



Policy and Procedures: Corporate Governance Policy

File Category: Administration/Policy and Procedures

Original date policy adopted: July 21, 2015

Date policy amended: October 19, 2015

Resolution: CF27-2015

Resolution: CF48-2015

BACKGROUND AND PURPOSE:

The Cascade Lower Canyon Community Forest General Partner Corp (CLCCF) has a governance model where the three Shareholders (Fraser Valley Regional District, District of Hope and Yale First Nation) have established a Board of Directors for the CLCCF to provide the oversight and control needed for the CLCCF operations.

This policy is intended to provide guidance and set the conditions, constraints and limitations within which the Board and management are to operate in carrying out their roles.

CORPORATE GOVERNANCE POLICY

Corporate Governance Philosophy

The Cascade Lower Canyon Community Forest General Partner Corp. (CLCCF) shall be managed and directed in a manner that reflects the principles of integrity, open communication within the organization, teamwork, continuous pursuit for corporate excellence and adherence to the Code of Conduct detailed later in this policy.

Policy Objectives

1. To define the role and functions of the Board of Directors (Board) of the CLCCF and to provide a framework for the overall governance, guidance and direction of the CLCCF.
2. To provide a basis for an effective governance framework.

General Responsibilities of the Board

The Board is accountable to the three Shareholders and responsible for directing the affairs of the CLCCF in the best interests of the CLCCF. The Board exists to govern on behalf of the Shareholders who have delegated certain power and authority to the Board to act on their behalf and in the best interests of the Shareholders, the community and other stakeholders.

In particular, the Board is responsible for:

1. Approving and monitoring the CLCCF's overall goals, objectives and policies that provide for the needs of the CLCCF, safeguard the assets of the CLCCF and meet regulatory requirements.
2. Following any written directives from the Shareholders, approved preferably by all three Shareholders and at a minimum by a majority of two of the Shareholders.
3. Designating the General Manager as responsible for managing, administering, and operating the

CLCCF and appoint, define the duties and responsibilities of and assess the performance of the General Manager. In doing so, the Board delegates to the General Manager the power and authority necessary to execute the relevant duties and responsibilities.

4. Ensuring a collaborative partnership agreement with the General Manager is in place.
5. Encouraging an appropriate strategic planning process.
6. Revising and altering the strategic direction of the CLCCF in light of changing circumstances.
7. Directing the democratic process within the CLCCF, including recommendations regarding the election of Directors and the matter of director succession.
8. Responding or causing responses, as appropriate, to inquiries, requests or demands from regulatory agencies, the Shareholders or other stakeholders.
9. Ensuring effective communication with the Shareholders and other stakeholders.
10. Meeting regularly to discuss staff recommendations and other topics pertinent to the success of the CLCCF.
11. Identifying the principal risks to the CLCCF's business and take all reasonable steps to ensure the implementation of appropriate systems to manage these risks.

Board Structure and Positions

1. The Board is normally to be comprised of six Directors, two appointed to represent each Shareholder. Each Shareholder may make its own decision as to whether they wish to appoint their Directors from the community or whether they are employed by that Shareholder. In either case, care should be taken to select Directors that will work for the best interests of the CLCCF and their appointment should not place additional legal or financial risk on another Shareholder.
2. Each Shareholder may also appoint an Alternate Director, who may attend any Board meeting. However, an Alternate Director may only vote or participate in Board discussions if they are taking the place of another Director from their Shareholder organization who is not present at the time. An Alternate Director is to sign the same Declaration as a regular Director.
3. The quorum for Board meetings is four or more Directors/Alternate Directors, as described above, when there are six appointed Directors. At any time there are fewer than six appointed Directors, then the quorum for Board meetings shall be three with at least one per Shareholder.
4. When in doubt, Robert's Rules of Order will be used, which require a motion, a seconder and a vote with a simple majority vote to pass by those Directors/Alternate Directors present at each meeting. For example if 5 Directors are present, a vote of 3 would be a majority. However, if 6 Directors are present, a vote of 4 would be needed for a majority. Any abstaining votes are considered against a motion; for example if 6 Directors were present with 1 abstaining from a vote, 2 voted against and 3 for the motion, then the motion would be a tie and the motion would not pass.

Tie vote: if a motion resulted in a tie vote as described above, the motion would fail. In such a case, the Board may decide to have more discussion with another vote or a decision to bring back the motion at another meeting, otherwise the motion would remain unpassed.

5. The Board shall select and appoint one of the Directors to be the Chair (see Appendix 3 for Duties of the Chair).
6. The Board shall select a Vice-Chair, who will assume the duties of the Chair when the Chair is

unable to, or not available to, perform the Chair's duties (see Appendix 4 for duties).

7. The Board may select and appoint Directors to fill roles such as Recording Secretary or Treasurer (see Appendices 5 & 6 for duties) or other positions deemed to be necessary to the success of the Board's responsibilities. In the cases of additional positions, the Board will determine the responsibilities of any such position and communicate them in writing to any Director who assumes that position.
8. The power and authority of the Board only exists when it acts as a whole. As individuals, Board members, including the Chair, exercise no power or authority in the CLCCF and cannot act or speak for the Board unless specifically delegated to do so by the Board.
9. The only decisions or positions of the Board are those made by the Board through the accepted decision-making process, ensuring that the Board speaks only with a unified voice.
10. Directors will not receive monetary compensation for serving on the Board. However, the Board may decide to cover direct costs incurred by Directors doing Board business, cover the Directors with liability insurance and/or issue honorarium payments from time to time appropriate for a volunteer Director.

Committees of the Board

1. The Board may establish, by resolution, committees as appropriate to deal with items delegated to such committees. Examples of types of committees might be an Executive Committee (3 Directors who have the power to perform some of the Board's work within their group of three), Governance Committee (to conduct an annual review of compliance to this policy and corporate government procedures), Audit Committee (to internally audit the compliance and performance of the forestry operations) and Nominations Committee (to recruit and select new Directors).
2. For each committee so established, a Terms of Reference will be developed. See Appendix 2 referring to a Nominations Committee.
3. Membership of committees shall consist of no fewer than three (3) Directors. Committees will elect their own Chair from within their members, unless otherwise appointed by the Board.
4. Committees will meet as appropriate at the call of their Chair. A timely report to the Board will be made after each committee meeting concerning the committee's deliberations, decisions and/or actions.

General Policy Guidelines

Laws, Regulations and Standards

At all times, the CLCCF will adhere fully to all regulatory requirements in all aspects of operations.

Board Policy Development and Review

Board policies will be developed, reviewed, amended and enhanced on the basis of experience and changing priorities. In general, such policies will be reviewed on an annual basis.

Risk Measurement, Reporting and Variance Correction

1. Exposure to all significant areas of business and operational risk should be adequately assessed in terms of the CLCCF's capacity to bear them. When risk exposures are considered too great or when rewards compared to risk are considered insufficient, timely actions to mitigate or eliminate the exposure are to be taken.
2. Monitoring and reporting processes on risk exposure positions will be established and maintained.
3. Whenever it becomes evident that a risk exposure position is at material variance from expectations as specified in the Corporate Plan, the CLCCF will undertake timely planning and/or corrective action to alleviate the concern by the Board. All actions of this nature will be reported to the Board; approval will be sought in advance if the action has a significant impact on other elements of the Corporate Plan.

Internal Controls

The CLCCF will establish and maintain an internal control framework to be applied to all operating areas to ensure that sound and prudent practices are supported by effective organizational and procedural administrative systems. This will include:

- Ensuring that systems are in place for maintaining the integrity of and implementing the CLCCF's internal financial control and management information systems.
- Ensuring that annual financial results are prepared and reported fairly and in accordance with generally accepted accounting principles.

Communications

1. The CLCCF shall establish effective stakeholder communication channels with all relevant parties, including the CLCCF, Shareholders, employees, volunteers, regulatory authorities, creditors, other companies and Hope, Yale and Sunshine Valley communities at large. This will help ensure that the CLCCF understands the interests of the Shareholders, community and other stakeholders.
2. The Chair of the Board will be the designated spokesperson for the Board. In the absence of the Chair or his inability to act for any reason, the Vice-Chair shall be the designated spokesperson.
3. No other Director or employee other than the designated spokesperson shall speak on behalf of the Board. In all cases, employees and Directors should distribute authorized releases from the CLCCF and should refer all questions to the designated spokesperson.
4. The Board spokesperson shall liaise as required with the Shareholders.
5. Regarding CLCCF operations, the General Manager will be the designated spokesperson. In the absence of the General Manager or his inability to act for any reason, this may be delegated to another staff member or be done by the Board spokesperson.

Access to Advice

1. Over time, Directors are expected to increase their understanding about CLCCF operations through their exposure to issues and through ongoing training.
2. The Board and/or individual Directors may obtain independent consulting advice about any legal, risk management, accounting or other technical issue facing the Board or about their rights and responsibilities, at the expense of the CLCCF, with the prior written approval of the Board. Costs are to be considered against potential benefit when considering obtaining such advice.

