

Turner, Cheryl R FLNR:EX

From: Turner, Cheryl R FLNR:EX
Sent: Thursday, May 19, 2011 4:41 PM
To: 'sales@tdtimber.com'
Subject: Chain of Custody Letter for timber sale A87655 Harrison West
Attachments: Chain_of_Custody_Ltr_18May2011.pdf

Hi Derek,

Here is a copy of the Chain of Custody Letter for Harrison West timber sale.
No paper copy will follow unless requested.

If you have any questions, please don't hesitate to contact me.

Regards,

Cheryl Turner

RESOURCE CLERK

BCTS CHINOOK BUSINESS AREA

MINISTRY OF FORESTS, LANDS & NATURAL RESOURCE OPERATIONS

46360 AIRPORT ROAD, CHILLIWACK BC V2P 1A5

PH (604) 702.5755 FAX (604) 702.5711

CHERYL.R.TURNER@GOV.BC.CA

File: 19620-25 / TSL A87655

Date: May 18, 2011

Reference: Sustainable Forest Management (SFM) certification of timber originating from Timber Sale Licence A87655, Timber Mark 87655 within the West Harrison TSA forest management unit of the province of British Columbia, Canada.

Dear T.D. Coast Western Timber Ltd. :

The timber to be harvested under this Licence is situated within an area included within the scope of an SFI forest management certificate, certificate #PRI-SFIS-042 issued to BC Timber Sales (BCTS), Chinook Business Area.

A copy of the certificate can be provided upon request, or verified by the registrar, KPMG Performance Registrar Inc. of Vancouver BC.

BCTS hereby transfers to the Licensee, certification credits associated with the timber scaled and/or billed under this Timber Mark.

If further clarification is required, please contact Guy Fried (604) 702-5738.

Yours truly,



Steve deMelt
Timber Sales Manager
Chinook Business Area
Chilliwack BC



Turner, Cheryl R FLNR:EX

From: Turner, Cheryl R FLNR:EX
Sent: Tuesday, May 31, 2011 10:51 AM
To: Coxworth, Betty FLNR:EX; Myketa, Donna FLNR:EX; Cosgrove, Brenda S FLNR:EX; Hobbs, David FLNR:EX
Subject: A87655_FS45D_final_coverLtr_TSL_30May2011.doc
Attachments: A87655_FS45D_final_coverLtr_TSL_30May2011.doc

Completion of Disposition of timber sale A87655 West Harrison.

Letter was signed by TSM May 30, 2011. Scanned copy of letter was emailed to B. Blackburn on May 31, 2011.

Thanks.

Cheryl ☺

File: 19620-25/A87655

May 30, 2011

Bradley John Blackburn
4965 Mason Place
Kamloops, British Columbia
V2H 1M1

Dear Bradley:

Thank you for submitting written confirmation of the completion of the disposition of timber sale A87655 West Harrison.

Our Forest Revenue Operations, Ministry of Finance, has been advised to release your TSL security deposit in the amount of \$45,029.23 subject to any outstanding accounts.



Notification regarding disposition of the security deposit, refund of deposit may take up to four to six weeks for completion and will be forthcoming from our Forest Revenue Operations, Ministry of Finance.

Yours truly,

Steve deMelt
Timber Sales Manager
BC Timber Sales
Chinook Business Area
Chilliwack BC

**Ministry of
Forests, Lands &
Natural Resource
Operations**

BC Timber Sales
Chinook Business Area
Timber Sales Office

Tel: (604) 702-5700
Fax: (604) 702-5711
Toll Free: 1-800-663-7867

Address:
46360 Airport Road
Chilliwack, BC V2P 1A5

May 13, 2011

RECEIVED
MAY 17 2011

CHILLIWACK FOREST DISTRICT

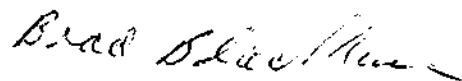
Ministry of Forests, Lands &
Natural Resources Operations
46360 Airport Road
Chilliwack, BC
V2P 1A5

Dear Steve deMelt:

Re: Disposition of Timber Sale A87655 Harrison West

I am writing to you in regards to the disposition of Timber Sale A87655 Harrison West. The disposition of the sale has been completed by Jinyu Derek Diao of T.D. Coast Western Timber Ltd. and my self Bradley John Blackburn of Blackburn Trucking Ltd.

Yours truly,



Bradley John Blackburn
Blackburn Trucking Ltd.
Tel: (250)578-8789
Cell: (250)851-1210

May 13, 2011

Ministry of Forests, Lands &
Natural Resources Operations
46360 Airport Road
Chilliwack, BC
V2P 1A5

Dear Steve deMelt:

Re: Disposition of Timber Sale A87655 Harrison West

I am writing to you in regards to the disposition of Timber Sale A87655 Harrison West. The disposition of the sale has been completed by Bradley John Blackburn of Blackburn Trucking Ltd and my self Jinyu Derek Diao of T.D. Coast Western Timber Ltd.

Yours truly,

A handwritten signature in black ink, appearing to read 'Jinyu Diao', with a stylized flourish at the end.

Jinyu Derek Diao
T.D. Coast Western Timber
Tel: (604)484-0838
Cell: (604)377-4828

RECEIVED

OCT 05 2012

TD Coast Western Timber Ltd.
#2300-2850 Shaughnessy Street
Port Coquitlam, BC
V3C 6K5

CHILLIWACK FOREST DISTRICT

October 5, 2012

Ministry of Forests
BC Timber Sales
46360 Airport Road
Chilliwack, BC
V2P 1A5

Attention: Timber Sales Manager:

Re: Timber Sale A87655 Extension Request

Please be advised that we are requesting a short term (45 day) extension on the above timber sale.

Current Status: All blocks are complete with the exception of the North Block of T12

- Falling will be complete by October 6, 2012
- Remaining yarding approximately 1500m³
- Remaining to load-out approximately 4000m³

Reasons for Request: The contractor working on this sale has had a large problem with hauling out of the timber. The road lay-out was designed with excess of 50% extreme adverse haul out of the blocks, some grades reached over 22%. This caused the contractor to tow trucks up these hauls resulting in mechanical damage to logging trucks and the inability to hire non-owned company trucks.

There was also a fire season shut down this year.

Please consider this request and if you require further information contact the undersigned.

Yours truly,
TD Coast Western Timber Ltd.



Derek Diao
604-377-4828
Email: derekdiao@gmail.com

I:\Word\TD\A87655 Extension

Turner, Cheryl R FLNR:EX

From: Turner, Cheryl R FLNR:EX
Sent: Wednesday, May 18, 2011 10:04 AM
To: Noel, Joan CSNR:EX
Subject: File name change request.

Hi Joan,

We have just completed a Notice of Intended Disposition for Timber Sale A87655 West Harrison, Chwk. The previous holder of this license is Bradley John Blackburn (client # 00120233). Recipient of the license is T.D. Coast Western Timber Ltd. (client # 00162539).

When you have time, could you please change the paper and digital file information.
19620-20 & 25 / A87655

Thank you. ☺

Ps. I will be sending you another one shortly.

Cheryl Turner

RESOURCE CLERK

BCTS CHINOOK BUSINESS AREA

MINISTRY OF FORESTS, LANDS & NATURAL RESOURCE OPERATIONS

46360 AIRPORT ROAD, CHILLIWACK BC V2P 1A5

PH (604) 702.5755 FAX (604) 702.5711

CHERYL.R.TURNER@GOV.BC.CA

From: Turner, Cheryl R FLNR:EX
To: "sales@tdtimber.com"; 622
Cc: Ladd, Jeff R FLNR:EX; Cosgrove, Brenda S FLNR:EX
Subject: Notice of Intended Disposition for Timber Sale A87655, Harrison West
Date: Thursday, May 12, 2011 2:03:00 PM
Attachments: Notice to Proceed Ltr 11May2011.pdf
Notice of Intent Application.pdf
A87655 I1 RUP Application.pdf

Good Afternoon, ☺

Here is a copy of the Notice to Proceed letter signed on May 11, 2011 by the TSM Steve deMelt, Chinook Business Area. No paper copy will follow unless requested.

Please note that as set out in the attached letter, both of you must confirm the disposition in writing to the Timber Sales Manager within 7 days after the completion of the disposition.

I have attached a RUP application associated with this timber sale A87655, which will need to be completed by the new TSL holder. Please submit the RUP application to Jeff Ladd, Engineering Officer of the Chilliwack Forest District as soon as possible, as processing may take up to 4 weeks to complete.

Jeff Ladd: (604) 702-5772

Jeff.Ladd@gov.bc.ca

Thank you.

Regards,

Cheryl Turner

RESOURCE CLERK

BCTS CHINOOK BUSINESS AREA

MINISTRY OF FORESTS, LANDS & NATURAL RESOURCE OPERATIONS

46360 AIRPORT ROAD, CHILLIWACK BC V2P 1A5

PH (604) 702.5755 FAX (604) 702.5711

CHERYL.R.TURNER@GOV.BC.CA

File: 19620-25/A87655

May 11, 2011

Bradley John Blackburn
4965 Mason Place
Kamloops, British Columbia
V2H 1M1

T.D. Coast Western Timber Ltd.
3725 Ulster Street
Port Coquitlam, British Columbia
V3B 7H1

Dear Bradley John Blackburn and T.D. Coast Western Timber Ltd.:

Re: Intended disposition of Timber Sale Licence A87655, Harrison West (the TSL).

I have received your notice dated May 2, 2011 of the intended disposition of TSL A87655 from Bradley John Blackburn to T.D. Coast Western Timber Ltd.

I am satisfied that the requirements of s.54.1 of the *Forest Act* with respect to this intended disposition have been met.

I hereby give you notice that the disposition of the TSL may proceed.

I draw your attention to the requirements of section 54(2)(b) of the *Forest Act* with respect to money payable to the government, and to section 54(2)(f) of that Act which requires the disposition of the TSL to be completed by the aforementioned latest date.

In accordance with the requirement of section 54.2 of the *Forest Act*, after the completion of the disposition of the TSL, both of you must confirm the disposition in writing to the Timber Sales Manager, BC Timber Sales Chinook Business Area, within 7 days after the completion of the disposition.



Page 1 of 2

Bradley John Blackburn and T.D. Coast Western Timber Ltd.

Yours truly,

A handwritten signature in black ink, appearing to read 'deMelt', with a large, stylized loop at the end.

Steve deMelt,
Chinook Timber Sales Manager
Chinook Business Area
Chilliwack, BC

Attachment(s): Notice of intended disposition dated May 2, 2011

Heather MacKnight, Regional Executive Director, South Coast Region
Allan Johnsrude, District Manager, Chilliwack Forest District



BCTS

BC Timber Sales

NOTICE OF INTENDED DISPOSITION of a BC Timber Sales Agreement

UNDER SECTION 54 OF THE FOREST ACT

To: The Timber Sales Manager, BC Timber Sales Chinook Business Area
Government of British Columbia

Re: The BC Timber Sales Agreement known as A87655
(the "agreement")

We jointly hereby give notice of the intended disposition of the agreement

From Bradley John Blackburn
(the current holder of the agreement)

To T.D. Coast Western Timber Ltd.
(the intended recipient of the agreement)

The following information pertaining to each of the current holder of and the intended recipient of the agreement is provided:

A. Current holder of the agreement:

1. Individual or Corporation Name: Bradley John Blackburn

2. BC Timber Sales Enterprise registration number: 00120233

3. If a Corporation, please provide the following:

Jurisdiction of Incorporation: British Columbia

Incorporation Number: 087300

Corporation Directors Name (use separate page if necessary):

Bradley John Blackburn - president

Corporation Shareholders and shares held (use separate page if necessary):

<u>Bradley John Blackburn</u>	<u>100%</u>
Name	% of Shares

5. Name, address, and telephone number of contact person:

Bradley John Blackburn - 250-578-8789
4965 Mason place
Kamloops, BC
V2H 1M1

B. Intended recipient of the agreement:

1. Individual or Corporation Name:

2. BC Timber Sales Enterprise registration number: 00162539

3. If a Corporation, please provide the following:

Jurisdiction of Incorporation: British Columbia

Incorporation Number: 889058

Corporation Directors Name (use separate page if necessary):

Diao Jin Yu president

Corporation Shareholders and shares held (use separate page if necessary):

Diao Jin Yu	100
Name	% of Shares
Name	% of Shares
Name	% of Shares
Name	% of Shares

4. Mailing Address:


3725 Vister St, Port Coquitlam, BC
V3B 7H1

5. Name, address, and telephone number of contact person:

Derek Diao sales@tdtimber.com
Same address
604-377-4848

1
Name of holder of the agreement:

Bradley John Blackburn
Please print name

Per: 

Signature of the holder of the agreement, OR the authorized signatory of the holder of the agreement and relationship of that person to the holder of the agreement.

Name: of intended recipient of the agreement:

Dias J'in Tu
Please print name

Per: 

Signature of the intended recipient of the agreement, OR the authorized signatory of the intended recipient and the relationship of that person to the intended recipient.

ROAD USE PERMIT APPLICATION For Industrial Use of a Forest Service Road



Ministry of
Natural Resource
Operations

Date: _____

Name of Applicant: T.D. Coast Western Timber Ltd.

Tenure No.(s) A87655

Address: 3725 Ulster Street, Port Coquitlam BC V3B 7H1

Telephone: (604) 377-4828 Fax: _____

E-Mail Address: _____

This application is for the use of those Forest Service roads which are shown on the attached Schedule A or map, for the purpose of:

- ☒ forest-related industrial use
☐ non-forest industrial use (specify) _____

Vehicle Size

The dimensions and weights of vehicles to be used on the road shall either

☒ Conform to Ministry of Transportation and Infrastructure (MOTI) Regulations

or

☐ Be Off-Highway, as per the option shown on the attached (Schedule A)

Estimated maximum number of loads per day _____

Approximate start date _____ and estimated completion date _____

Where there is another permittee required to carry out the maintenance, I acknowledge that I will be expected to notify and reach agreement with that permittee to share road maintenance responsibilities, including costs. I am aware that the District Manager may require me to carry out road maintenance on any or all of the roads for which this application is made.

Applicant's Signature

Print Name

**ROAD USE PERMIT
SCHEDULE A**

Date: _____ File: _____

FSR Name/Project Number	FSR Branch No.	Section to be Used		If Off-Highway, Indicate Vehicle Size A, B, or C From Next Section	MNRO USE ONLY Road Use Permit holder required by district manager to maintain the FSR Name/telephone number
		km to km			
Harrison West FSR	6314.01	0.0	4.3		

The dimensions and weights of vehicles not indicated for off-highway use shall conform to Ministry of Transportation and Infrastructure

SCHEDULE A (continued)

Off-Highway Vehicle Size

The dimensions and weights of vehicles to be used on the road(s) shall conform to option A, B, or C and be shown on previous section.

A

Length:	_____ m	Overhang beyond rear trailer bunk:	_____ m
Width:	_____ m	Weight Axle (Tandem):	_____ kg
Height:	_____ m	GVW:	_____ kg

B

Length:	_____ m	Overhang beyond rear trailer bunk:	_____ m
Width:	_____ m	Weight Axle (Tandem):	_____ kg
Height:	_____ m	GVW:	_____ kg

C

Length:	_____ m	Overhang beyond rear trailer bunk:	_____ m
Width:	_____ m	Weight Axle (Tandem):	_____ kg
Height:	_____ m	GVW:	_____ kg

From: Turner, Cheryl R FLNR:EX
To: Schroeder, Ralph FLNR:EX; Ladd, Jeff R FLNR:EX; Coxworth, Betty FLNR:EX; Hobbs, David FLNR:EX; Cosgrove, Brenda S FLNR:EX; MacKnight, Heather FLNR:EX; Johnsrude, Allan N FLNR:EX
Subject: Notice of Intended Disposition for timber sale A87655 Harrison West.
Date: Thursday, May 12, 2011 2:10:00 PM
Attachments: Notice_to_Proceed_Ltr_11May2011.pdf
Notice_of_Intent_Application.pdf

No paper copies will follow.

Thank you.

Cheryl Turner

RESOURCE CLERK

BCTS CHINOOK BUSINESS AREA

MINISTRY OF FORESTS, LANDS & NATURAL RESOURCE OPERATIONS

46360 AIRPORT ROAD, CHILLIWACK BC V2P 1A5

PH (604) 702.5755 FAX (604) 702.5711

CHERYL.R.TURNER@GOV.BC.CA

Notice of Intended Disposition Process

AN AGREEMENT WITH RIGHTS UNDER SUSPENSION MAY NOT BE TRANSFERRED

1. Administration fee of \$100.00 is to be collected prior to transfer.
ARM entry: ACK=SBC,A####,CL#,BCTS – TCH,DCK (no need to enter Notice of Intent or Transfer Fee).
2. FS1208 must be completed and signed by both agreement holder and the intended recipient. Verify information on application.
3. Neither party to have outstanding accounts, check ARM, BC Online, Client, etc.
4. Recipient is registered in the applicable category.
5. New recipient does not hold more than 3 sales (including this transfer).
6. Full security deposit must be replaced (unless arrangements have been made between the two parties to leave existing security deposit). If a new security deposit is received from the new licence holder, proceed with the normal deposit process for TS Licenses.
7. When eligibility is verified, type up the letter and have the TSM sign to give approval for the notice that disposition may proceed.
8. Once the letter is signed by the TSM, scan the letter to proceed and the Notice of intended disposition application and save to the appropriate file.
9. If there is a RUP application with the sale, download the RUP application (use the most current application from the Forms Index). Copy the information off the existing RUP saved under the file number. Fill in the recipient's contact information and save as a PDF.
10. Email copies of the Letter to Proceed, Notice of Intended Disposition Application and the RUP application to the distribution list and the Regional Executive Director for the South Coast Region, Heather MacKnight and the District Manager (Squamish/Chilliwack/Haida Gwaii) Forest District.
11. Update systems (FTA, BC Admin.) once notification of completion of disposition has been received from both parties (holder and recipient).
 - FTA – Specify the TSL File ID and click on go.
 - Click on the Associated Client tab and enter the new licensee name. ✓
 - If appropriate, click on the Associated Files tab and update the associated files.
 - Click on the Notes tab and add a note stating that the transfer occurred from Licensee 1 to Licensee 2. ✓
 - Update Sale Info if the security deposit format has changed. ✓

Genus - Click on the Navigation icon.

Specify the TSL number and click on ok.

Select the Details tab in the Licence screen and enter the new licensee's name in full in the Registrant field. Save.

12. To release the original security deposit to the previous licensee, prepare an FS45D requesting the deposit release. In Section C (Disposition Notice) on the FS 45D indicate that the TSL is being transferred from the original licensee to a new licensee.

DO NOT CHANGE THE FILE STATUS IN FTA TO LC.

Complete all FS 45D sections as usual except Section B (Tenure Status Report), which is not applicable when a licence is transferred.

13. Place all documents and letters on file. As indicated above, there is no new TSL document because the letters are sufficient documentation. The only document that must be completed is the SFI letter with the new licensee's name.
14. Advise the Records Clerk to change the name of the TSL holder on the file label and in the electronic filing system for all associated tenures.

Forest Act

Relevant conditions under section 54.4 for a disposition of an agreement are satisfied.

