, 2008.

Judy McRae, Manager Corporate Services and Communications
Motor Vehicle Sales Authority of British Columbia
Suite 208 – 5455 152nd Street
Surrey, BC V3S 5A5
Tel: 604.575-6164 Fax 604 574-5883
Email: judy@mvsabc.com

Information about the Nominee

- Full name:
- Address:
- Home phone number:
- Work phone number:
- Fax number:
- Email address:
- Please attach a brief statement describing why this person would be a good addition to the Board.

Information about the Nominator

- Full name:
- Home phone number:
- Work phone number:
- Fax number:
- Email address: