



The Handbook and Guidelines for
The Investment Management Board
&
For Members of the Dehcho First
Nations applying for funding from The
Dehcho First Nations Trust

Table of Contents

Program handbook

Letter from the Members of the Investment Management Board	3
--	---

Our Values	9
------------	---

Our statement of vision, mission and values	14
---	----

Eligible Applicants	16
---------------------	----

What we look for in a proposal	17
--------------------------------	----

Strengths and Opportunities	18
-----------------------------	----

Mandatory Criteria	19
--------------------	----

Community Development Examples	20
--------------------------------	----

Economic Development Examples	21
-------------------------------	----

Outline for Proposals	22
-----------------------	----

Proposal review process flow chart	23
------------------------------------	----

Proposal Assessment Process	24
-----------------------------	----

How are proposals scored or rated	26
-----------------------------------	----

Obligations of funded projects	28
--------------------------------	----

Deadlines	29
-----------	----

Forms	30
-------	----

Appendix I & II	
-----------------	--

Letter from the Members of the Investment Management Board

This is our first edition of the Investment Management Board (IMB) Handbook and Guidelines for Members of the Dehcho First Nations to the Dehcho First Nations Trust (“The Trust”). We have tried to think of everything that will assist you to make a successful proposal to The Trust.

Our goal is to manage The Trust to generate revenue and grow the capital that will be used to achieve the goals of the Communities. The funds in The Trust are received by the Trustee upon certain conditions regarding how funds are to be paid out. This handbook reviews those conditions.

The IMB consists of Members appointed from the Communities. The IMB members are:

Darlene Sibbeston, Chair
Mavis Cli-Michaud, Vice-Chair
Richard Lafferty, Secretary/Treasurer

The Trust states that the monies in the Trust be used for the following purposes:

1. Immediate Opportunities (40%)
 2. Mid-term Opportunities (35%)
 3. Future Generation Opportunities (25%)
- (See Appendix 1)

Immediate Opportunities Fund

Forty percent (40%) of the Capital settled in the Dehcho First Nations Trust is allocated to the Immediate Opportunities Fund.

The money in the fund can be used for the development of economic capabilities among Members of the Dehcho First Nations through loans, investments, grants and loan guarantees and other forms of assistance to community or individually owned ventures, with profit as the primary motive and which will provide employment, training or business experience to Members so as to build occupational and management skills.

The income and the growth from the Immediate Opportunities Fund will be allocated to an account called the Business Venture Account. The income and growth from the Business Venture Account will be eligible for Business Venture Investments, approved by the IMB in accordance with Schedule 1 in Appendix II.

The income and growth in the Business Venture Account shall be allocated as follows:

50% is returned to the Immediate Opportunities Fund
25% is paid to the Community Development Fund
25% is split amongst the Future Generation Funds

In addition to the criteria set out in Appendix II, which is Schedule 1, the Members of the IMB will make decisions based on the general criteria set out on herein.

The proposals for funding from the Trust should benefit, directly or indirectly more than a small number of Members

of the Communities to receive the highest scores and get funding.

The proposals for funding from the Trust should be to use the money in a way that will enhance the quality of life in the Communities of Dehcho First Nations.

Mid-term Funds

Thirty-five percent (35%) of the capital of the Dehcho First Nations Trust has been allocated to Mid-term funds as follows:

- ✓ A minimum of 40% and a maximum of 60% is allocated to the Economic Development Fund.
- ✓ A minimum of 40% and a maximum of 60% is allocated to the Community Development Fund.

as determined by the leadership upon advice from the IMB and the Investment Advisor.

The purpose of the Economic Development Fund is to foster capabilities for the community through community owned enterprises and ventures, with profit as its primary goal, which will provide employment, training, and business experience to members, develop permanent facilities for the benefit of the community and create an income for the Dehcho First Nations on a medium to long term basis.

Examples of Economic Development are defined on page 21 of this handbook.

The Economic Development Account, valued as of December 31 in the prior year shall be eligible to be used by the Trustee for Economic Development investments, approved by the IMB in accordance with a policy similar to Schedule 1, in Appendix II and based on the following principles:

- ✓ Increase of income to Members
- ✓ Generation of jobs
- ✓ Occupational training and development
- ✓ Building infrastructure
- ✓ Opportunity for creating greater economic independence, e.g. ongoing profit centres

The Community Development Fund

The Community Development Fund also receives 40% to 60% of any Capital Contributions allocated to the mid-term funds as determined by the leadership upon advice from the IMB and the Investment Advisor.

The purpose of the Community Development Fund is to foster development of economic capabilities for the communities through community owned enterprises and ventures, which will provide employment, training and business experience to Members and develop permanent facilities for the benefit of the community.

Examples of Community Development Investments are as follows:

- ✓ Homes for Senior Citizens
- ✓ Schools
- ✓ Dehcho First Nations office buildings
- ✓ Women's shelters
- ✓ Hospitals
- ✓ Recreational facilities
- ✓ Health clinics
- ✓ Healing centres
- ✓ Day care facilities

Other principles of Community Development that the IMB will take into consideration include:

- ✓ Training and education in culture, language, history, customs, traditions and stories
- ✓ Improved health and well-being (emotional, physical, intellectual, spiritual)
- ✓ Benefits from improving awareness of culture, traditions, identity
- ✓ Building relationships within and outside the Communities
- ✓ Continuation to long-lasting betterment

Future Generations Fund

Twenty-five percent (25%) of the Capital of The Trust is directed to the Future Generations Fund, which allocated as follows:

- ✓ 20% to the Elders Heritage Fund
- ✓ 40% to the Education Fund
- ✓ 40% to the Land Acquisition Fund

Elders Heritage Fund

Elders Projects will be funded from the Elders Heritage Fund as follows:

- ✓ One half of the annual net income from the Elders Heritage Fund; plus
- ✓ One half of the income in value of the Elders Heritage Fund.

The Trustee will use the funds for projects for the benefit of Elders approved by the IMB on the advice of a Council of Elders, based on the policies herein as the principles set out in Schedule 1 in Appendix II.

Education Fund

Forty percent (40%) of any capital contributed to the Future

Generations Fund shall be allocated the Education Fund.

The purpose of the Education Fund is to advance the education of the Dehcho people through the provision of scholarships, businesses, grants, loans and other forms of assistance to Members wishing to pursue further education.

The Education Fund could also provide education institutions, facilities, programs, resources and opportunities for Dehcho First Nations people of all ages and educational achievement.

The Trustee shall pay an amount equal to the net income, less an inflation factor, for the education of Members of Dehcho First Nations.

Land Acquisition

Forty percent (40%) of any Capital Contributions allocated to the Future Generation Funds shall be allocated to the Land Acquisition Fund.

The Land Acquisition Fund has the longest outlook of all the Funds. This fund will disburse twenty-five percent (25%) of its growth every 25 years, based on the prior 25 years, for the purchase of real estate, which encompasses anything from raw land to developing an urban reserve to investments in real estate.

The leadership at the time will decide on how this amount of twenty-five percent (25%) will be used and paid out. They may delay payment for up to 3 years.

As these are broad headings, the IMB met to further refine these categories to make them more specific and relevant to our Communities. We first adopted some core values by which to operate.

Core Values of the Investment Management Board

These values are as follows:

1. **Transparency:** As IMB members we want our work to be open and easily understood by anyone who wishes to find out how we operate.
2. **Accountability:** It is the goal of the IMB members to be accountable to the Communities and their Members. We work for the best interests of the Communities and the Members.
3. **Advisory:** It is a requirement of the IMB to provide feedback and assist applicants seeking financial assistance and to assist Members in learning and understanding modern financing criteria.
4. Improve the health and well-being of the Dehcho First Nations and the benefit of the present and future generation of Members of the First Nations.
5. Independence: By preserving and growing our capital, we will have an independent source of income from the investment capital.
6. To insure that the wealth generated from the Trust property benefits equitably and fairly the Members of the Dehcho First Nations.
7. To assist the Dehcho First Nations to improve the quality of the life for all Members of the Dehcho First Nations by providing payment of income to the Dehcho First Nations.
8. To assist the Dehcho First Nations to enhance the principles of the Declaration of Rights of the Dehcho First Nations passed at Kakisa Lake, August 19, 1993.

The Trust sets out the rules for paying out money to the Communities. It requires that the Trustee determines each year an Annual Distribution Budget for that year, based on the money (capital) invested, the expected investment return and the required spending. This is the purpose of this Handbook – to explain to the communities and the Members how to make proposals or requests to The Trust for money.

A copy of the Trust is available at the office of each of the First Nations and online at the Dehcho First Nations website.

The proposal for funding must be to use the money in a way that will enhance the quality of Community life in one or more of the Communities or on the land.

The proposal for funding must benefit, directly or indirectly, more than a small number of Members of the Communities.

We considered what our communities would look like if we did a good job. We envisioned the social and economic benefits that would flow from successful Trust administration. As our Communities are living and growing all the time our criteria will evolve as Communities priorities change. We will try to capture the essence of these priorities for you each year in each edition of our Trust Handbook and Guidelines.

The Trust is designed to provide funds for Members and organizations of the Communities who have put forward plans and ideas that will build on existing strengths in the Communities. A list of the strengths and opportunities is on page 18. Proposals that complement areas where progress is already being made will receive favourable review. We also believe in partnerships and the benefit of existing groups coming together to build on existing momentum.

We will work with you to develop ways to help all of us to evaluate and monitor your project. We are also developing ways to evaluate our performance in deciding which projects to fund.

Please read this booklet carefully before beginning to fill out the Application Form. We also invite you to visit our website at the Dehcho First Nations website.

Signed: The Members of the IMB

Darlene Sibbeston

Mavis Cli-Michaud

Richard Lafferty

Trust Handbook

The purpose of this handbook is:

- To tell you about The Trust.
- To tell you about the application process.
- To let you know how your proposal will be reviewed and scored; and
- To give you the application form.

Where to go for help & information:

Board Member	Contact Information
Darlene Sibbeston	dsibbeston@hotmail.com
Mavis Cli-Michaud	mavisclimichaud@hotmail.com
Richard Lafferty	flashpoint.lafferty@gmail.com

Our statement of vision, mission & values

We as Members of the IMB have the following core values:

- 1) **Transparency:** As IMB board members we want our work to be open and easily understood by anyone who wishes to find out how we operate.
- 2) **Accountability:** It is the goal of the IMB board members to be accountable to the Communities and their Members. We work for the best interests of the Communities and the Members.
- 3) **Advisory:** It is a requirement of the IMB to provide feedback and assist applicants seeking financial assistance and to assist Members in learning and understanding modern financing criteria.
- 4) Improve the health and well-being of the Dehcho First Nations and the benefit of the present and future generation of Members of the First Nations.
- 5) Independence: By preserving and growing our capital, we will have an independent source of income from the investment capital.
- 6) To ensure that the wealth generated from the Trust property benefits equitably and fairly the Members of the Dehcho First Nations.
- 7) To assist the Dehcho First Nations to improve the quality of the life for all Members of the Dehcho First Nations by providing payment of income to the Dehcho First Nations.
- 8) To assist the Dehcho First Nations to enhance the principles of the Declaration of Rights of the Dehcho First Nations passed at Kakisa Lake, August 19, 1993.

Our goal is to help create, reinforce and sustain conditions for the improved quality of life for Members of our Communities. We emphasize approaches that address the needs of our Communities through programs that provide support and healing to our Members, housing and support to Elders and other Members.

By making good, strategic investments of the resources entrusted to us, we can support the social and economic development of our Communities.

Eligible applicants

Those who may apply for project funding are:

- The Dehcho First Nations;
- Each Dehcho First Nation;
- Members of the Dehcho First Nations on a collective and undivided basis;
- Such trusts as may be established for the benefit of the Dehcho First Nations pursuant to the terms of this Trust.
- Eligible Dehcho businesses, as decided by the IMB.

What we look for in a proposal

We want the funded projects to benefit our Members and Communities. We do not want to dictate what that means as we are open to new and innovative ways to approach this. But to give you some guidance, we list the following:

The IMB believes in:

1. Investing in strengths, i.e. adding to or building on existing infrastructure or partnering with projects effectively.
2. Supporting and investing in those who show an ability to manage and monitor their projects effectively.

These are some of the principles of project success that we will follow:

1. Projects with up-front and long-term strategic planning.
2. Projects which demonstrate careful selection of those who will work in and support the project.
3. Projects that are Community oriented and goal focused on people and participation.
4. Clear, modest and manageable objectives (small scale rather than mega-projects)

Strengths and Opportunities

The proposal should build upon existing strengths already present in the Communities. Examples of strengths of our Communities are:

- The traditions and customs we have maintained;
- Our connection with Land;
- Our language;
- Healing practices;
- Youth and youth programs;
- Education and existing infrastructure;
- Training programs and awareness programs;
- Economic development.

Mandatory Criteria

1. Proposals will require a business plan. The IMB can assist you with putting a business plan together or direct you to appropriate external resources
2. For community development opportunities and such other public opportunities as the IMB shall decide in its sole discretion, the IMB may require a Member to present their proposal to the IMB in a public meeting, for all Members of the Communities to have an opportunity to hear, understand and ask questions.
3. Those Members seeking further funding will require evidence of successful completion of previously funded projects.

Community Development Examples

Proposals should strive to attain a social or economic benefit for the Communities.

Examples of Community Development are:

- ◆ Homes for Senior Citizens
- ◆ Schools
- ◆ The Dehcho First Nations;
- ◆ Each Dehcho First Nation;
- ◆ Members of the Dehcho First Nation on a collective and individual basis;
- ◆ Such trusts as may be established for the benefit of the Dehcho First Nations pursuant as to the terms of the Trusts.

Other principles of community development that the IMB will take into consideration include:

- ◆ Training and education.
i.e., Culture, language, history, customs, traditions, stories
- ◆ Improved health and well-being (emotional, physical, intellectual, spiritual)
- ◆ Benefits from improving awareness of culture, traditions, identity.
- ◆ Networking – building relationships within the Communities and outside the Communities.

- ◆ Contribution to long lasting Community betterment.

Economic Benefit Examples

Examples of Economic Benefits include:

- a) Utility Companies
- b) Transportation
- c) Airlines
- d) Tourism Facilities
- e) Toll Roads
- f) Toll Bridges
- g) Commercial Real Estate

Outline for Proposals

Proposals should include the following:

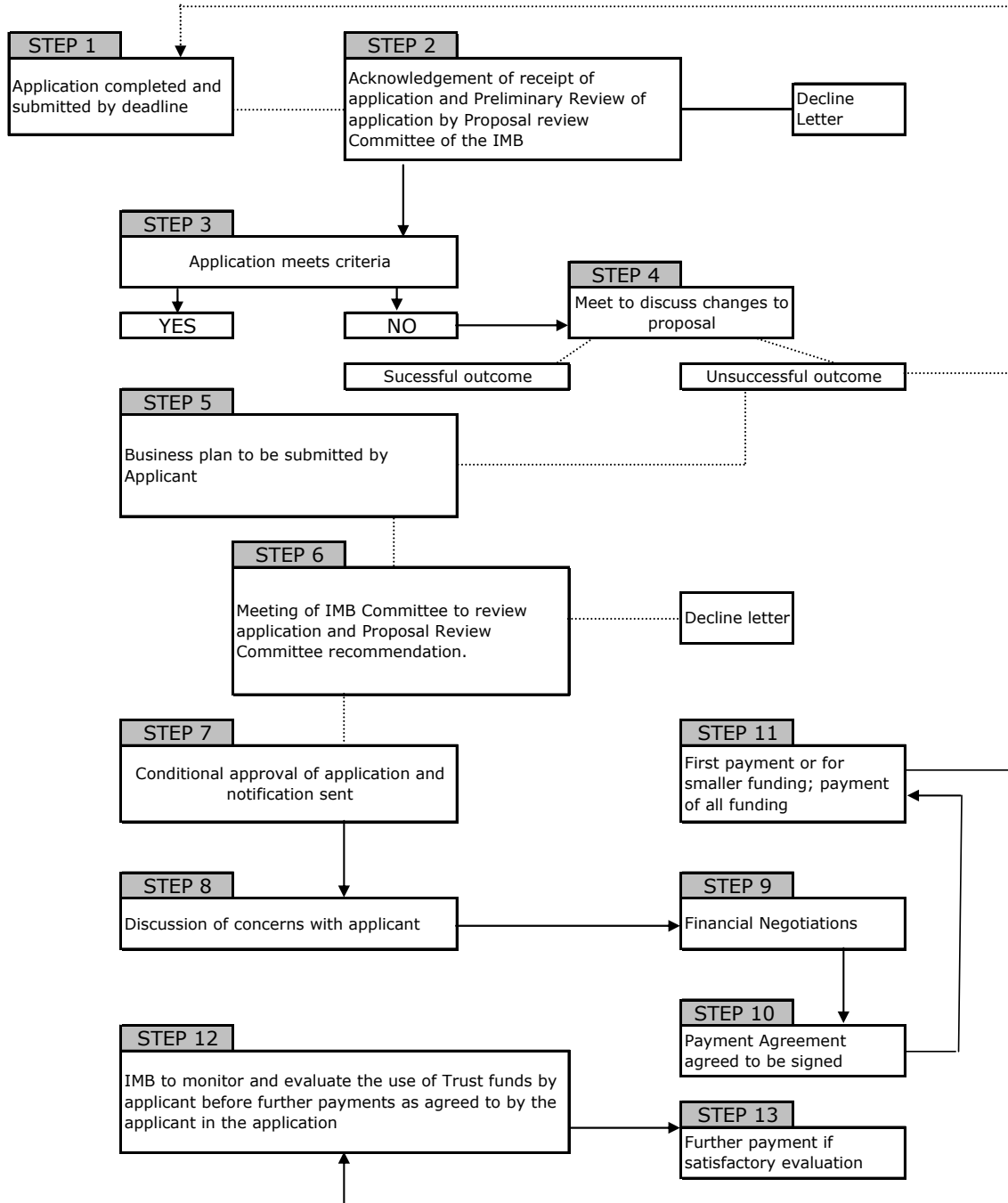
- ◆ The goals and objectives of the project;
- ◆ A full description of the proposed project activities;
- ◆ An evaluation plan;
- ◆ A budget that is realistic and which meets the needs of the project;
- ◆ Supporting documents, if any, such as:
 - Letters of recommendation or support;
 - Details concerning partnerships with other service providers.