(1) The holder of an agreement may not dispose of the agreement to another person if the agreement

(a) is an agreement in respect of which rights are under suspension, in whole or in part, under section 76 or 78,

(b) is an agreement that

(i) is entered into under section 47.3 (1) (a),

(ii) is a community forest agreement, or

(iii) is a community salvage licence,

unless the disposition is made in prescribed circumstances to a person who meets prescribed criteria,

(c) is a road permit, unless the disposition is made in conjunction with the disposition of the agreement to which the road permit pertains,

(d) is an occupant licence to cut unless the disposition is made in conjunction with a disposition of

(i) land, or

(ii) a right to occupy land

to which the licence to cut pertains, or

(e) is a free use permit.

(2) A disposition of an agreement contrary to this section is without effect.

Turner, Cheryl R FLNR:EX

From: FIN REV G RMO (RCO) FIN:EX
Sent: Monday, May 16, 2011 10:02 AM
To: Turner, Cheryl R FLNR:EX
Subject: RE: Notice of Intent to transfer a timber sale.
Attachments: 2-A87655 TD COAST WESTERN TIMBER 162539-01 CASH PYMT 403263.pdf

Good Morning Cheryl:

I have received and posted Payment 403263 in the amount of 45,029.23.
This Bank Draft # 029231 from Scotiabank appears to be the Security Deposit for License A87655 from TD Coast Western Timber Ltd (as attached).

Sadly, the Comment Line on Pymt 403263 shows the wrong Licensee Name:

• Application Home

Accounts Receivable Management

Payment Distribution
Mode View

MSG0731 Record successfully displayed

Org Unit				Pymt Au
Payor				Amt Re
Cheque Date		Payment No	Type	Int Date
Comment	A87655 TD COAST WESTERN TIMBER LTD			
Setoff Voucher		Setoff No		Orig Mi
Distribution Complete		Distributor		Posted

Current Distribution

A R Distributions (CR)

G L Distributions (CR)

Enter Update View A/R Distribution Exit G/L Distribution A/R Summe

I used an Item Matching Correction (IMC) to correct this Comment Line:

Accounts Receivable Management

Process Adjustment
Mode View

MSG0131 Update completed

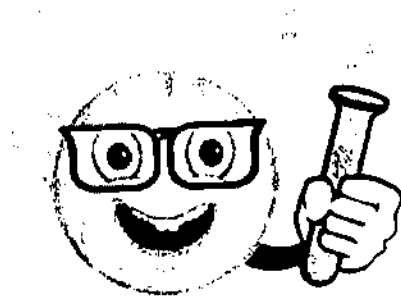
Adjustment Number	<input type="text"/>	Adj Amount	<input type="text"/>
Adj Org Unit	<input type="text"/>		
Adjustment Status	<input type="text"/>		
Reject Reason	<input type="text"/>		
Adjustment Reason	<input type="text"/>		
Comment	<input type="text"/>		
Payment No	Deposit No <input type="text"/>	Journal No <input type="text"/>	Adj No <input type="text"/>

Adjustment Distribution:

	Debit	
A/R Distributions	<input type="text"/>	<input type="text"/>
G/L Distributions	<input type="text"/>	<input type="text"/>

Thus the new "Payment" number for this Security Deposit in the Client Trust Account^{s.17} in ARM is: **ADJ 278886**.

Oh, what fun!



Dean Cameron
Revenue Operations Analyst
Forest Revenue Operations
Receivables Management Office
Ministry of Finance

Phone: 250-356-1841
Fax: 250-356-5604

[Mailto:Dean.Cameron.gov.bc.ca](mailto:Dean.Cameron.gov.bc.ca)

From: Turner, Cheryl R FLNR:EX
Sent: Tuesday, May 10, 2011 11:20 AM

To: Cameron, Dean FIN:EX

Subject: Notice of Intent to transfer a timber sale.

Hi Dean,

Here are the details:

The current holder of the timber sale A87655 is:

Bradley John Blackburn

Client# 120233

The recipient of the timber sale A87655 is:

T.D. Coast Western Timber Ltd.

Client# 162539

The security deposit entered May 10, 2011 from TD Coast Western Timber Ltd. is in the amount \$45,029.23 (cheque), payment # 403263. This is the required security deposit amount for this timber sale A87655. Could you please email me when the security deposit from TD Coast Western Timber is completed at your end.

FTA is still in the current holder Bradley John Blackburn's name until our TSM receives written notification from both parties (Blackburn & TD Coast) that the transfer is complete. Once we receive that notification, FTA will be updated to reflect the new recipient (T.D. Coast Western Timber Ltd.) information.

A 45D will follow to request release of the security deposit in Bradley John Blackburn's name (client# 120233) when the transaction is complete.

Thanks Dean for all your help. Any questions, let me know.

Cheers!

Cheryl Turner

RESOURCE CLERK

BCTS CHINOOK BUSINESS AREA

MINISTRY OF FORESTS, LANDS & NATURAL RESOURCE OPERATIONS

46360 AIRPORT ROAD, CHILLIWACK BC V2P 1A5

PH (604) 702.5755 FAX (604) 702.5711

CHERYL.R.TURNER@GOV.BC.CA

Turner, Cheryl R FLNR:EX

From: Turner, Cheryl R FLNR:EX
Sent: Tuesday, May 10, 2011 11:20 AM
To: Cameron, Dean FIN:EX
Subject: Notice of Intent to transfer a timber sale.

Hi Dean,
Here are the details:

The current holder of the timber sale A87655 is:
Bradley John Blackburn
Client# 120233

The recipient of the timber sale A87655 is:
T.D. Coast Western Timber Ltd.
Client# 162539

The security deposit entered May 10, 2011 from TD Coast Western Timber Ltd. is in the amount \$45,029.23 (cheque), payment # 403263. This is the required security deposit amount for this timber sale A87655. Could you please email me when the security deposit from TD Coast Western Timber is completed at your end.

FTA is still in the current holder Bradley John Blackburn's name until our TSM receives written notification from both parties (Blackburn & TD Coast) that the transfer is complete. Once we receive that notification, FTA will be updated to reflect the new recipient (T.D. Coast Western Timber Ltd.) information.

A 45D will follow to request release of the security deposit in Bradley John Blackburn's name (client# 120233) when the transaction is complete.

Thanks Dean for all your help. Any questions, let me know.
Cheers!

Cheryl Turner
RESOURCE CLERK
BCTS CHINOOK BUSINESS AREA
MINISTRY OF FORESTS, LANDS & NATURAL RESOURCE OPERATIONS
46360 AIRPORT ROAD, CHILLIWACK BC V2P 1A5
PH (604) 702.5755 FAX (604) 702.5711
CHERYL.R.TURNER@GOV.BC.CA

Turner, Cheryl R FLNR:EX

From: Turner, Cheryl R FLNR:EX
Sent: Wednesday, May 25, 2011 11:40 AM
To: FIN REV G RMO (RCO) FIN:EX
Subject: Electronic 45D A87655 Final Release
Attachments: A87655_45D_final.ifm

Good morning Dean,
Please process the return of the security deposit for Bradley John Blackburn in the amount of \$ 45,029.23 (final release).

I attached the email I sent to you on May 10, 2011 to the 45D. (Sorry for the error of entering the incorrect Licensee name in the comment line). Thank you for catching that and correcting it for me. Don't know what I would do without you! ☺

Cheers!

Cheryl Turner
RESOURCE CLERK
BCTS CHINOOK BUSINESS AREA
MINISTRY OF FORESTS, LANDS & NATURAL RESOURCE OPERATIONS
46360 AIRPORT ROAD, CHILLIWACK BC V2P 1A5
PH (604) 702.5755 FAX (604) 702.5711
CHERYL.R.TURNER@GOV.BC.CA

**SECTION A - LICENCE/LICENSEE DETAILS**

Tenure / Licence No.	A87655	Business Area (BCTS only)	Chinook	District:	DCK
Licensee Name:			Bradley John Blackburn	Client No.:	00120233
Licensee Address: 4965 Mason Place Kamloops BC V2H 1M1					

SECTION B - TENURE STATUS REPORT

<input type="checkbox"/> Expired	Expiry Date:	2012-10-06	<input checked="" type="checkbox"/> Not Expired
<input type="checkbox"/> Cancelled By DM/TSM	Cancellation Date:		
<input type="checkbox"/> Documents/Licence Surrendered	Surrender Date:		

ACTIONS

<input checked="" type="checkbox"/> FTA Updated	Updated By:	Cheryl Turner	Date:	2011-05-17
<input checked="" type="checkbox"/> GENUS Updated	Updated By:	Brenda Cosgrove	Date:	2011-05-16
<input type="checkbox"/> RESULTS Updated	Updated By:		Date:	
<input type="checkbox"/> W&R Invoices Issued By DM	Checked By:		Date:	
<input checked="" type="checkbox"/> Notify C & E	Done By:	Brenda Cosgrove	Date:	2011-05-20

Comments

Transfer of sale to new owner T.D. Coast Western Timber Ltd. No harvest start at date of transfer.

