



CCC

**Canadian Commercial Corporation
Corporation Commerciale Canadienne**

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Effective: December 1, 2004

1. SUBJECT

Canadian Commercial Corporation Hospitality Policy

2. GENERAL

It is CCC policy to extend hospitality in an economical, consistent, and appropriate way when it will facilitate CCC business or is considered desirable as a matter of courtesy.

The Corporation, in its prime contractor role, is required to make payment to its sub-contractors according to the payment terms in the supplier contract

3. OBJECTIVE

To ensure that economy and consistency in offering hospitality in the conduct of the Corporation's mandate and corporate plan objectives are upheld.

4. APPLICATION

This policy applies to all CCC personnel, including Board members, Corporate Officers, employees, and CCC consultants that represent the Corporation.

POLICY REQUIREMENTS

5. Definition

Hospitality is the provision of offering refreshments, meals and sometimes entertainment to clients/stakeholders of CCC.

6. Location

Hospitality can be extended by CCC personnel in any locale as long as it is of appropriate repute and character.

7. Costs

CCC personnel should minimize costs but be consistent with the following:

the status or rank of the guest(s);
the number of persons attending; and
the circumstances.

8. Financial limitations

Given CCC's international mandate (including the various factors that determine what is or not an appropriate hospitality amount in an international business development context), and the administrative cost to review hospitality claims, the Corporation will not establish prescribed limits per person per event. CCC personnel are expected to exercise reasonable judgment in this regard.

9. Monitoring

The Finance Unit will be responsible for monitoring the appropriateness of these expenditures, with the mandate to note its concerns to the President on particular expenditures after prior discussions with individuals and their managers associated with these expenditures.

10. Budgetary Control

Hospitality authorization forms must be completed by employees and CCC consultants prior to the commitment of the expenditure, and approved under the delegation of financial signing authorities. Hospitality reimbursement forms must be completed by all CCC personnel, and approved by their direct report if the hospitality expenditure is to be reimbursed by the Corporation. The President's reimbursement form shall be approved by the Chairman, and the Chairman's by the Corporate Secretary.

It is the responsibility of the approver of the hospitality authorization form and the hospitality reimbursement form to ensure that there exists sufficient budget availability and the appropriateness/reasonableness of the amount.

A report shall be filed on a quarterly basis with the Audit Committee on the aggregate travel and hospitality expenditures incurred by Corporate Officers, Board Directors, the Chairman, and the President.

11. Spouse/Significant Other (Accompanying person) of CCC Personnel that are recipients of CCC hospitality

- Hospitality can be extended to the spouse/significant other of CCC personnel where the presence of the spouse/significant other enhances the conduct of the event because of protocol and is subject to the following conditions:
- their participation is noted in the hospitality claim authorization form any expenditures incurred by the spouse/significant other must be reimbursed to the employees concerned.

12. Exceptions

Exceptions to the policy outlined above must have the approval of the President, and must be disclosed quarterly to the Audit Committee.

13. Public Disclosure

Consistent with the Treasury Board's disclosure policy on travel and hospitality expenditure reporting for ADM equivalents and above, hospitality expenditures of the Chairman, Board Directors, President, Executive Vice-President, and Vice-Presidents by position group will be reported on the Corporation's web-site in aggregate on a quarterly basis.

Hospitality expenditures that are project reimbursable will be included in the reporting amount for public disclosure, and noted as such.

Also included for disclosure are those travel and hospitality expenditures for which the position benefited from besides those that the position did not incur or authorize directly.

14. Policy Ownership

The Finance Unit is responsible to ensure the successful implementation of this policy and to propose any adjustments to the policy as may be required into the future.

Effective Date: December 1st, 2004