Code of Conduct

1. The CLCCF will develop, implement and enforce a Code of Conduct to describe the manner in which the CLCCF, its Directors, officers, employees and volunteers conduct their business operations and which shall address confidentiality, restricted and related party transactions, conflicts of interest and other issues where high ethical standards are appropriate. (Appendix 1 includes the CLCCF's Code of Conduct).
2. The Code of Conduct will be communicated within the organization annually. Every director, officer, employee and volunteer, part-time or full-time, will be provided with a copy of the Code of Conduct. They will be required to report in writing annually that they have read it, have understood it and agree to abide by it.

Corporate Plan

1. CLCCF management will prepare an annual Corporate Plan covering all significant known operations of the CLCCF for the forthcoming year. The annual Corporate Plan shall detail priorities and objectives (with key performance goals), business strategies for each significant part of the operation and an operational budget. The Corporate Plan is to be aligned with existing organizational policies as well as meeting operational requirements, strategic goal priorities and long-term financial obligations.
2. The Corporate Plan will be submitted, in draft, to the Board, for review and approval, no later than the last Board meeting each fiscal year.
3. The Board shall monitor actual business performance relative to the Corporate Plan, including the budget, on a regular basis. When a material unfavourable variance from the Corporate Plan arises, it is incumbent on management to implement timely and prudent corrective actions to deal with and/or correct the problem and to report such actions to the Board. The Board is to ensure corrective action has been taken by management.
4. During the course of the year, material changes to the Corporate Plan will require Board approval as will any significant management actions or material expenditures not contemplated in the original plan.

Reporting

1. The Chair will communicate with the CLCCF management as often as required to receive reporting updates about operations relative to the Corporate Plan.
2. The General Manager will report to the Board at each Board meeting.
3. Financial reporting will take place on a quarterly basis, or otherwise as directed by the Board.
4. All reports for the Board's review will normally be issued a minimum four days prior to the board meeting for review by the Directors.
5. The Chair shall report to the Shareholders at such times as requested by the Shareholders.
6. The CLCCF's Annual General Meeting shall be open to the public.

Responsibility

The Board, assisted and supported by management, shall be responsible for implementation of and ongoing adherence to this Policy.

Compliance

Annually, the Board or a committee will ensure compliance with the provisions of this Policy. The Board or the appropriate committee is responsible for conducting an annual review of corporate governance procedures (including management reporting practices) and, in the case of a committee, will report its findings and recommend any necessary corrective action to the Board. The Board or committee may engage the services of consultants to assist in its review.

Policy Approval and Review

1. This Policy, and any subsequent recommended changes to this Policy, must be approved by the Board.
2. This Corporate Governance Policy shall be reviewed annually for ongoing appropriateness by the Board (or by a delegated committee of the Board).

APPENDIX 1

CODE OF CONDUCT FOR DIRECTORS, OFFICERS, EMPLOYEES AND VOLUNTEERS

Purpose

The purpose of this Code of Conduct is to establish the rules governing the business and ethical conduct of the directors, officers, employees and volunteers of the Cascade Lower Canyon Community Forest General Partner Corp (CLCCF). It is important that ethical and lawful conduct be evidenced in all business practices, in order to protect the reputation of the organization and preserve community trust. The Board has adopted this Policy and the Board shall review this Policy annually.

General Duties of Care

Each director, officer, employee or volunteer of the CLCCF shall exercise the power and discharge the duties of his/her office honestly, in good faith, and in the best interests of the CLCCF, and shall comply at all times with the letter and intent of the laws of each jurisdiction in which business is conducted and with the applicable articles, guidelines, policies and procedures of the CLCCF.

Confidentiality

While the CLCCF should aim for good public transparency as a general goal, all records, reports and plans are private and confidential until and unless released publicly by Board authorization.

Each director, officer, employee or volunteer must use utmost care and discretion in the handling of confidential information and other information not normally available to the public generally coming to them by reason of their CLCCF involvement. Such information shall not be disclosed to third parties unless express approval to release it has been obtained and shall not be used for personal benefit or gain either for themselves, or for family, friends or associates.

Any and all information regarding the CLCCF and the shareholders, acquired by directors, officers or employees in their capacity with the CLCCF is private and constitutes confidential data and must not be used for any reason except for the conduct of CLCCF business. Examples include, but are not limited to, Board discussions and resolutions, strategies, plans, earnings projections, business statistics, survey results, marketing tactics and financial results not yet a matter of public record.