SECTION C - DISPOSITION NOTICE (Completed by District or BCTS Team)

Original Deposit: \$	45,029.23	Existing Deposit: \$	45,029.23
Payment No:	402220 & 402221	Payment Date	2011-04-07
Holdback \$	0.00	Comments	Transfer of sale from Bradley John Blackburn (client #00120233) to T.D. Coast Western Timber Ltd. (client #00162539).
<input type="checkbox"/> Forfeit	All or \$		
<input checked="" type="checkbox"/> Release Balance	\$	45,029.23	
Technician (Print):	Brenda Cosgrove	Signature:	s.17
		Date:	2011-05-20
Forester (Print):		Signature:	
		Date:	

SECTION D - FOREST SERVICE DISTRICT APPROVAL OR BCTS APPROVAL

Name:	Steve deMelt, TSM Chinook BA	Signature:	s.17	Date:	2011-05-23
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SECTION E - SENT TO MINISTRY OF SMALL BUSINESS and REVENUE

Method	<input type="checkbox"/> Mail	<input checked="" type="checkbox"/> Electronic	Return E-Mail Address	Chinook Timber Sales Resource Clerks FOR:EX
Signature:	s.17		Date:	2011-05-25

SECTION F - MINISTRY OF PROVINCIAL REVENUE

<input type="checkbox"/> A/R	<input type="checkbox"/> Payment Diversion List	<input type="checkbox"/> Previously Deleted Debts	<input type="checkbox"/> WorkSafe BC	<input type="checkbox"/> Era	<input type="checkbox"/> Address
<input type="checkbox"/> Held In Regional Trust Account	\$	<input type="checkbox"/> Applied To A/R	\$		
<input type="checkbox"/> Forfeiture	\$	<input type="checkbox"/> Refund	\$		
SKA/LOC	<input type="checkbox"/> Released	<input type="checkbox"/> Retained	Check Requisition No		
Comments:		Signature:			

Turner, Cheryl R FLNR:EX

From: Turner, Cheryl R FLNR:EX
Sent: Tuesday, May 31, 2011 10:47 AM
To: s.22
Subject: Security release for timber sale A87655
Attachments: 45D_Cover_ltr_30May2011.pdf

Dear Brad,

Attached, you will find a letter signed by our Timber Sales Manger, on the request to release the security deposit from Forest Revenue Operations has proceeded.
No paper copy will follow unless requested.

Regards,

Cheryl Turner

RESOURCE CLERK

BCTS CHINOOK BUSINESS AREA

MINISTRY OF FORESTS, LANDS & NATURAL RESOURCE OPERATIONS

46360 AIRPORT ROAD, CHILLIWACK BC V2P 1A5

PH (604) 702.5755 FAX (604) 702.5711

CHERYL.R.TURNER@GOV.BC.CA



The Best Place on Earth

TIMBER SALE LICENCE A87655



BETWEEN:

THE TIMBER SALES MANAGER, on behalf of
HER MAJESTY THE QUEEN IN RIGHT
OF THE PROVINCE OF BRITISH COLUMBIA,
(the "Timber Sales Manager")

AND:

Bradley John Blackburn

(the "Licensee")

WHEREAS:

- A. On March 29, 2007 the Minister approved a forest stewardship plan identifying the areas designated for harvest under this Licence, except for areas exempted from the requirement for a forest stewardship plan;
- B. The timber to be harvested under this Licence is certified pursuant to Sustainable Forestry Initiative (SFI) forest certification, registration # PRI-SFIS-042, and the Timber Sales Manager has subscribed to specific objectives in planning the Licence as set out in the BC Timber Sales Chinook Business Area SFI Sustainable Forest Management Plan;
- C. Applications for this Licence were invited by advertising in the prescribed manner under SECTION 20 OF THE *FOREST ACT*;
- D. Applications were restricted to BC timber sales enterprises;
- E. The Licensee is registered as a BC timber sales enterprise in the appropriate category;
- F. The Licensee has offered, among other things, to pay stumpage under Part 7 of the *Forest Act* and a bonus bid of \$30.20/m³ in respect of timber harvested under this Licence;
- G. The Licensee's application was approved by the Timber Sales Manager under SECTION 20 OF THE *FOREST ACT*; and
- H. The parties have entered into this Licence as required under SECTION 20 OF THE *FOREST ACT*.

THE PARTIES agree as follows:

1.00 GRANT OF RIGHTS AND TERM

1.01 Subject to this Licence, the Licensee

- (a) may during the term of this Licence harvest Crown timber from the areas of land designated for harvest on the map attached as Exhibit "A" to this Licence (the cutting authority area), and

- (b) for the purpose of exercising the rights under this Licence may enter onto these areas.
- 1.02 The Licensee must not fell standing timber, or must not buck or harvest felled or dead and down timber, as the case may be, if
 - (a) the timber is specified as reserved timber elsewhere in this Licence, unless otherwise specified in Schedule "A" to this Licence, or
 - (b) under an operational plan or the Acts, regulations or standards referred to in paragraph 9.01, the Licensee must not fell, buck or harvest the timber, for any reason, including silviculture, biodiversity or other forest management reasons, unless otherwise provided in Schedule "A" to this Licence.
- 1.03 The term of this Licence commences on the date the Timber Sales Manager signs this agreement and ends on the earlier of **eighteen (18) months** after that date or the date that the Timber Sales Manager gives notice to the Licensee that all contractual and legislative obligations associated with this Licence have been completed.
- 1.04 This Licence is not replaceable under the *Forest Act*.

2.00 EXTENSIONS

- 2.01 The term of this Licence may be extended subject to the *Forest Act*.

3.00 SURRENDER

- 3.01 The surrender of this Licence is subject to the *Forest Act*.

4.00 SPECIAL CONDITIONS AND REQUIREMENTS

- 4.01 The Licensee will meet with the Timber Sales Manager at a mutually agreed upon location, date and time
 - (a) before beginning activities on the cutting authority area,
 - or
 - (b) if timber harvesting is delayed for more than 90 calendar days after the date agreed to in subparagraph (a) of this paragraph, at a date and time not less than seven days before commencing harvesting operations,at which times the Timber Sales Manager and the Licensee will review the current operational requirements applicable to the cutting authority area.
- 4.02 The Licensee must implement the Environmental Management System pertaining to this Licence.
- 4.03 The Licensee must not erect or operate a sawmill or timber-processing facility on the cutting authority area.
- 4.04 The Licensee must not allow the manufacture of special forest products on the cutting authority area until after the quantity and quality of the waste on the cutting authority area has been determined.
- 4.05 The Licensee must provide notice to the Timber Sales Manager of each harvest method that the Licensee intends to use on the cutting authority area at least 5 days before commencing operations on the cutting authority area.

- 4.06 If, at any time during the term of this Licence, the Licensee intends to use a harvest method that is different from a method given in the notice under paragraph 4.05, the Licensee will notify the Timber Sales Manager of that decision and method no less than 5 days before the Licensee begins to use that method.
- 4.07 The Licensee must comply with the conditions and requirements set out in the Schedules to this Licence.

5.00 SAFETY

- 5.01 The Licensee must ensure, prior to commencing activities on the cutting authority area, and throughout the term of this Licence,
 - (a) that all individuals, corporations or partnerships who provide direction to workers or contractors on or in relation to the cutting authority, and on or in relation to the area described in the Exhibit "A" to the Road Permit issued to the holder of this Licence, are
 - (i) certified in the BC Forest Safety Council SAFE Company program as an independent small employer, or
 - (ii) endorsed by the BC Forest Safety Council SAFE Company program as a new entrant to the industry, or
 - (iii) certified under another safety certification scheme recognized by BC Forest Safety Council or BC Timber Sales, or
 - (iv) work for an employer who satisfies the qualifications in clauses (i), (ii), and (iii) above, and
 - (b) that an individual, corporation or partnership does not provide direction on or in relation to the areas described in this paragraph unless the required certification or endorsement referred to in this paragraph is maintained and in good standing.
- 5.02
 - (a) The Licensee will keep a list of the names of employers or parties directing works on the area described in paragraph 5.01.
 - (b) That list must include:
 - (i) the names of each employer or firm as it is registered with WorkSafe BC, and
 - (ii) the certification status of each employer or firm with the BC Forest Safety Council SAFE Company program or other recognized safety certification schemes, and

the Licensee, upon request, will provide a copy of that list to the Timber Sales Manager.

6.00 WASTE ASSESSMENT

- 6.01 The Licensee must notify the Timber Sales Manager that primary logging has been completed on a cutblock when it has been completed.
- 6.02 The Licensee will determine the volume and quality of waste on a cutblock in accordance with the *Provincial Logging Residue and Waste Measurement Procedures Manual*, as amended from time to time.

- 6.03 The Licensee shall not dispose of the waste after the volume and quality of the waste has been determined.
- 6.04 The Licensee will pay waste assessments to the government for the volume and quality of timber that is assessed as waste under paragraph 6.02.
- 6.05 The amount payable under a waste assessment will be calculated in accordance with the *Provincial Logging Residue and Waste Measurement Procedures Manual*, as amended from time to time.
- 6.06 If the Licensee fails to comply with paragraph 6.02, then
 - (a) the volume and quality of waste will be determined by the Timber Sales Manager in accordance with the *Provincial Logging Residue and Waste Measurement Procedures Manual*, as amended from time to time, and
 - (b) the Licensee will pay to the government
 - (i) the sum of money equal to the Timber Sales Manager's cost of determining the volume and quality of waste, and
 - (ii) the waste assessments.

7.00 TIMBER MARK

- 7.01 The timber mark(s) for the timber harvested under this Licence (is/are):
876
55
- 7.02 If directed by the Timber Sales Manager, the Licensee must erect signs at all exits from the cutting authority area, clearly showing the timber mark(s) referred to in paragraph 7.01.
- 7.03 The Licensee must mark all timber in the prescribed manner before transporting timber from the cutting authority area.

8.00 SCALE-BASED STUMPAGE

- 8.01 For the purpose of determining the amount of stumpage payable in respect of timber harvested under this Licence, the volume and quality of timber harvested will be determined using information provided in a scale of the timber.
- 8.02 The Licensee must ensure that
 - (a) all timber harvested under this Licence is scaled, and
 - (b) the scale of the timber is conducted in the prescribed manner.

9.00 LEGISLATIVE FRAMEWORK

- 9.01 This Licence is subject to
 - (a) the *Forest Act* and the regulations made under that Act, and
 - (b) the *Forest and Range Practices Act* and the regulations and standards made under that Act, and
 - (c) the *Wildfire Act* and the regulations made under that Act.