Eligible Expenses

The following are some examples of types of operating expenses that can be covered:

- ◆ Employee and volunteer training;
- ◆ Materials and supplies;
- ◆ Rent, utilities and maintenance
- ◆ Equipment rental;
- ◆ New construction; (provided it complements existing infrastructure in; the discretion of the IMB members)
- ◆ Transportation;
- ◆ Project evaluation;
- ◆ Audits;
- ◆ Incorporation fees.

Application Flow Chart



Proposal Assessment Process

- A. Once your proposal reaches the IMB before the Spring or Fall deadline, you will receive a letter of acknowledgement saying that we have received your proposal.
- B. The IMB will check your proposal carefully before it goes any further. We will look for the following things:
 1. Was the proposal received by the deadline date and time.
 2. Did you send all the needed papers/information.
 3. Have you answered all the questions on the application form.
 4. Does your proposal meet one or more of the criteria listed in this Handbook and in the Trust.
- C. If the proposal does not pass the review it may be returned to you so you can provide missing material or revise it. You may decide to submit again. Our staff will work with you to explain how to revise it so it will be more likely to get through the review process.
- D. All proposals that pass "step 3" will be rated by the IMB Committee in conjunction with the Trustee.
- E. The IMB Committee in conjunction with the Trustee will review the proposed budget or business plan to make sure it matches the proposed work. The IMB will also decide whether the proposed budget is reasonable.
- F. The IMB makes its decision based on the benefit, social or economic, that your proposal seeks to provide in our Communities, the merit and impact scores (meaning the greatest good for the greatest number of our Community Members) and the amount of funding you have requested.

- G. The IMB will review the recommendation for funding and then decide which proposal will be funded based on project quality (i.e., meeting criteria) and the amount of funding available.

- H. If your project is approved, the IMB will work with you finalize budgets and program needs. The last step is the signing of a payment Agreement between you and The IMB and the Trust.

The IMB gives each a proposal score based on the following:

1. Meeting the Trust criteria:
 - 1 point for meeting a single criterion
 - 2 points for meeting more than one criterion

2. For Immediate, Mid-term and Future development opportunities we have developed a point system as follows:
 - 1 point for low benefit or impact as judged by The IMB (example of low benefit or impact is positively affecting less than 50 Members of our Communities)

 - 2 points for medium benefit or impact as judged by the IMB (example of medium benefit or impact is positively affecting more than 50 but less than half of our Communities)

 - 3 points for high benefit or impact as judged by the IMB (example of high benefit or impact is positively affecting more than one half of our Communities)

3. The review process will look at the strength of the method you will use including the process, organization, management, time line, budget, evaluation and monitoring plans, and background information of you and your team.

We developed a point system as follows for each of the funds:

- ◆ Immediate Opportunities Fund
- ◆ Mid-term Funds
- ◆ Future Generations Fund

Methodology that is:

	Low	Medium	High
◆ Specific	1 <input type="checkbox"/>	2 <input type="checkbox"/>	3 <input type="checkbox"/>
◆ Measurable	1 <input type="checkbox"/>	2 <input type="checkbox"/>	3 <input type="checkbox"/>
◆ Attainable	1 <input type="checkbox"/>	2 <input type="checkbox"/>	3 <input type="checkbox"/>
◆ Results-oriented	1 <input type="checkbox"/>	2 <input type="checkbox"/>	3 <input type="checkbox"/>
◆ Can be done in a reasonable time frame	1 <input type="checkbox"/>	2 <input type="checkbox"/>	3 <input type="checkbox"/>

You will be awarded between 1 and 3 points for the degree to which your methodology is specific, measurable, attainable, results-oriented, and can be done in a reasonable time. Points will be awarded as follows: 1 point for low, 2 points for medium and 3 points for high.