Conflicts of Interest

Each and every director, officer, employee or volunteer has an obligation of loyalty to the CLCCF and should subordinate his/her personal interest when they conflict with or threaten to conflict with the best interests of the CLCCF.

Each and every director, officer, employee or volunteer of the CLCCF shall declare all actual or potential material conflicts that may arise between their duty to i) the CLCCF and their ii) personal obligations, other fiduciary duties or financial interests (direct or indirect).

A director, officer, employee or volunteer should not engage directly or indirectly, as a director, officer, employee, consultant, partner, agent or major shareholder in any business or undertaking that competes with, does business with or seeks to do business with the CLCCF except with the express written approval of the Board.

A major shareholder is defined as a person who owns (directly or indirectly) more than ten percent of

the issued and outstanding equity of a corporation.

With respect to restricted and/or related third party transactions, full disclosure of material transactions shall be recorded in the minutes of the Board and will be transacted in accordance with legislated requirements.

To avoid conflicts of interest, the directors, officers, employees and volunteers must do more than merely act within the law. They are to conduct their affairs in such a manner that their performance will at all times bear reasonable public scrutiny. The appearance of conflict of interest as well as the conflict itself must be avoided.

Accepting Gifts and Entertainment

No director, officer, employee or volunteer shall accept any gift, hospitality or favour offered or tendered by virtue of the official's position with the CLCCF, from any party that either does business with or seeks to do business with the CLCCF, or that wishes to influence the actions of the CLCCF where the gift, hospitality or favour possesses any one of the following characteristics:

- is in the substance or form such that an impartial observer would reasonably construe it to be an improper material incentive;
- places the official under an actual or implied obligation; or
- is in the form of cash or cash equivalent.

When dealing with public officials whose responsibilities include the business of the CLCCF, acts of hospitality should be of such a scale and nature so as to avoid compromising the integrity or reputation of either the public official or the CLCCF. Such acts of hospitality should be undertaken in the expectation that they could well become a matter of general knowledge and public records.

Maintenance of Company Records

Accounting, administrative and all corporate records will be maintained in an accurate and timely fashion so as to present fairly and accurately the financial and legal position of the CLCCF. No undisclosed assets, liabilities or hidden funds of any sort are permitted.

Reporting of Questionable or Fraudulent Actions

It is the responsibility of directors, officers, employees and volunteers to report to the CLCCF, through the proper channels, their awareness of any situation which might adversely affect the reputation of the CLCCF. This would include any questionable, fraudulent or illegal events or material actions in violation of CLCCF policy which comes to their attention.

An individual may feel that concealment of such knowledge is the prudent course of action but, nevertheless, it is the direct responsibility of that person to bring the information to the attention of the Board in a timely manner.

Failure to Apply

Failure to comply with the Code of Conduct may result in serious consequences, including, but not limited to, removal from office, termination of employment and legal or criminal charges being brought to bear upon the director, officer, employee or volunteer.

CLCCF DIRECTOR DECLARATION

I, _____ acknowledge that I have carefully read and understood the CLCCF's Code of Conduct and the attached CLCCF Board Rules.

I agree to abide by the terms of the Code of Conduct and CLCCF Board Rules and to discharge my duties honestly and in good faith and in the best interests of the CLCCF.

I will promptly and fully disclose any fiduciary relationship, activity or personal financial interest that might impair or affect my judgment or influence my decisions.

I understand that I will be in possession of sensitive information relating to the CLCCF and I will treat such information as confidential and will not disclose it to third parties or use it for my own personal benefit or the benefit of any other person.

I will use the utmost care and discretion in the handling of such confidential information.

I further understand that the requirement for confidentiality is a continuing obligation of a Director even after that person ceases to be a Director.

Dated at Hope, in the Province of British Columbia, this _____ day of _____, 20____

In the presence of:

Signature of Witness

Signature of Director

Name of Witness (Printed)

Name of Director (Printed)

CLCCF Board Rules

1. Each Director is obligated to act in the best interests of the CLCCF. This may require a Director to subordinate other interests and responsibilities so as to be able to meet this obligation.
2. Prior to each meeting, each Director will have carefully and thoughtfully reviewed the complete agenda package and related documents.
3. Each Director is expected to attend all Board meetings unless reasonable bona fide reasons exist.
4. Each Director raises their hand to be recognized by the Chair of the meeting. One Director speaks at a time. Directors are expected to listen to and respect the thoughts of other Board members.
5. All comments and questions are directed to the Chair, not to other Director(s) or to staff. When in doubt, the protocols of Robert's Rules of Order shall be used.