- 9.02 The Licensee must
- (a) comply with the Acts, regulations and standards referred to in paragraph 9.01, and
 - (b) ensure that its employees, agents and contractors comply with these Acts, regulations and standards when engaging in or carrying out activities or operations under or associated with this Licence.
- 9.03 Nothing in this Licence is to be construed as authorizing the Licensee to harvest timber or engage in or carry out any other forest practices until
- (a) all applicable operational plans have been prepared, submitted, or approved according to the Acts, regulations and standards referred to in paragraph 9.01 in force at the time of work, and
 - (b) in the case of road construction, where required by regulation, a road layout and design and a site plan has been prepared by or submitted to the Timber Sales Manager.

10.00 ABORIGINAL RIGHTS, ABORIGINAL TITLE, TREATY RIGHTS

- 10.01 Notwithstanding any other provision of this Licence, if a court of competent jurisdiction
- (a) determines that activities or operations under or associated with this Licence will unjustifiably infringe an aboriginal right or title, or a treaty right,
 - (b) grants an injunction further to a determination referred to in subparagraph (a), or
 - (c) grants an injunction pending a determination of whether activities or operations under or associated with this Licence will unjustifiably infringe an aboriginal right or title, or a treaty right,
- the Timber Sales Manager, in a notice given to the Licensee, may vary or suspend this Licence, in whole or in part, or refuse to issue a Road Permit or other permit given to the Licensee, to be consistent with the court determination.
- 10.02 Subject to this Licence and the Acts, regulations and standards referred to in paragraph 9.01, if
- (a) the Timber Sales Manager has varied a Timber Sale Licence or Road Permit or other permit given to the Licensee under paragraph 10.01,
 - (b) a court of competent jurisdiction subsequently overturns, sets aside or rescinds the determination or injunction referred to in that paragraph, and
 - (c) it is practical to do so,
- the Timber Sales Manager, at the request of the Licensee, may vary the Timber Sale Licence or permit to reflect as closely as possible, for the remainder of its term, the terms and conditions of the permit or authorization given before the variation under paragraph 10.01.
- 10.03 Subject to this Licence and the Acts, regulations and standards referred to in paragraph 9.01, if
- (a) the Timber Sales Manager has suspended a Timber Sale Licence or Road Permit or other permit given to the Licensee under paragraph 10.01,

- (b) a court of competent jurisdiction subsequently overturns, sets aside or rescinds the determination or injunction referred to in that paragraph, and
 - (c) it is practical to do so,
- the Timber Sales Manager, at the request of the Licensee, may reinstate the Timber Sale Licence or permit for the remainder of its term.
- 10.04 Subject to this Licence and the Acts, regulations and standards referred to in paragraph 9.01, if
- (a) the Timber Sales Manager has refused to issue a Road Permit or other permit given to the Licensee under paragraph 10.01,
 - (b) a court of competent jurisdiction subsequently overturns, sets aside or rescinds the determination or injunction referred to in paragraph 10.01, and
 - (c) it is practical to do so,
- the Timber Sales Manager, at the request of the Licensee, may issue the permit.

11.00 ROADS

- 11.01 The Licensee may construct, maintain and use roads on the cutting authority area under authority of this Licence.
- 11.02 The Licensee must ensure that a road specified in either Schedule C of this Licence or a Road Permit issued pursuant to this Licence is constructed by or on behalf of the Licensee in accordance with the specifications contained in either Schedule C or the Road Permit, as the case may be.
- 11.03 The Licensee must ensure that all roads constructed or maintained by or on behalf of the Licensee are constructed or maintained in accordance with the Acts, regulations and standards referred to in paragraph 9.01 in force at the time of the work.
- 11.04 Before constructing, maintaining or using the road under this Licence, the Licensee, unless the Timber Sales Manager determines otherwise, must
- (a) obtain all necessary permits or authorizations for crossing alienated lands including power lines, pipelines, railroads, public roads, and agricultural land reserves, and
 - (b) obtain all necessary permits or authorizations from other resource agencies.
- 11.05 The Licensee may, where necessary, construct a junction with a Forest Service Road, and must ensure that any junction with a Forest Service Road is constructed such that
- (a) it provides at least the minimum sight distance to ensure user safety,
 - (b) it has sufficient junction angle and suitable road grade and surface for the expected traffic, and
 - (c) culverts are installed, as required, to maintain drainage patterns.
- 11.06 The Licensee must provide to the Timber Sales Manager a report describing the costs incurred by the Licensee to construct, maintain or deactivate any road authorized or required to be constructed by this Licence or a Road Permit when that report is required by the Timber Sales Manager.
- 11.07 The Licensee must ensure that any access control structure erected to restrict motor vehicle traffic will not be a hazard to the users of the road by

- (a) placing any control structure in a conspicuous location,
 - (b) adequately marking that structure with permanent reflective material, and
 - (c) erecting warning signs at such a distance so as to provide adequate warning of the structure.
- 11.08 If the Licensee wishes to communicate by means of radio, the Licensee must
- (a) post the radio frequency at the start of the road,
 - (b) erect kilometre markers along that road, and
 - (c) ensure that all vehicles working for and on behalf of the Licensee use the posted frequency in an appropriate manner.
- 11.09 The Licensee must maintain all roads that the Licensee uses under the authority of a Road Use Permit to transport timber harvested under the authority of this Licence, in accordance with the Road Use Permit.

12.00 FINANCIAL AND DEPOSITS

- 12.01 In addition to any money payable in respect of this Licence or a Road Permit under the Acts or regulations referred to in paragraph 9.01, the Licensee must pay to the government, immediately upon receipt of a notice, statement or invoice issued on behalf of the government,
- (a) stumpage under Part 7 of the *Forest Act* in respect of timber harvested under this Licence or a Road Permit,
 - (b) a bonus bid in the amount of \$30.20/m³ in respect of timber harvested under this Licence, and
 - (c) any payment required under part 6.00 of this Licence and
 - (d) where applicable, the Timber Sales Manager's cost of determining the volume and quality of waste.
- 12.02 During the term of this Licence, the Licensee must maintain with the government a deposit in the amount prescribed under the *Forest Act* or the regulations made under that Act, in a form acceptable to the Minister, as security for the Licensee's performance of its obligations under or in respect of this Licence or a Road Permit issued pursuant to this Licence.
- 12.03 If the Timber Sales Manager gives the Licensee a notice that an amount has been taken under this part from the deposit, the Licensee, within four (4) weeks of the date on which the notice is given, must pay to the government, in a form acceptable to the Minister, an amount sufficient to replenish the deposit.
- 12.04 If the Licensee fails
- (a) to pay money that the Licensee is required to pay to the government under
 - (i) this Licence, or
 - (ii) the Acts or regulations referred to in paragraph 9.01 in respect of this Licence, or
 - (b) to otherwise perform its obligations under
 - (i) this Licence, or

- (ii) the Acts, regulations or standards referred to in paragraph 9.01 in respect of this Licence,

the Timber Sales Manager, after at least four (4) weeks notice to the Licensee, may take from the deposit

- (c) an amount equal to the money which the Licensee failed to pay,
- (d) an amount sufficient to cover all costs incurred by the Timber Sales Manager in remedying the Licensee's failure to perform its obligations, or
- (e) an amount equal to the Timber Sales Manager's estimate of the costs that the Timber Sales Manager could reasonably expect to incur in remedying the Licensee's failure to perform its obligations,

and for that purpose a security included in the deposit may be realized.

12.05 A notice referred to in paragraph 12.04 must specify

- (a) the money which the Licensee has failed to pay or the obligation which the Licensee has failed to perform, and
- (b) the amount the Timber Sales Manager intends to take from the deposit.

12.06 Subject to paragraphs 12.08, 12.09 and 12.10, if

- (a) the Timber Sales Manager, under paragraph 12.04, takes from the deposit an amount equal to the Timber Sales Manager's estimate of the costs which the Timber Sales Manager could reasonably expect to incur in remedying the Licensee's failure to perform its obligations, and
- (b) the costs incurred by the Timber Sales Manager in remedying the Licensee's failure to perform its obligations are less than the amount taken from the deposit,

the government will as soon as feasible return to the Licensee an amount equal to the difference between the amount taken from the deposit and the costs incurred by the Timber Sales Manager.

12.07 If

- (a) the Timber Sales Manager, under paragraph 12.04, takes from the deposit an amount equal to the Timber Sales Manager's estimate of the costs which the Timber Sales Manager could reasonably expect to incur in remedying the Licensee's failure to perform its obligations, and
- (b) the costs incurred by the Timber Sales Manager in remedying the Licensee's failure to perform its obligations are greater than the amount taken from the deposit,

the Timber Sales Manager may take from the deposit an additional amount equal to the difference between the costs incurred by the Timber Sales Manager and the amount originally taken from the deposit, and for that purpose a security included in the deposit may be realized.

12.08 If the Timber Sales Manager, under paragraph 12.04, takes from the deposit an amount equal to the Timber Sales Manager's estimate of the costs which the Timber Sales Manager could reasonably expect to incur in remedying the Licensee's failure to perform its obligations, the Timber Sales Manager is under no obligation to remedy the Licensee's failure.

12.09 If

- (a) the Timber Sales Manager, under paragraph 12.04, takes from the deposit an amount equal to the Timber Sales Manager's estimate of the costs which the Timber Sales Manager could reasonably expect to incur in remedying the Licensee's failure to perform its obligations,
- (b) the Timber Sales Manager does not remedy the Licensee's failure to perform its obligations, and
- (c) the Timber Sales Manager gives a notice to the Licensee indicating that the government will not be remedying the Licensee's failure to perform its obligations,

subject to paragraph 12.10, the government may retain the amount taken from the deposit under paragraph 12.04.

12.10 If, after receiving a notice referred to in paragraph 12.09, the Licensee

- (a) remedies the failure to perform its obligations, and
- (b) gives a notice to that effect to the Timber Sales Manager within three (3) months of the date on which the notice referred to in paragraph 12.09 is given to the Licensee, or within such longer period as the Timber Sales Manager may approve.

the government will return to the Licensee an amount equal to the difference between the amount taken from the deposit and any costs incurred by the Timber Sales Manager in respect of the Licensee's failure to perform its obligations.