A minimum threshold score of **7** points is necessary for a proposal to be considered.

Obligations of Funded Projects

If you do get funding from The Trust, you must meet the terms and conditions set out in the Payment Agreement between your project and The Trustee and the IMB. As part of these terms and conditions, you must develop a mission statement and Code of Ethics for project staff, report any changes in personnel, submit quarterly activity and financial reports, and submit a complete evaluation report when the project ends.

The above list represents only some of the terms and conditions. The rest are listed in the Payment Agreement.

Project Monitoring and Evaluation

Both a project and the Communities will benefit when project monitoring and evaluation are in place. As a funding body, the Trust is accountable to our Communities. The Trust, through the IMB, monitors and evaluates the progress of funded projects on an ongoing basis. Each project funded by the Trust must monitor and evaluate itself using the criteria we've established as a guideline.

The IMB will decide on the format for monitoring and evaluating each project consistent with the size of the project.

Deadlines

- ◆ The Trust money will be used to fund applications that create social and economic benefit for our Communities.
- ◆ Members and organizations will be able to submit applications to IMB until March 31 and until September 30, which are the deadlines each year.
- ◆ Final answers will be given to applications received by March 31st on April 30 for the Spring deadline. Payments will start by October 31st for the Fall deadline.

PART A – INFORMATION ABOUT YOU

Applicant Name

Address

Town

Province/Territory

Postal Code

Telephone

Fax

E-mail

Website

Primary Contact Person

Goals of the project

a)

b)

c)

Who will your project serve?

- Community on Reserve
- Community off Reserve
- OR Others

(please specify)

How long will your project last?:

Amount of funding requested:

PART B – INFORMATION ABOUT YOUR PROJECT

1. Title of your proposal

2. Describe your proposal:

3. Describe the activities and methods you will use to achieve your project goal and objective.

4. What results do you expect to achieve over the course of your projects?

5. How will your project continue to operate after funding from the Trust runs out?

6. Where will this operation take place?

7. From the Trust criteria, which item does your request fall under?

- Community Development
- Health
- Education
- Economic Development
- Cultural Development
- Future Generations

8. From the Trust criteria, which criteria does your request fall under?

- Social
- Economic
- Infrastructure
- Community Health
- Culture and Identity
- Community Training and Education
- Building Relationships
- Community Betterment
- Economic Independence
- Increased Community Income
- Generation of more jobs
- Additional occupational training and development
- Other

9. What research and/or studies have been completed to determine the need(s) identified?

10. What is the benefit to the Community or Communities that this proposal will provide?

FINANCIAL REQUIREMENTS

11. How much money are you requesting?

12. Is the funding available from any other source?

No

Yes If yes, please give details:

13. Have you approached any other funding agency prior to approaching the Trust?

No

Yes If yes, please give details:

14. Is the request for funding from the Trust to be utilized with any other funding source(s)?

No

Yes If yes, which agency:

What % is the breakdown?

_____	%
_____	%
_____	%

15. Have you enclosed a plan outlining how the requested funds will be spent?

Yes

No

PART C – MONITORING AND EVALUATION

The management team of each project funded by The Trust must monitor and evaluate its project on a regular basis. Please describe, in detail, how you will monitor and evaluate the progress and outcome of your project using the criteria outline below.

Monitoring: Are we on track with our project work plan? If not? Why not and what can we do to stay in schedule?

Evaluation: Did we do what we said we would do in our proposal?

Evaluation: What did we learn about what worked and what didn't work in this project?

Evaluation: What impact do we expect the project have in addressing the needs of the Communities?

Evaluation: What can we do differently?

Evaluation: How can we use the findings of our evaluation to improve the work of our project?

PART D – SIGNING AUTHORITY

Indicate who is the member that has Signing Authority.

Team Member	Position on the team	Roles & Responsibilities	Signing Authority
			<input type="checkbox"/>
			<input type="checkbox"/>
			<input type="checkbox"/>
			<input type="checkbox"/>
			<input type="checkbox"/>
			<input type="checkbox"/>
			<input type="checkbox"/>
			<input type="checkbox"/>
			<input type="checkbox"/>

Loan Application Form
(para. 5.5)

Financial Information

ATTACH COPIES OF THE LATEST FINANCIAL STATEMENTS OR, IF A NEW BUSINESS, PROJECTED FINANCIAL STATEMENTS

AVERAGE ANNUAL GROSS REVENUE \$

AVERAGE ANNUAL NET PROFIT \$

Assets

Real Estate

Address	Legal Description	Purchase Price	Balance Owing	Estimated Current Market Value

List all mortgages and financial encumbrances on the real estate

Motor Vehicles or Equipment

Year	Make and Model	Serial Number	Purchase Price	Estimated Current Market Value

List all liens or financial encumbrances on the motor vehicles

Bank Accounts				
Institution	Branch	Type of Account	Account Number	Current Balance
List any other assets and the approximate value of each				