6. Discussion at the Board table is intended to identify all major facts relating to an issue and to work towards reaching consensus. Staff provide reports, supporting information and recommendations to the Board outlining technical, professional and/or management information pertinent to the decision making process.
7. The Board should focus discussions on matters related to governing, policy, strategy and results rather than day-to-day management of the CLCCF.
8. All Directors are required to support all Board decisions, regardless of how they or others voted on any particular resolution.
9. All Directors will be fully supportive of staff outside the boardroom.
10. The Chair (or Vice-Chair in the Chair's absence) is the sole public spokesperson for the Board. The General Manager will usually be the designated spokesperson for the CLCCF operations, although this may also be done by the Chair, as appropriate.
11. All Board discussions, votes and documents are strictly confidential and shall not be released to third parties, including the Shareholders, unless such release is specifically approved by Board approval.
12. Directors who cannot abide by the rules, policies and decisions of the Board should reconsider their ability to serve on the Board. In such instances, the Board may seek to have the director removed.
13. Each Shareholder may also appoint an Alternate Director, who may attend any Board meeting. However, an Alternate Director may only vote or participate in Board discussions if they are taking the place of another Director from their Shareholder organization who is not present at the time. An Alternate Director is to sign the same Declaration as a regular Director.
14. The quorum for Board meetings is four or more Directors/Alternate Directors, as described above, when there are six appointed Directors. At any time there are fewer than six appointed Directors, then the quorum for Board meetings shall be three with at least one per Shareholder.
15. Resolution votes require a motion, a seconder and a vote with a simple majority vote to pass by those Directors/Alternate Directors present at each meeting. For example if 5 Directors are present, a vote of 3 would be a majority. However, if 6 Directors are present, a vote of 4 would be needed for a majority. Any abstaining votes are considered against a motion; for example if 6 Directors were present with 1 abstaining from a vote, 2 voted against and 3 for the motion, then the motion would be a tie and the motion would not pass.

Tie vote: if a motion resulted in a tie vote as described above, the motion would fail. In such a case, the Board may decide to have more discussion with another vote or a decision to bring back the motion at another meeting, otherwise the motion would remain unpassed.

16. The Board shall select and appoint one of the Directors to be the Chair (see Appendix 3 for Duties of the Chair).
17. The Board shall select and appoint a Vice-Chair, who will assume the duties of the Chair when the Chair is unable to, or not available to, perform the Chair's duties.
18. Directors will not receive monetary compensation for serving on the Board. However, the Board may decide to cover direct costs incurred by Directors doing Board business, cover the Directors with liability insurance and/or issue honorarium payments from time to time appropriate for a volunteer Director.

APPENDIX 2

NOMINATIONS COMMITTEE TERMS OF REFERENCE

Composition and Resources

The Chair may appoint a Nominations Committee consisting of three Directors, usually one from each Partner.

Meetings and Procedures

The Nominations Committee shall meet as necessary to fulfill its responsibilities, but not less than annually prior to the Annual General Meeting at which appointments are to be made.

A quorum shall be a majority of the Nominations Committee. Meetings may be called by the Chair or a majority of the Nominations Committee and whenever possible seven (7) days notice, in writing, shall be circulated to the members of the Nominations Committee. Whenever possible, an agenda and required reports shall be circulated in advance of the meeting. Minutes of every meeting shall be recorded and circulated to the Board.

Purpose and Authority

The Nominations Committee is authorized to receive nominations and to identify and nominate qualified candidates for all positions on the Board. The Nominations Committee must set forth at least a minimum number of candidates required to fill vacant directorships or directorships becoming vacant. The Nominations Committee is responsible for evaluating candidates to ensure the proposition of high caliber individuals who are familiar with Director's responsibilities and who subscribe to the Board's Code of Conduct (see Appendix 1).

Accountability

The Nominations Committee shall formally report annually to the Board and more often as required on its activities.

Functions and Responsibilities

The Nominations Committee shall:

- Develop criteria for evaluation of candidates including:
 - Consider skills and experience necessary to provide the Board with the best possible combination of capabilities and resources.
 - Ensure equal representation from each of the three Shareholders.
- Receive nominations of potential candidates.
- Actively recruit potential candidates.
- Interview and screen qualified candidates.
- Recommend to the Board qualified candidates to fill vacancies throughout the year.