12.11 Subject to the Forest Act and the regulations made under that Act, the government will return to the Licensee the deposit, less deductions made under paragraphs 12.04 and 12.07, when

- (a) this Licence expires, and
- (b) the Timber Sales Manager is satisfied that the Licensee has fulfilled its obligations under or in respect of this Licence.

13.00 REPORTING

13.01 The Licensee will submit such information as the Timber Sales Manager requires regarding the Licensee's obligations or activities under or in respect of this license as and when required by the Timber Sales Manager.

14.00 LIABILITY AND INDEMNITY

14.01 The Licensee must indemnify the government against and save it harmless from all claims, demands, suits, actions, causes of action, costs, expenses and losses faced, incurred or suffered by the government as a result, directly or indirectly, of any act or omission of

- (a) the Licensee,
- (b) an employee or agent of the Licensee,
- (c) a contractor of the Licensee who engages in any activity or carries out any operation, including but not restricted to harvesting operations, under or associated with this Licence or a Road Permit, or

- (d) any other person who on behalf of or with the consent of the Licensee engages in any activity or carries out any operation, including but not restricted to harvesting operations, under or associated with this Licence or a Road Permit.
- 14.02 For greater certainty, the Licensee has no obligation to indemnify the government under paragraph 14.01 in respect of any act or omission of
 - (a) an employee, agent or contractor of the government, in the course of carrying out his or her duties as employee, agent or contractor of the government, or
 - (b) a person, other than the Licensee, to whom the government has granted the right to use or occupy Crown land, in the course of exercising those rights.
- 14.03 Amounts taken under part 12.00 from the deposit or a special deposit, and any payments required under part 6.00, are in addition to and not in substitution for any other remedies available to the government in respect of a default of the Licensee.

15.00 LIMITATION OF LIABILITY

- 15.01 The government is not liable to the Licensee for injuries, losses, expenses, or costs incurred or suffered by the Licensee as a result, directly or indirectly, of an act or omission of a person who is not a party to this Licence, including but not restricted to an act or omission of a person disrupting, stopping or otherwise interfering with the Licensee's operations under this Licence by road blocks or other means.

16.00 TITLE to IMPROVEMENTS and TIMBER

- 16.01 Title to all
 - (a) improvements, including roads and bridges, constructed under the authority of this Licence.
 - (b) improvements, including roads and bridges, constructed under the authority of a road permit issued pursuant to this Licensee, unless otherwise specified in the permit, and
 - (c) timber, including logs and special forest products, felled or bucked under the authority of this Licence and located on the cutting authority area upon the expiry, cancellation, surrender or other termination of this Licence,
 will vest in the government, without right of compensation to the Licensee.
- 16.02 The Licensee must leave all improvements and timber referred to in paragraph 16.01 on the cutting authority area, unless otherwise authorized by the Timber Sales Manager.

17.00 BANKRUPTCY, ASSIGNMENT, AND INSOLVENCY

- 17.01 The Licensee must refrain from committing an act of bankruptcy, making a general assignment for the benefit of its creditors, or otherwise acknowledging its insolvency.

18.00 NOTICE

- 18.01 A notice given under this Licence must be in writing.
- 18.02 A notice given under this Licence may be

- (a) delivered by hand, or
 - (b) sent by mail.
- 18.03 If a notice is given under this Licence, it is deemed to have been given
- (a) if it is given in accordance with subparagraph 18.02(a) , on the date it is delivered by hand, or
 - (b) if it is given in accordance with subparagraph 18.02 (b), subject to paragraph 18.04, on the eighth day after its deposit in a Canada Post Office at any place in Canada.
- 18.04 If, between the time a notice is mailed in accordance with subparagraph 18.02 (b) and the time it is actually received, there occurs a postal strike, lockout or slowdown that might reasonably affect delivery of the notice, the notice is not deemed to be given until the party actually receives it.
- 18.05 If a notice is sent by facsimile transmission, the party sending the notice must take reasonable steps to ensure that the transmission has been successfully completed.

19.00 MISCELLANEOUS

- 19.01 The Exhibit "A", Exhibit "B", Schedules to this Licence and Road Permits issued pursuant to this Licence are deemed to be part of this Licence.
- 19.02 This Licence will enure to the benefit of, and be binding on, the Parties and their respective heirs, executors, successors and permitted assigns.
- 19.03 Any power conferred or duty imposed on the Timber Sales Manager under this Licence may be exercised or fulfilled by any person authorized to do so by the Timber Sales Manager.
- 19.04 The laws of British Columbia will govern the interpretation of this Licence and the performance of the Parties' obligations under this Licence.
- 19.05 If there is a conflict between the *Workers' Compensation Act* or a regulation under that Act, and a provision of this Licence, the *Workers' Compensation Act*, or the regulation made under that Act, prevails, and the Licensee must immediately notify the Timber Sales Manager of the conflict and follow any direction given by the Timber Sales Manager with respect to the conflict, provided such direction is consistent with the *Workers' Compensation Act* and the regulations under that Act.
- 19.06 Nothing in this Licence authorizes the Licensee to in any way restrict the government's access to the cutting authority area or the right-of-way of any other authorized entrant, user or occupier of that area.

20.00 INTERPRETATION

- 20.01 In this Licence, unless the context otherwise requires,
- (a) "deposit" means the deposit referred to in paragraph 12.02,
 - (b) "District Manager" means
 - (i) a District Manager appointed under the *Ministry of Forests Act*, for a forest district in which all or part of the cutting authority area is situated, and

- (ii) any person authorized by the District Manager to exercise a power or fulfill a duty in respect of this Licence,
- (c) "extension" means an increase to the term of this Licence,
- (d) "*Forest Act*" means the *Forest Act*, R.S.B.C. 1996, c. 157, as amended from time to time, or the successor to this Act, if it is repealed.
- (e) "*Forest and Range Practices Act*" means the *Forest and Range Practices Act*, R.S.B.C. 2002, as amended from time to time,
- (f) "forest stewardship plan" means a forest stewardship plan referred to in the *Forest and Range Practices Act*, that is prepared by the Timber Sales Manager and approved by the Minister in respect of this Licence,
- (g) "harvest" and its derivatives means to cut and remove timber from a cutting authority area,
- (h) "merchantability specifications" means the merchantability specifications described in the *Provincial Logging Residue and Waste Measurement Procedures Manual*,
- (i) "merchantable Crown timber" means timber referred to in paragraph 1.02 that meets the merchantability specifications,
- (j) "Minister" means the minister responsible for administering the *Forest Act* and the *Forest and Range Practices Act*,
- (k) "month" has the same meaning as in the *Interpretation Act*,
- (l) "person" includes an individual and a corporation,
- (m) "primary logging" means felling timber and yarding or forwarding the timber to central landings or road-sides, but does not include removing the timber from these landings or road-sides,
- (n) "Road Permit" means a Road Permit entered into under the *Forest Act* which provides access to timber harvested, or to be harvested, under this Licence,
- (o) "site plan" means a site plan referred to in the *Forest and Range Practices Act*, that is prepared by the Timber Sales Manager in respect of this Licence,
- (p) "special deposit" means a special deposit referred to in paragraph 12.11,
- (q) "Timber Sales Manager" means
 - (i) a Timber Sales Manager appointed under the *Ministry of Forests Act*, for a BC Timber Sales business area in which all or part of the cutting authority area is situated, and
 - (ii) any person authorized by the Timber Sales Manager to exercise a power or fulfill a duty in respect of this Licence,
- (r) "waste" means timber, except timber reserved from cutting, and which meets or exceeds the timber merchantability specifications described for the Coast and the Interior in the *Provincial Logging Residue and Waste Measurement Procedures Manual*, that could have been cut and removed under this Licence but at the agreement holder's discretion is not cut and removed,
- (s) "*Wildfire Act*" means the *Wildfire Act*, S.B.C. 2004, as amended from time to time,

- (t) “year” has the same meaning as in the *Interpretation Act*.
- 20.02 Unless otherwise provided in paragraph 20.01, if a word or phrase used in this Licence is defined in the *Forest Act*, the *Forest and Range Practices Act*, or the *Wildfire Act*, the definition in the Act applies to this Licence, and where the word or phrase in the Act is replaced by a new word or phrase, this Licence is deemed to have been amended accordingly.
- 20.03 If a provision of the *Forest Act* the *Forest and Range Practices Act* or the *Wildfire Act* referred to in this Licence is renumbered, the reference in this Licence is to be construed as a reference to the provision as renumbered.
- 20.04 In this Licence, unless the context otherwise requires,
- (a) the singular includes the plural and the plural includes the singular, and
 - (b) the masculine, the feminine and the neuter are interchangeable.
- 20.05 This Licence is divided into parts, paragraphs, subparagraphs, clauses and subclauses, illustrated as follows:
- 1.00 part,
 - 1.01 paragraph,
 - (a) subparagraph.
 - (i) clause,
 - (A) subclause;
- and a reference to a subparagraph, clause or subclause is to be construed as a reference to a subparagraph, clause or subclause of the paragraph, subparagraph or clause, as the case may be, in which the reference occurs.

Timber Sale Licence

TSL A87655

IN WITNESS WHEREOF each of the parties has executed this Licence on the respective date set forth below.