Request

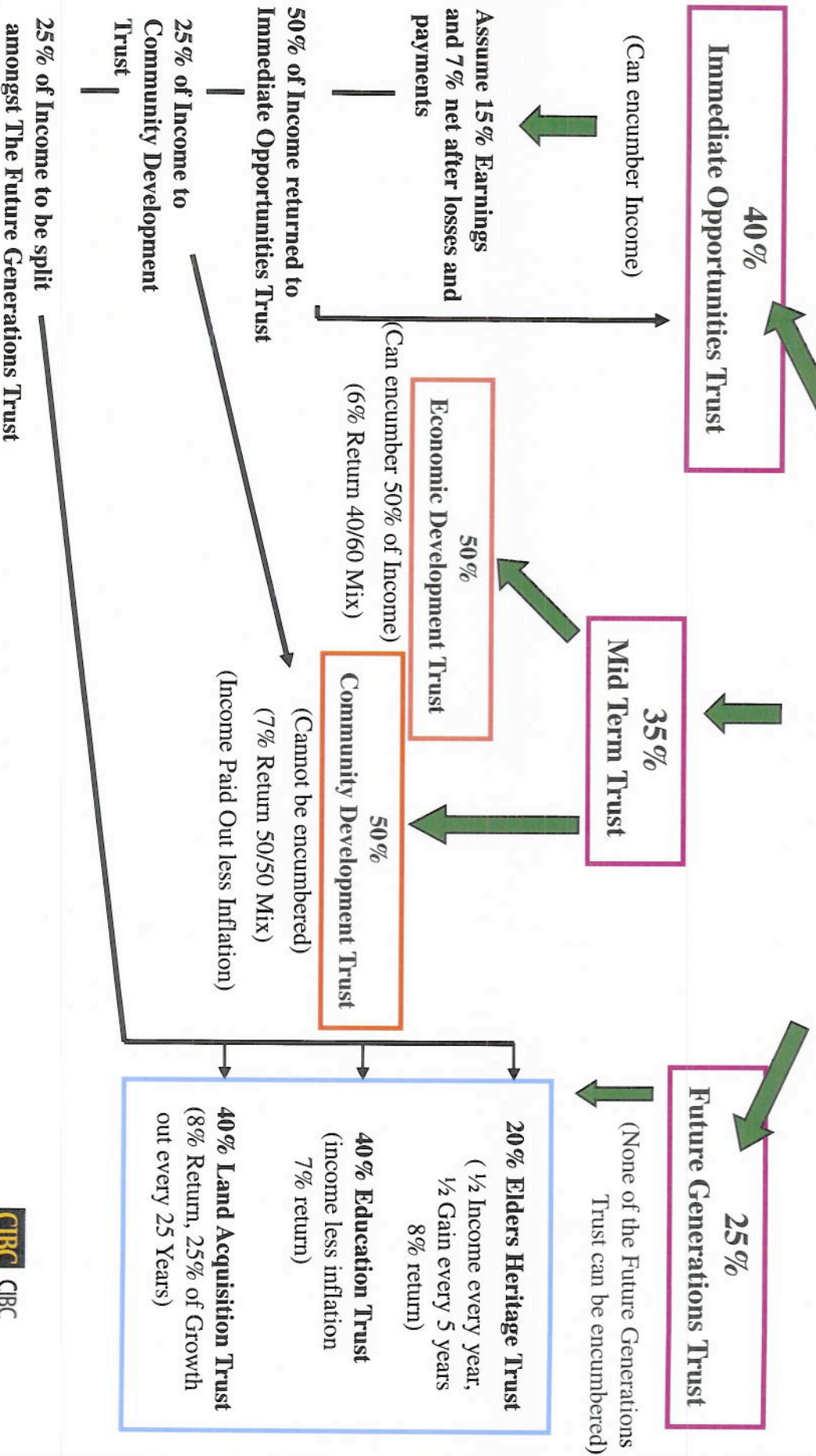
Amount of loan requested \$
Reason for seeking loan

Declaration

<ol style="list-style-type: none"> 1. The undersigned certifies that all information contained in this application is true and complete. 2. The undersigned has reviewed the Dehcho First Nations Business Venture Investments Policy and agrees that all documents submitted to the Investment Management Board maybe made public to Members. 3. The undersigned is aware that it is an offence to obtain credit on the basis of false and misleading information and that such debts survive bankruptcy and states that no false or misleading representations have been made in this application. 4. The undersigned is aware that any approved loan is subject to the terms and conditions in the lenders loan agreement. 		
<table border="1"> <tr> <td>Date</td> <td>Applicant's Signature</td> </tr> </table>	Date	Applicant's Signature
Date	Applicant's Signature	

APPENDIX I

DEHCHO TRUST



Expected returns are based upon historic returns of asset classes over long term periods – the actual returns experienced will be different.

APPENDIX II

SCHEDULE "1" to the Dehcho First Nations Master Trust Agreement

Business Ventures Investment Policy

1. **Business Ventures Investment Policy:**
 - 1.1. The Trust Agreement allows the Investment Management Board to authorize use of some of the Trust Income for Business Venture Investments. The purpose of the Policy is to establish a policy binding on the Investment Management Board for evaluating, approving, and structuring Business Venture Investments.
 - 1.2. The Policy will follow certain key principles:
 - 1.2.1. **Transparency**

The Policy will set out, in clear language, the process which the Investment Management Board will follow in making Business Venture Investment decisions.
 - 1.2.2. **Accountability**

The Policy will set out a process for reporting to Members to ensure Members will have confidence in the integrity of the decision making process and responsible use of Trust Income.
 - 1.2.3. **Advisory**

The Policy will include requirements to provide feedback to applicants seeking financial assistance which will assist Members in learning and understanding modern financing criteria.

Definitions

2. In the Policy, the following definitions will apply:
 - 2.1 "Policy" means this Business Venture Investments Policy;
 - 2.2 "Dehcho First Nations Business Entity" means a joint venture, partnership, trust, corporation or other business organization in which the controlling interest is held by one or more Members or one or more Dehcho First Nations and which engages in or is intended to engage in commercial activities to generate profits and revenues for the benefit of Members or Dehcho First Nations;
 - 2.3 "Investment Management Board Resolution" means a resolution of the Investment Management Board duly passed in accordance with the Trust Agreement;

- 2.4 "Business Venture Investment" means financial assistance to a Dehcho First Nations Business Entity, that is not an Authorized Investment as contemplated by the Trust Agreement, and may include private equity investments, loans, grants and loan guarantees;
- 2.5 "Trust Agreement" means the Dehcho First Nations Master Trust Agreement; and
- 2.6 "Trust Income" means income and capital gains from investment of the Trust Fund specifically made available for Business Venture Investments in accordance with the Trust Agreement.