- Review and recommend to the Board of Directors changes in policy and procedures related to the nomination and approval of Directors.
- Formally report its recommendations to the Board prior to each Annual General Meeting of the Company. (The Board will generally request the Nominating Committee to meet with the shareholders to present the proposed candidates for appointment to the Board.)

Director Selection Process

The Nominations Committee are guided to use the following process for selecting new Directors:

1. The Board is to be comprised of six Directors, two appointed to represent each Shareholder. Each Shareholder may make its own decision as to whether they wish to appoint their Directors from the community or whether they are employed by that Shareholder. In either case, care should be taken to select Directors that will work for the best interests of the CLCCF and their appointment should not place additional legal or financial risk on another Shareholder.
2. Each Partner may also appoint an Alternate Director, who may attend any Board meeting. However, an Alternate Director may only vote or participate in Board discussions if they are taking the place of another Director from their Shareholder organization who is not present at the time. An Alternate Director is to sign the same Declaration as a regular Director.
3. At least annually, review the skills and experience to ensure the board continues to have the required key skills and experience. See “Key Skills & Experience Profile” attached.
4. Assess key skills and experience that is lacking in the current board and necessary to strengthen the existing Board.
5. Gather recommended names of potential Director candidates from existing Directors, management and the Shareholders.
6. Consider placing advertisements in local newspapers to invite potential candidates to apply to become a CLCCF Director.
7. Gather resumes for all potential Director candidates.
8. Review key skills and experience of each candidate and prioritize the best candidates.
9. Interview the candidates that appear to provide the best skills and experience and recommend those candidates to the Board for their review and possible approval.
10. Ensure each candidate interviewed is given a copy of “Expectations & Commitments” (see attachment) of CLCCF Board Members to read, and that they understand and agree to comply with the terms therein.
11. Upon approval by the Board, the recommended candidates shall be presented to the relevant Shareholder for their consideration, including analysis of the reasons and supporting evidence for the nominations, and subsequent appointment to the Board.
12. If any Shareholder decides to withhold one or more of their recommended appointments, the Committee will recommence the selection process until the required number of Directors are appointed.

SKILLS AND EXPERIENCE PROFILE

Appointments to the CLCCF Board of Directors will be guided by the following selection criteria:

Qualifications:

All potential appointees to the CLCCF Board must agree to comply with the provisions related to Director qualifications and conflicts addressed in Appendix 1 of the Corporate Governance Policy concerning the Code of Conduct of Directors.

Personal Attributes:

All directors should possess the following personal attributes:

1. High ethical standards and integrity in professional and personal dealings;
2. Ability and willingness to raise potentially controversial issues in a manner that encourages dialogue;
3. Flexibility, responsiveness and willingness to consider change;
4. Ability and willingness to listen to others;
5. Capability for a wide perspective on issues; and,
6. Ability to work as a team member.

Core Competencies:

All Directors should possess the following core competencies:

1. Well-developed faculty for critical analysis;
2. Basic financial literacy, preferably able to read or learn how to basically understand financial statements and the use of financial performance measures;
3. Thorough knowledge of the responsibilities and duties of a director; and,
4. Ability to distinguish corporate governance from management roles and responsibilities.

KEY SKILLS & EXPERIENCE

It is preferable that the composition of the Board should reflect the diversity of the people within the Partner organizations and represented communities. It is preferable that as a whole, the Board should possess many of the following skills and experience, while individual Directors would preferably possess more than one:

1. Leadership: experience managing operational aspects of a small to medium commercial or non-profit entity.
2. Business: experience in operating a business in British Columbia.
3. Board Experience: previous experience as a member of a Board of Directors of a commercial or non-profit entity.
4. Accounting and Finance: accounting and financial expertise.
5. Legal: a legal background or experience in managing legal issues of a commercial nature.
6. Forestry: knowledge and experience in addressing forestry issues in BC, including environmental and safety issues.

7. Communications: experience in developing and/or leading communications programs.
8. Regulatory: experience working in or significant knowledge of the issues associated with, a commercial entity regulated by statute.
9. Community and Aboriginal Relations: experience in leading consultation processes with local governments and/or aboriginal interests in BC.
10. Non-timber Resource Knowledge: experience and knowledge of non-timber resource activities such as forest recreation, bio-diversity and environmental sustainability.