THE COMMON SEAL of the)
Licensee was affixed in the)
presence of:)
Brenda Blackburn)
Signature of Witness)
Brenda Blackburn)
Print Witness Name)

AFFIX
COMMON SEAL

April 6/11
Date

Or

SIGNED by the Licensee in the)
presence of:)
Brenda Blackburn)
Signature of Witness)
Brenda Blackburn)
Print Witness Name)

Brad Blackburn)
Signature of Licensee or Authorized)
Signatory)
Brad Blackburn)
Print Name of Licensee or Authorized)
Signatory)

April 6/11
Date

SIGNED by the Timber Sales)
Manager on behalf of Her)
Majesty the Queen in Right of the)
Province of British Columbia in)
the presence of:)
Cheryl Turner)
Signature of Witness)
CHERYL TURNER)
Print Witness Name)

Steve deMelt)
Steve deMelt, Timber Sales Manager)
Chinook BC Timber Sales Business Area)

2011-04-07
Date

SCHEDULE "A"

SPECIAL CONDITIONS AND REQUIREMENTS

1.00 ADMINISTRATION

1.01 The Licensee must

- (a) notify the Timber Sales Manager of the date that the Licensee intends to begin timber harvesting or road construction at least five (5) days before the date that the Licensee intends to begin either of those activities, informing the Timber Sales Manager of the date that the Licensee intends to begin each of those activities respectively and,
if the Licensee intends to stop operations on the cutting authority area for longer than 14 consecutive days, the Licensee will
- (b) notify the Timber Sales Manager within 5 days after commencing that shutdown, and
- (c) notify the Timber Sales Manager at least 2 working days before recommencing operations on the cutting authority area.

2.00 DANGEROUS TREES

2.01 The Licensee may cut a tree that is reserved from cutting and is located within the cutting authority area if the person authorized by the Licensee reasonably believes that

- (a) the tree represents a safety hazard, and
- (b) a "no work zone" does not need to be established.

2.02 The Licensee must not buck or remove any tree felled pursuant to paragraph 2.01 without first notifying the Timber Sales Manager.

2.03 The Licensee may cut a tree that is located outside of the cutting authority area if a person authorized by the Licensee reasonably believes that the tree represents a safety hazard, and

- (a) the Licensee must not buck or remove that tree without first notifying the Timber Sales Manager.

3.00 ENVIRONMENTAL

See Schedule "D" for additional clauses.

3.01 The Licensee must not introduce and/or spread invasive plants.

3.02 The Licensee will grass seed exposed mineral soil within the area of harvest and along the roads authorized under this timber sale licence and associated road permit(s).

3.03 Grass seeding must occur within two (2) growing months of the soil disturbance.

3.04 The Licensee must use a grass seed mixture that is specific to the biogeoclimatic zone in which they are operating.

- 3.05 The Licensee must submit records detailing the following:
- (a) Grass seed mixture used,
 - (b) Dates that seeding occurred, and
 - (c) GPS locations (in UTM coordinates) marking the start and end of the soil disturbances sections that have been grass seeded.

4.00 HARVESTING

- 4.01 The Licensee may cut a tree that is either reserved from cutting or located outside of the cutting authority area for the purpose of using the stumps of those trees as tail holds or guy-line anchors.
- 4.02 The Licensee must not buck or remove any tree felled for the purpose of creating a stump for use as a tail-hold or guy-line anchor without first notifying the Timber Sales Manager.
- 4.03 The Licensee, wherever practicable, must conduct operations in a manner that will not result in debris accumulating within five (5) metres of standing trees, immature trees and seedlings, or otherwise negatively impact other resource values or private property.
- 4.04 If the Licensee pushes over, knocks over, or otherwise causes a tree to lean over, the Licensee must cut that tree, and if the Licensee chooses not to remove that tree, must
- (a) buck that tree into lengths, and
 - (b) lop and scatter all branches
- in such a manner that lengths and branches lie close to the ground and are clear of all reserved trees, immature trees and seedlings and private property.
- 4.05 If operations are scheduled to take place on block HW212 between the dates of February 15th to April 15th and/or July 20th to September 31st the Licensee must install amphibian fencing between FC 9 and FC 10 to limit the movement of red-legged frogs from Pond #5 into the harvesting area.
- 4.06 Unless marked otherwise, the Licensee must maintain a five (5) meter Machine Free Zone (MFZ) along all streams and riparian features (ponds, lakes, wetlands).

5.00 FOREST HEALTH

No clauses are applicable to this Part.

6.00 OTHER UTILITIES AND OCCUPIERS OF LAND

- 6.01 The Licensee, before operating within two tree lengths of a statutory right-of-way, utility, or private property, must
- (a) notify the offices of BC Hydro at least seven (7) days before commencing those operations and
 - (b) comply with that party's guidelines and applicable Workers' Compensation Act regulations in respect of conducting activities in the vicinity of that right-of-way.

- 6.02 The Licensee will comply with the terms and conditions of a Site Alteration Permit issued to BC Timber Sales under Section 12 of the Heritage Conservation Act, to the extent that the aforesaid Permit applies to the cutting authority area, by
- (a) collecting and labelling three (3) stem round samples, and
 - (b) delivering those stem round samples to the BCTS field team office before TSL expiry date.

7.00 ROADS

- 7.01 The Licensee will
- (a) enter into a Standard Road Maintenance Agreement (FS1287) with the maintainer of a Forest Service Road and the holder of any road permit for those aforementioned roads that the Licensee will use to transport logs from the cutting authority area,
 - (b) provide a copy of that signed Agreement to the Timber Sales Manager,
 - (c) not commence timber harvesting until a copy of that Agreement is provided to the Timber Sales Manager, and
 - (d) pay the road use fee in the amount and in the manner specified in that agreement to the maintainer or road permit holder, as the case may be.

8.00 SPECIAL CONDITIONS

- 8.01 The Licensee, to the extent practicable, must ensure that the area occupied by permanent access structures does not exceed:
- (a) for Block HW205: 10.7 % of the total area, and
 - (b) for Block HW212: 10.5 % of the total area.

9.00 SILVICULTURE

- 9.01 The Licensee must create a minimum of 500 plantable spots per hectare dispersed throughout each cutblock in the cutting authority area.
- 9.02 Where cut or decked timber remains on the cutting authority area after the expiry date of this timber sale, the Timber Sales Manager may require that the Licensee pay to the government immediately upon receipt of a notice, statement or invoice issued on behalf of the government, and in addition to any payment required under part 12.00 of this licence, an amount equal to the Timber Sales Manager's estimate of the silviculture costs that the Timber Sales Manager could reasonably expect to incur as a result of the Licensee not removing the cut or decked timber from the cutting authority area by that date.

10.00 SKID TRAILS

- 10.01 The Licensee must rehabilitate all skid trails and/or mobile backspur trails.

11.00 SLASHING

No clauses are applicable to this Part.

12.00 TIMBER PROCESSING

No clauses are applicable to this Part.

SCHEDULE "B"

RESERVED TIMBER and MERCHANTABILITY SPECIFICATIONS

1.00 MERCHANTABILITY SPECIFICATIONS AND WASTE ASSESSMENT

- 1.01 For the purposes of the waste assessment and subject to Part 6.00 of this Licence, standing timber will be measured in accordance with the specifications and procedures stated in the *Provincial Logging Residue and Waste Measurements Procedures Manual*.
- 1.02 For the purposes of waste assessment and subject to Part 6.00 of this Licence, felled or dead-and-down timber will be measured in accordance with the specifications and procedures stated in the *Provincial Logging Residue and Waste Measurements Procedures Manual*.

2.00 RESERVED TIMBER

- 2.01 The Licensee must ensure that the cutblock boundary is clearly marked following completion of timber harvesting operations, by
- (a) not cutting those trees marked as being on a cutblock boundary (boundary trees), or
 - (b) cutting boundary trees above the mark identifying the cutblock boundary, or
 - (c) leaving at least one (1) stump between one (1) and three (3) metres high at least every fifty (50) metres along the cutblock boundary.
- 2.02 The following timber is specified as reserved timber:
- (a) Block HW205: Two (2) Wildlife Tree Retention Areas (WTRA) totaling 3.2 ha. External to the falling boundary from Falling Corners 1 to 6 and from 60 to 61.
 - (b) Block HW205: Two(2) Retention Patches totaling 0.1 ha and marked with orange/black stripe ribbon and orange paint.
 - (c) Block HW205: Individual retention trees marked with three (3) orange dots at DBH.
 - (d) Block HW212: One (1) Wildlife Tree Retention Areas (WTRA) totaling 6.0 ha external to the falling boundaries from Falling Corners 19 to 26.
 - (e) Block HW212: Seven (7) Retention Patches totaling 1.1 ha and marked with orange/black stripe ribbon and orange paint
 - (f) Block HW212: Individual retention trees marked with three (3) orange dots at DBH.
- 2.03 Despite paragraph 2.02 above, substitution of individual retention trees for safety purposes is permissible subject to the approval by the Timber Sales Manager or a person designated by the Timber Sales Manager.

SCHEDULE "C"

**ROAD AND STRUCTURE
ENGINEERING REQUIREMENTS**

**1.00 GENERAL ROAD CONSTRUCTION, MAINTENANCE, DEACTIVATION,
REHABILITATION, AND LOCATION REQUIREMENTS**

- 1.01 The Licensee is authorized to construct, use, maintain and deactivate roads or to rehabilitate the area occupied by those roads that are
- (a) shown on either the Exhibit "A" of this Licence or the map provided in Appendix II to this Schedule, and,
 - (b) described in column 1 of Table 1 of this Schedule.

