

REPORT OF THE ACTIVITIES OF THE ETHICS COMMISSIONER

June 2004 to August 2006

On June 16, 2004, the Board of Directors of the Vancouver Organizing Committee for the 2010 Olympic and Paralympic Winter Games (VANOC) appointed Mr. Allan McEachern, lawyer and retired Chief Justice of British Columbia, to act as Ethics Commissioner to help establish the standards of behaviour to be adopted in the planning and organization of the 2010 Olympic and Paralympic Winter Games. Mr. McEachern also served in a similar capacity with the Vancouver 2010 Bid Corporation.

Mr. Martin R. Taylor, Q.C., lawyer and retired Justice of the British Columbia Court of Appeal, assumed the role of Deputy Ethics Commissioner and acts as Ethics Commissioner when Mr. McEachern is unable to do so.

The role of the Ethics Commissioner is to provide independent guidance and interpretation in matters relating to the VANOC Ethics Policy and to provide his opinion and recommendation on matters referred to him by the Governance & Ethics Committee of the Board.

From the date of his appointment as Ethics Commissioner through August 2006, the Ethics Commissioner has been asked to consider two matters.

January 2005: Review of the application of Bylaw 3.4

In January 2005, the Ethics Commissioner was asked to provide an opinion and recommendation related to a proposed contract between a VANOC Director and the 2010 LegaciesNow Society pursuant to which the Director would be compensated for delivery of communication and public speaking services. It was anticipated that a significant portion of the services provided by the Director to the Society would be delivered to VANOC pursuant to a contract between VANOC and the Society. The Ethics Commissioner provided his opinion on January 31, 2005 that the compensation to the Director from the Society would result in receipt by the Director of an indirect profit from VANOC and was therefore contrary to Bylaw 3.4. Accordingly, his recommendation was that VANOC should not proceed with the proposed contract with the Society. The Ethics Commissioner also noted that this matter was being considered by VANOC in advance of any conduct that could amount to a conflict of interest on the part of the Director and that both VANOC and the Director in question acted properly and ethically in ensuring compliance with VANOC's Bylaws. Based on the recommendation of the Commissioner, neither VANOC nor the Director proceeded with a contract with the Society.

September/October 2005: Design and Construction of Buildings for Phase One of Southeast False Creek Site

In September 2005, the City of Vancouver issued a request for expressions of interest in development of Phase One of the Southeast False Creek Site, including the Vancouver Athletes Village. One of the companies which expressed an interest in submitting a bid for the development contract was Concert Properties Ltd. The Chair of Concert Properties is also the Chair of VANOC. VANOC consulted with the Ethics Commissioner regarding VANOC's participation in the development of the Request for Proposals (RFP) related to the development of the site and the process for evaluation of submissions in response to the RFP. Prior to the Ethics Commissioner reaching a conclusion on the matter, Concert Properties Ltd. withdrew its expression of interest and declared it would not participate in the RFP process.

Prepared by VANOC management August 2006.