EXPECTATIONS & COMMITMENTS

1. Directors are required, at all times, to act in the best interests of CLCCF.
2. Directors must bring some needed expertise to the Board.
3. Directors are expected to listen to and respect the thoughts of other Board members.
4. Directors must respect the decisions/conclusions of the majority.
5. Directors must:
 - a. Be supportive of logging and other forestry activities;
 - b. Have an interest in both the timber and non-timber activities of the community forest;
 - c. Support the use of the community forest for educational and recreational uses;
 - d. Be committed to promoting innovative, value-added opportunities of the community forest in the local community;
 - e. Be interested in expanding the benefits provided by the community forest to the local community.
6. Directors are expected to attend all Board meetings. Missing three meetings in a twelve month period is grounds for removal by the board.

Refer to Appendix 1: CODE OF CONDUCT FOR DIRECTORS, OFFICERS, EMPLOYEES AND VOLUNTEERS.

APPENDIX 3

DUTIES OF THE CHAIR OF THE BOARD

Appointment: The Chair is a director of the CLCCF who is selected and appointed by the Directors.

Reports To: The Chair maintains open communication with the Shareholders, the Board and management.

Function: The Chair's primary roles include ensuring that the Board functions properly, that it meets its obligations and responsibilities, that the Board fulfills its mandate and that its organization and mechanisms are in place and are working effectively. The Chair has one vote at Board meetings, just like all other Directors. The Chair has no authority to make decisions for, or on behalf of, the Board unless specifically authorized to do so. The Board, the Chair and management work from the premise that the Chair's primary role and function is to lead Board business and not to direct or supervise management.

Key Responsibilities:

1. Chairs meetings of the CLCCF Board and public meetings.
2. Ensures that the Board meets on a regular basis and at least quarterly.
3. Establishes a calendar for holding meetings of and with the General Manager sets the agendas for the meetings of the Board and public meetings.
4. Coordinates the schedule of meetings of any committees with the committee Chairs.
5. Ensures that agenda items for all Board, Committee and public meetings are ready for presentation and that adequate information is distributed to Directors in advance of such meetings so that Directors may properly inform themselves on matters to be considered.
6. Acts as liaison and maintains communication with all Directors and committee Chairs to optimize and co-ordinate input from Directors, and to optimize effectiveness of the Board and Board committees.
7. Ensures that the Board receives adequate and regular updates from management on all issues important to the welfare and future of the CLCCF.
8. Represents the CLCCF Board with senior levels of government (i.e. Minister and depending on circumstance a Deputy Minister) to promote specific corporate objectives.
9. Is the spokesperson for the CLCCF Board.

APPENDIX 4
DUTIES OF THE VICE-CHAIR OF THE BOARD

The Directors shall select and appoint a Director as Vice-Chair. The Vice-Chair will:

1. Act in the absence of the Chair.
2. Learn the duties of the Chair and keep informed on key issues.
3. Work closely as consultant and advisor to the Chair.
4. Prepare to serve a future term as Chair.
5. Orient the new Vice-Chair.

APPENDIX 5
DUTIES OF THE RECORDING SECRETARY

The Directors may select and appoint a Director as Recording Secretary. If appointed, the Recording Secretary will perform the following, unless specifically assigned to another active position:

1. Keep copies of the CLCCF's bylaws and the Board's policy statements.
2. Maintain the register of shareholders/members.
3. Notify Board members of meetings (in partnership with the Chair).
4. Keep record of Board attendance.
5. Make sure that a quorum exists for Board meetings.
6. Keep accurate minutes of meetings, including recording all motions and decisions of meetings.
7. Distribute copies of minutes to the Board members promptly after meetings.
8. Conduct general Board correspondence and keep records of all Board correspondence.
9. Review and approve Board minutes and corrections to confirm their accuracy and sign official documents of the CLCCF, as required.
10. File the annual return, amendments to the bylaws, and other incorporating documents with the Corporate Registry, or other authority.
11. Look after the common seal of the company.
12. Make sure members are notified of general meetings.
13. In the absence of the Chair and Vice-Chair, chair Board meetings.
14. Orient the new Recording Secretary.

APPENDIX 6
DUTIES OF THE TREASURER

The Directors may select and appoint a Director as Treasurer. If appointed, the Treasurer will:

1. Chair the Finance Committee (if applicable).
2. Work with management to understand all financial reports.
3. Report on the year-end financial statements at the Annual General Meeting.
4. Act as one of the signing officers, with other officers or the General Manager, for cheques and other documents.
5. Orient the new Treasurer.

