

COMFOR MANAGEMENT SERVICES LTD.

POLICY 2007 - 01
FISCAL

Policy Title: Fiscal

Policy Number: 2007- 01

Date Amended & Approved: March 19, 2008

SECTION 1 – PREAMBLE

WHEREAS the Burns Lake Community Forest proposal was developed by the Village of Burns Lake in conjunction with First Nations and citizens from Electoral Area B (Burns Lake Rural) and Electoral Area E of the Regional District of Bulkley-Nechako;

AND WHEREAS Comfor Management Services Ltd., as the sole shareholder of Burns Lake Community Forest Ltd., may from time to time in the course of its operations and activities generate revenues in excess of its anticipated expenditures;

AND WHEREAS the board of directors for Comfor Management Services Ltd., recognizing its responsibility to manage its assets for the benefit of the company and community as a whole, deems it appropriate to establish methodology relating to the allocation of its earnings;

THEREFORE BE IT RESOLVED that the board of directors for Comfor Management Services Ltd. establishes the following policy pertaining to the allocation of earnings.

SECTION 2 – ALLOCATION OF EARNINGS

2.1 In any given year, the board of directors of Comfor Management Services Ltd. may allocate **up to 30 per cent of the company's before-tax earnings** (as declared in Comfor Management Services Ltd.'s most recent year-end audited consolidated financial statements) for expenditure on the following five priorities:

1. Local Management and Economic Diversification
2. Local Employment and Processing of Resources
3. Recreation, Forestry Training and Education
4. Other Community Support
5. Promotional Advertising and Activities

Earnings designated for expenditure in this manner will be deposited in a separate bank account (the “Priorities Account”) held by Comfor Management Services Ltd. and set up for the sole purpose of holding said monies as allocated in the manner outlined below.

2.1.1 Priority 1 – Local Management and Economic Diversification

As a general rule, 60 per cent of the monies allocated annually under section 2.1 shall be designated for the development of enterprises that promote local management of resources and diversification of the economy.

Monies allocated annually for this purpose will be held in a “Local Management and Economic Diversification” fund within the Priorities Account.

2.1.2 Priority 2 – Local Employment and Processing of Resources

As a general rule, 20 per cent of the monies allocated annually under section 2.1 shall be designated for the development of enterprises that promote local employment and processing of resources.

Monies allocated annually for this purpose will be held in a “Local Employment and Processing of Resources” fund within the Priorities Account.

2.1.3 Priority 3 – Recreation, Forestry Training and Education

As a general rule, 10 per cent of the monies allocated annually under section 2.1 shall be designated for recreation, forestry training, and education.

Monies allocated annually for this purpose will be held in a “Recreation, Forestry Training, and Education” fund within the Priorities Account.

2.1.4 Priority 4 – Other Community Support

As a general rule, 6 per cent of the monies allocated annually under section 2.1 shall be designated for other community support.

Monies allocated annually for this purpose will be held in an “Other Community Support” fund within the Priorities Account.