

FORESTS FOR TOMORROW UPDATE – March 31, 2008

Fiscal 2008/09 Program Update

Forests for Tomorrow Program (“FFT”) Allocation

Attached is the 2008/09 Recipient allocation for each TSA/TFL as established by the Ministry of Forests & Range (“MFR”) based on \$25.9 million available under the budget for the FFT. It is anticipated that these allocations will be set-up by PricewaterhouseCoopers LLP (“PwC”) by Friday, April 4, 2008 in the Program Investment Entry System (“PINES”) to enable Recipients to begin the entry of projects related to spring planting.

Please note that usernames and passwords for each Recipient will be the same as in previous fiscal years. To access the 2008/09 investment schedules, please ensure the fiscal year in PINES is set at “2008 to 2009” (if not, please select the “2008 to 2009” fiscal year and press “Filter”).

Recipients are also reminded that projects for 2007/08 must be “Completion Approved” by PwC Investment Managers by April 17th, 2008. As such, the focus of PwC will be on ensuring each Recipient’s projects from 2007/08 are completed and approved prior to reviewing projects for 2008/09.

2008/09 Key Dates

Attached is a document outlining the key dates for FFT Recipients in 2008/09. The document will also be posted on the PINES home page. Recipients are advised to review and understand these key dates in order to meet the program requirements and enable all participants in the FFT program with an opportunity to be successful in 2008/09.

2008/09 Cost Guidelines

Recipients are advised that the 2008/09 Cost Guidelines are attached and will be posted on the PINES home page under the “Documents, Reports, and Presentations” tab. There have been a number of changes in the guidelines for 2008/09 and these guidelines replace any previous versions of the cost guidelines provided to program Recipients.

Revised Schedule “A”

The Schedule “A” (Completion Certificate) has been revised based on input from a number of Recipients. The revised document has been attached and will also be posted on the PINES home page under the “Documents, Reports, and Presentations” tab. This revised Schedule “A” is to be utilized for all FFT projects completed in 2008/09 and beyond.

The revision moves “*The Work complies with the tendering rules as applicable*” from the financial section to the administrative section of the schedule.

Transfer Form

PwC has revised the appearance of the Transfer Form for Recipients who wish to transfer funds amongst Recipients in the same management unit or outside of the management unit. The new document is attached and will also be placed on the PINES under “Documents, Reports and Presentations” tab.

2008/09 Tendering and First Nations Summaries

As per the past fiscal year, Recipients are required to submit by March 15, 2009 a summary of each investment schedule indicating the value of each project, the amount tendered (indicate dollars and percentage), the amount of funding directed/awarded to First Nations and an overall summary for the investment schedule. Failure to do so may result in a delay in receiving the 2009/10 FFT allocations. Please contact your Investment Manager as necessary to discuss these requirements.

Work Safe Certification

The MFR has advised PwC that Recipients are required to move forward on the SAFE company certification. The MFR policy requires the following steps be taken:

- 1) Recipients must register with the BC Forest Safety Council (“BCFSC”) SAFE company program and become a fully SAFE certified company with the BCFSC by April 1, 2009.
- 2) For contracts funded by FFT, Recipients must put in place a requirement for mandatory registration with the BCFSC SAFE company program for all contractors who wish to tender applications for or work on contracts advertised or awarded after April 1, 2008.
- 3) Introduce a requirement for full certification in the SAFE companies program to tender applications for or work on contracts advertised or awarded after April 1, 2009 to provide contractors with sufficient lead time to be certified by the BCFSC.

Segregated Accounts

As per section 5.2(g) of the Recipient Agreement, PwC is requesting that Recipients provide documentation from their financial institution by June 30, 2008 of the creation of a segregated trust account or imprest account into which the FFT funding may be advanced. Recipients who do not provide this information may have funding withheld until this has been completed.

Please call PwC’s Investment Management team at (604) 484-3490 if you have any questions or need further clarification in regards to any aspect of this update or the FFT program.