3. Terms defined in the Trust Agreement have the same meaning in the Policy.

4. Limits on Business Venture Investments

- 4.1 The Trust Agreement provides that some of the Trust Funds can be used for Business Venture Investments as directed by the Investment Management Board pursuant to this Policy.
- 4.2 The total amount placed in Business Venture Investments cannot exceed the amount available in the Business Venture Account as determined in accordance with the Trust Agreement. Amounts taken out for Business Venture Investments must be repaid or returned to the Business Venture Account to allow for further Business Venture Investments to be made.

5. Submitting Proposals for Business Venture Investments

- 5.1 Any Member or Dehcho First Nations Business Entity, may make a proposal for a Business Venture Investment.
- 5.2 A proposal for a Business Venture Investment must be submitted with the prescribed application form along with the applicable deposit for the cost of the independent review of the business plan, if required.
- 5.3 All Business Venture Investment proposals must be submitted with a comprehensive business plan.
- 5.4 The business plan must contain the following:
- 5.4.1. an executive summary;
 - 5.4.2. a description of all members of the management team, principals, and key employees, including each person's:
 - 5.4.2.1. education;
 - 5.4.2.2. work experience;
 - 5.4.2.3. experience relevant to the business venture;

- 5.4.2.4. the extent of their personal financial investment and stake in the business;
- 5.4.2.5. representations as to whether the person or any business venture in which they participated as a member of a management team, principal or key employee became bankrupt or was placed into receivership or creditor protection arrangements;
- 5.4.2.6. whether the person or any business venture in which they participated as a member of a management team, principal or key employee has any unsatisfied judgments or writs of enforcement against him or it, as the case may be;
- 5.4.3. a description of the nature of the business engaged in by person or entity;
- 5.4.4. a description of the marketing program, if any, used to market products of the business and a review of the success of that marketing program;
- 5.4.5. a description of the business's operations;
- 5.4.6. the location of its business premises and whether the premises are owned, mortgaged, or leased;
- 5.4.7. the number of employees or independent contractors engaged by the business;
- 5.4.8. for a new business, evidence of having secured other funds required for start up and operation;
- 5.4.9. for existing businesses, a copy of the most recent audited financial statements of the business including the amount of any compensation paid to directors, principals, senior management, and key employees;
- 5.4.10. representations as to the financial projections, including cash flow statements, for the business for a three (3) year period and the factual basis upon which the financial projections are based; and
- 5.4.11. other information as may be required by the Investment Management Board.
- 5.5. In the case of a proposal for a Business Venture Investment in the nature of a loan, the applicant must, in addition to submitting a business plan, complete the prescribed loan application form.

6. Evaluating Proposals for Business Venture Investments

- 6.1. The Investment Management Board, having due regard for its fiduciary obligations and the need to ensure responsible use of Trust Funds, shall

consider any proposed Business Venture Investments having regard for the following factors:

- 6.1.1. the total amount of the proposed Business Venture Investment having regard for the limits on Business Venture Investments set out in the Trust Agreement and how much of the available Business Venture Account is already held in Business Venture Investments;
 - 6.1.2. the business plan and the overall strength, reliability, and promise of the proposed venture or use of funds;
 - 6.1.3. whether the management team, principals, and key employees involved in the business have a proven ability to effectively manage a business or have the required knowledge and skills to manage a business;
 - 6.1.4. the overall viability of the proposal including a realistic assessment of the potential to produce income sufficient to cover operating costs, repayment of loans, and sustain long term profitability;
 - 6.1.5. whether the proposed Business Venture Investment involves a Dehcho First Nations Business Entity;
 - 6.1.6. the extent to which the business is owned or controlled by one or more Members;
 - 6.1.7. whether any employment opportunities will accrue to Members;
 - 6.1.8. the nature and extent of any subsequent and spin off economic benefits of the proposed Business Venture Investment; and
 - 6.1.9. the credit worthiness of any loan applicant and availability of sufficient security to repay any proposed loan.
- 6.2 The Investment Management Board shall, where it considers it advisable to do so, seek the advice of independent investment or business consultants or Members to evaluate the merits of any proposed Business Venture Investment. All applications for Business Venture Investments exceeding \$50,000.00, shall require independent analysis of the business plan by a consultant selected by the Investment Management Board and the applicant, by mutual agreement. One half of the cost of the consultant will be the responsibility of the applicant which shall be paid prior to any application being considered. The threshold requiring independent analysis of a proposed Business Venture Investment will be reviewed three (3) years from the effective date of the Trust Agreement and if necessary amended pursuant to paragraph 9 herein.
- 6.3 The Investment Management Board shall abide by its conflicts of interest guidelines as set out in section 10 herein, when evaluating proposals for Business Venture Investments.
- 6.4 The Investment Management Board has no obligation to give consideration to any proposal for a Business Venture Investment and any proposal which does

not include the information required by this Policy shall be deemed to be automatically rejected by the Investment Management Board.

- 6.5 In the event a proposed Business Venture Investment is rejected the Investment Management Board shall return the application and all materials submitted by the proponent along with a brief written explanation of the reasons the proposal was rejected.

