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Premier and Minister

As I advised last week I have convened a meeting of the Nalcor Board this morning, and all members have travelled to be in attendance

I understand that in your meeting with the Nalcor CEO last night that an agreement was reached regarding the CEO's departure from Nalcor and associated entities. Given that as proper governance would dictate, the CEO's employment contract rests squarely with the Board, the Board will be meeting on this matter and the resultant employment contract obligations as one of the items of business this morning.

Second, as we discussed, the Board will be reviewing and voting on the Short Term Incentive program for 2015. As I advised, the Board has a responsibility to the organization. Yes to the shareholder, yes to the employees, yes to the public, and overarching to the Corporation. As such, the matter of contractual obligations with compensation matters have to be dealt with by the Board. Should government, in its capacity as shareholder disagree with the Board, government will presumably take the requisite steps to amend, however in the interest of the organization we will make what we feel is the just and proper decision

Third, the Board will be discussing an en masse resignation in light of these matters. Clearly, by reaching directly through to the CEO and deciding employment continuation, and from the recent Budget speech, government does not have proper confidence in the Board to continue in its duties and role. I can speak for all individuals on the Board that to a member, all have acted with proper and due care for the long term benefit of the organization and the people of this province.

I trust we will further discuss these matters either prior to or after our Board meeting. If there is anything you wish me to bring to the meeting scheduled for 10am this morning, please advise

Ken