APPENDIX 7

DUTIES OF GENERAL MANAGER

Reports to: The Board, with more liaison expected with the Chair. The General Manager is the only staff or contract personnel to take directions from, report to, and be accountable to the Board. The Board's communication with staff or contract personnel on any significant issue, including CLCCF operations will be conducted through the General Manager.

Function: Responsible for all operational aspects of the CLCCF and for providing support toward achieving the CLCCF's philosophy, mission, strategy and its goals and objectives.

Key responsibilities:

1. Responsible for overall management of the CLCCF and specifically for achieving the goals and objectives set out in the Mission Statement and the approved Corporate Plan.
2. Prepares Corporate Plan and submits to the Board for approval.
3. Prepares short and long term plans of operations, budgets, feasibility studies and reports for approval by the Board.
4. Plans and directs the operational activities of the CLCCF.
5. Provides support toward the achievement of the CLCCF's philosophy, mission, strategy and its goals and objectives.
6. Arranges for the sale of logs to maximize profitability.
7. Liaises with Ministry of Forests, Lands and Natural Resource Operations and other agencies to maximize effective forest management.
8. Represents the CLCCF up to Deputy Minister level of government to promote specific corporate objectives.
9. Responsible for ensuring safe operations.
10. Responsible for forest security and fire protection.
11. Responsible for staff and forestry contractors.
12. Responsible for environmental issues.
13. Responsible for the financial activities of the CLCCF, including capital and operating forecasts, financial statement preparation and presentation and banking.
14. Responsible for compliance, legal matters, government reporting and CLCCF records.
15. Responsible for insurance and risk management.
16. With the Chair contributes to the agendas for the meetings of the Board and public meetings.
17. Is the spokesperson for the CLCCF's operational aspects.
18. Provides liaison between any non-Board committees (i.e. public advisory committee, if one exists) and the Board of Directors.
19. Other relevant duties reasonably assigned by the Board or activities expected for such a position.

APPENDIX 8

DUTIES OF ADMINISTRATOR

Reports to: General Manager

Function: Ensures the efficient day-to-day operation of office functions and supports the work of management and directors.

Key responsibilities (unless specifically assigned to another active position):

1. Reception:
 - a. Answer general phone inquiries using a professional and courteous manner.
 - b. Direct phone inquiries to appropriate staff members.
 - c. Reply to general information requests with accurate information.
 - d. Greet clients/suppliers/visitors to the organization in a professional and friendly manner.
2. Office Administration:
 - a. Use computer word processing, spreadsheet, and database software to prepare reports, memos and documents.
 - b. Sort incoming mail, email, faxes, and courier deliveries.
 - c. Prepare and send outgoing faxes, mail, email and courier parcels.
 - d. Forward incoming messages to the appropriate staff member.
 - e. Purchase, receive and store office supplies ensuring that basic supplies are always available.
 - f. Code and file material according to the established procedures.
 - g. Back-up electronic files using proper procedures.
 - h. Provide secretarial and administrative support to management and other staff.
 - i. Make travel, meeting and other arrangements for staff, as required.
 - j. Coordinate the maintenance of office equipment.
3. Assist with Financial Management:
 - a. Prepare invoices and process accounts receivable ensuring timeliness and appropriate backup.
 - b. Process accounts payable ensuring timeliness and accuracy of information.
 - c. Prepare cheques and record disbursements.
 - d. Prepare and make bank deposits.
 - e. Administer petty cash according to established procedures.
 - f. Assist with financial reports as required.
 - g. Month end duties as required, including bank reconciliation.

- h. Maintain current log production records including Ministry of Forests Harvest Billing System and contractor production reconciliation.
 - i. Assist auditor during the year-end auditing process.
- 4. Provide Board and Committee Support:
 - a. With the Board Chair and/or General Manager, prepare meeting agendas and supporting material for distribution.
 - b. Ensure the timely distribution of material to the Board and/or committee.
 - c. Support the Board with meeting, travel and other arrangements.
 - d. Record and draft minutes of meetings for review by the Chair.
 - e. Create action list(s) for management staff from meetings.
- 5. Corporate Records:
 - a. Maintain corporate record books and ensure records are current.
 - b. Prepare documentation for Annual Reports and Annual General Meetings.
 - c. Submit appropriate and necessary filings at the Corporate Registry.
 - d. Update corporate resolutions and corporate documentation insertions.
 - e. Keep Director and Share registers current.
- 6. Other relevant duties reasonably assigned by the General Manager or activities expected for such a position.