7. Approval of Business Venture Investments and Obtaining Proceeds Out of Business Venture Account

- 7.1. The Investment Management Board shall document approval of any Business Venture Investment, including any terms and conditions, in writing and the approval document shall include brief commentary on the Investment Management Board's assessment of the factors set out in paragraph 6 above (Evaluating Proposals for Business Venture Investments).
- 7.2. The Investment Management Board shall forward an Investment Management Board Resolution to the Trustee indicating approval of a Business Venture Investment, directing the disposition of the funds or the setting aside a reserve of funds required for the Business Venture Investment, and appending copies of:
- 7.2.1. the approval document described in this Policy;
 - 7.2.2. the business plan;
 - 7.2.3. the application documents; and
 - 7.2.4. the specific terms and conditions governing the Business Venture Investment.
- 7.3. The Trustee shall determine if sufficient funds are available for the Business Venture Investment and, if so, shall deliver or set aside funds for the Business Venture Investment as directed in the Investment Management Board Resolution.
- 7.4. Prior to release of funds to the applicant, the Trustee shall enter into an agreement with the applicant which shall document the obligation for the recipients, including financial reporting and other terms and conditions as may be required by the Trustee and the Investment Management Board.
- 7.5. The Investment Management Board shall undertake all reasonable due diligence to ensure that loans are repaid in accordance with any loan agreements and, if commercially reasonable, may require that loans are secured by mortgages, personal property security agreements, personal guarantees, or such other security as may be required by the Investment Management Board in its absolute discretion.

8. Disclosure to Membership

- 8.1. The Investment Management Board shall, upon the approval of any Business Venture Investment, provide information at the next scheduled Dehcho First Nations Members' Meeting, post at the administration offices of Dehcho First Nations and publish on the Dehcho First Nations internet website and newsletter, the following information:
 - 8.1.1. the recipient of any Business Venture Investment;
 - 8.1.2. the date the Business Venture Investment was approved by the Investment Management Board; and
 - 8.1.3. the amount of the Business Venture Investment.
- 8.2. The Investment Management Board shall ensure that information sufficient to prepare year end reporting on the performance of any Business Venture Investment is forwarded to the Trustee within a reasonable time such that the Trustee may include that information in the Trustee's annual report and financial statements.
- 8.3. The Trustee shall not be required to certify any financial information respecting a Business Venture Investment.
- 8.4. The Investment Management Board shall ensure that copies of all documents and records of approved Business Venture Investments shall be maintained at the office of the Trustee until the loan or loan guarantee has been retired or the investment has been sold.

9. Amending Procedure

- 9.1. The Investment Management Board, from time to time, may amend this Policy in whole or in part as follows:
 - 9.1.1. The Investment Management Board approves, in principle, proposed amendments to the Policy;
 - 9.1.2. The Investment Management Board gives notice to Members, by such means as the Investment Management Board may consider appropriate in all of the circumstances, of an intent to amend the Policy;
 - 9.1.3. Proposed amendments are presented at a Leadership meeting at which Members are afforded an opportunity to express any concerns and ask questions; and
 - 9.1.4. Leadership may enact the amendments by Dehcho First Nation Unanimous Resolution.
- 9.2. Amendments that have not followed the required procedures are of no force or effect.

- 9.3. Nothing in the amending procedure or in this Policy may have the effect of amending or altering any requirement of the Trust Agreement.

10. Conflict of Interest Guidelines

- 10.1. Duty to Disclose: An Investment Management Board Member who:

- a) is a proponent of a Business Venture Investment or is a party to a material contract, or proposed material contract with a proponent of a Business Venture Investment; or
- b) is a director or an officer of or has a material interest in any Dehcho First Nations Business Entity that is a proponent of a Business Venture Investment or is a party to a material contract or proposed material contract with a proponent of a Business Venture Investment;

will disclose in writing to the other Investment Management Board Members or will request to have entered in the minutes of meetings of the Investment Management Board, the nature and extent of such Member's relationship and extent of his or her interest.

- 10.2. Timing of Disclosure: The disclosure required of an Investment Management Board Member by paragraph 10.1 of the Policy will be made:

- a) at the meeting at which a proposed Business Venture Investment is first considered by the Investment Management Board;
- b) if the Investment Management Board Member was not then interested in a proposed Business Venture Investment, at the first meeting after he or she becomes so interested;
- c) if the Investment Management Board Member becomes interested after a Business Venture Investment is made, at the first meeting after he or she becomes so interested; or
- d) if a person who is interested in a Business Venture Investment becomes an Investment Management Board Member subsequent to approval thereof, at the first meeting after he or she becomes an Investment Management Board Member.

- 10.3. Exclusion of Discussion: An Investment Management Board Member who has an interest as described in paragraph 10.1 of the Policy will not take part in discussions or deliberations concerning any such proposed Business Venture Investment and will not vote on any resolution to approve the same.

- 10.4. Method of Disclosure: For purposes of section 10 a general notice to the Investment Management Board by an Investment Management Board Member declaring that he or she has an interest as described in paragraph 10.1 herein, and is to be regarded as interested in any proposed Business Venture

Investment made with the proponent, is a sufficient declaration of interest in relation to any Business Venture Investment so made.

- 10.5. **Effect on Business Venture Investment:** A Business Venture Investment is neither void nor voidable by reason of a relationship contemplated in Section 10.1 or by reason only that an Investment Management Board Member with an interest in the Business Venture Investment is present at, or is counted to determine the existence of a quorum at, a meeting of the Investment Management Board that authorized or approved the Business Venture Investment if the Investment Management Board Member disclosed his or her interest in accordance with paragraphs 10.2 (b) or 10.2 (d), as the case may be, the material contract was approved by the Investment Management Board and was reasonable and fair at the time the same was approved.