Table 1: Road Sections

1	2	3	4	5	6	7
Road Name	Road Section Length (m)	Start Station	Stop Station	Road Location	Applicable Construction Specification	Licensee Responsible Deactivation/ Rehabilitation
HW2100	574	85	659	Optional	General	Deactivate
HW6000	688	0	688	Optional	General	Deactivate
HW6100	255	0	255	Optional	General	Deactivate
HW8000	100	0	100	Optional	General	Deactivate
HW2052	742	172	914	Optional	General	Deactivate
HW2053	26	0	26	Optional	General	Deactivate
HW2054	742	68	810	Optional	General	Deactivate
HW2055	204	0	204	Optional	General	Deactivate
HW2056	240	25	265	Optional	General	Deactivate
HW2063	139	0	139	Optional	General	Deactivate
HW2064	41	0	41	Optional	General	Deactivate

- 1.02 Where in Table 1 of this Schedule:
- (a) the words "must follow location" in column 5 appear opposite the road name in column 1, the Licensee must construct that road in the location as identified in the field by the Timber Sales Manager,
 - (b) the word "optional" in column 5 appears opposite the road name in column 1, the Licensee may, at its discretion, construct that road,

- (c) the word “deactivate” in column 7 appears opposite the road name in column 1, the Licensee must deactivate that road, and,
 - (d) the word “rehabilitate” in column 7 appears opposite the road name in column 1, the Licensee must deactivate that road and rehabilitate the area occupied by that road.
- 1.03 The Licensee must maintain all roads constructed or used under this Licence in accordance with the specifications set out in Part 4.00 of this Schedule.

2.00 ROAD CONSTRUCTION SPECIFICATIONS

- 2.01 Where in Table 1 of this Schedule:
- (a) the word “general” in column 6 appears opposite the road name in column 1, the Licensee must construct that road in accordance with the General Construction Specifications set out in Part 3.00 of this Schedule;
 - (b) the word “detailed” in column 6 appears opposite the road name in column 1, the Licensee must construct that road in accordance with the Detailed Construction Specifications set out in Appendix I to this Schedule;
 - (c) the word “none” in column 6 appears opposite the road name in column 1, and unless otherwise directed by the Timber Sales Manager, the Licensee may construct that road in accordance with the General Construction Specifications set out in Part 3.00 of this Schedule.

3.00 GENERAL CONSTRUCTION SPECIFICATIONS

- 3.01 Subject to paragraph 2.01(a), the Licensee must
- (a) construct curves according to the following curvature specifications:

Table 2: Curvature Specifications

Radius of Curve (m)	180	90	60	45	35	25	20	15
Minimum Stabilized Surface Width (metres)	4.3	5.3	5.8	6.0	6.5	7.5	8.0	9.0

- (b) ensure that each road constructed under this Licence conforms to
 - (i) subject to clause (ii), the Government of British Columbia CL-625 standard design load vehicle configuration, or
 - (ii) any variation from the Government of British Columbia CL-625 standard design load vehicle configuration authorized by the Timber Sales Manager before the commencement of construction of the road,and
- (c) ensure that each road constructed under this Licence conforms to the General Construction Specifications set out below:

Table 3: Other General Construction Specifications

Other General Construction Specifications	ROAD IDENTIFIER		
	All Roads		
Stumps/roots/logs allowed in road prism outside the road subgrade width (YES/NO)	No		
Stumps/Roots/Logs allowed under the road subgrade width (YES/NO)	No		
Maximum stripping width (metres)			
Minimum road subgrade width other than curves (metres)			
Maximum road subgrade width other than curves (metres)			
Maximum distance between turnouts (metres)			
Useable length /width of turnouts	m X m	m X m	m X m
Maximum sustained grade			
Adverse (%)			
Favourable (%)			
Maximum short pitch grade			
Adverse: for a maximum of [Enter number] meters (%)			
Favourable: for a maximum of [Enter number] meters with slack grade preceding or following on a straight runout (%)			
Switchback maximum gradient (%)			
Ditch depth (0.3/0.5 metres)			
Minimum cross-drain culvert diameter (round pipe) (mm)			
Other shapes (opening size) (mm)	mm X mm	mm X mm	mm X mm
Stabilizing required of road surface, with rock ballast or pit-run gravel (YES/NO)			

4.00 ROAD MAINTENANCE SPECIFICATIONS

- 4.01 The Licensee must regularly maintain and repair roads constructed or used under this Licence to ensure safe industrial use of those roads, including the use by third parties, in a timely manner and fashion by doing the following:

Drainage systems:

- (a) ensuring that road surface and slope drainage systems (including ditches, culverts and road crowning, in-sloping and out-sloping) are functional at all times;

Brushing:

- (b) cutting all vegetative growth, including trees and other vegetation on roadway surfaces and roadsides such that
- (i) sight distances are consistent with the road design speed,
 - (ii) snow removal and placement is accommodated without impeding sight distance, and
 - (iii) usable road widths will permit the safe passage of vehicles at road widenings or turnouts;
- (c) identifying and falling all hazard trees adjacent to all rights-of-way before commencing industrial operations;

Surface grading:

- (d) utilizing a grader to perform surface grading to the road, except for those roads with ballast rock surfaces, to
- (i) thoroughly loosen surfacing material, by cutting, scarification or other methods to address the depth of potholes, rutting or wash-boarding, without causing contamination of the surfacing with the subgrade material or with unsuitable ditch materials,
 - (ii) provide proper road surface drainage and prevent water pooling on the road by shaping the surface crown or sloping the road surface as indicated by the character of the existing surface, and removing grader berms, and
 - (iii) produce a surface that is smooth, uniform, consistent to grade, all to provide haul speeds commensurate with road alignment;
- (e) grading only when moisture content is suitable, or with the addition of water;
- (f) placing or replacing surface aggregate where necessary to achieve the objectives in subparagraph (d) above;

Turnouts:

- (g) ensuring that turnouts are either inter-visible or of a sufficient number and size to accommodate both the traffic volumes and vehicle sizes commonly using that road;

Sign maintenance:

- (h) cleaning, replacing, and reconditioning signs, posts, and markers, including but not limited to, radio frequency call signs, information signs, kilometer markers, traffic control signs, and bridge delineators;

Winter maintenance:

- (i) ceasing all industrial use on the road or sections of the road that display any of the following conditions:
 - (i) rutting to the point that subgrade material mixes with surfacing material;
 - (ii) damage to the subgrade is occurring;
 - (iii) erosion of surfacing material;
 - (j) requesting the district manager to authorize closure of the road temporarily while the risk of damage to the road is unacceptably high;
 - (k) conducting winter maintenance in a manner such that
 - (i) snow is removed from all or part of the traveled way, including sufficient turnouts, when operations become inefficient, and/or the road would be otherwise unsafe for industrial use,
 - (ii) cut slopes are not undercut,
 - (iii) surfacing material and gravel is not bladed off the road,
 - (iv) snow is removed only from the usable road surface having roadbed support, including turnouts,
 - (v) snow banks are breached or “winged” backed to facilitate drainage at a sufficient number of locations to reduce water flow along road surfaces during periods of melt,
 - (vi) roadbed drainage ditches, drainage dips, and culverts are functional during periods of melt,
 - (vii) sand is applied to the bladed road surface as needed to provide proper traction for industrial vehicles where chains will not be suitable or sufficient, and
 - (viii) roads are closed to wheeled vehicles at times when use would be unsafe or when damage to the road could occur.
- 4.02 The Licensee is exempt from the maintenance requirements of paragraph 4.01(d) (iii) in respect of roads scheduled for deactivation or rehabilitation.
- 4.03 Upon completion of timber harvesting operations, for all roads constructed under this Licence and for which the Licensee is not responsible to deactivate or rehabilitate, the Licensee must
- (a) immediately before relinquishing its rights under this Licence, leave the road in a condition that conforms to the maintenance specifications in paragraph 4.01, or
 - (b) if necessary, return to the cutting authority area after breakup or snowmelt to complete road maintenance obligations in accordance with the maintenance specifications in paragraph 4.01.

5.00 ROAD DEACTIVATION

- 5.01 The Licensee must deactivate, before the expiry of the Licence, the road sections identified in columns 2, 3 and 4 of Table 1 of this Schedule, where the word “deactivate” appears in column 7 on the same line as that road section, in accordance with

- (a) section 82 of the Forest Planning and Practices Regulation,
- (b) every other provision of the Forest Planning and Practices Regulation that regulates road deactivation, either specifically or by reference to primary forest activities, and
- (c) any specifications provided in Part 7.00 of this Schedule.

6.00 REHABILITATION OF AREAS OCCUPIED BY ROADS

- 6.01 The Licensee must rehabilitate, before the expiry of the Licence, the area occupied by the road sections identified in columns 2, 3 and 4 of Table 1 of this Schedule, where the word “rehabilitate” appears in column 7 on the same line as that road section, by
- (a) de-compacting compacted soils,
 - (b) returning displaced surface soils, retrievable side-cast and berm materials onto the area occupied by that roads,
and either
 - (c) placing wood debris on the exposed soils, or
 - (d) revegetating the exposed mineral soils.

7.00 SPECIAL CONDITIONS

Not applicable

APPENDIX I

1.00 DETAILED CONSTRUCTION SPECIFICATIONS
Not Applicable

SCHEDULE "D"

ENVIRONMENTAL MANAGEMENT SYSTEM

The information contained in this Schedule is provided for the applicant to use when formulating an application for this Timber Sale Licence, and when conducting operations on the cutting authority area.

1.00 DEFINITIONS

1.01 In this Schedule

- (a) "BCTS EMS" means the BC Timber Sales Environmental Management System contained in the Ministry of Forests' publication "BC Timber Sales (BCTS) Environmental Management System", as amended from time to time, that is available on the BC Timber Sales website at:
http://www.for.gov.bc.ca/bcts/areas/TCH_certification.htm
- (b) "EFP" means environmental field procedure,
- (c) "EOP" means environmental operating procedure,
- (d) "ERP" means emergency response plan, and

2.00 OPERATIONAL CLAUSES

- 2.01 The Licensee must ensure that all persons working on the cutting authority area or related permit areas for the benefit of the Licensee, ("the Licensee's agents"), conform to the requirements of the Environmental Management System.
- 2.02 The Licensee must ensure that all persons working on the cutting authority area or related permit areas for the benefit of the Licensee, ("the Licensee's agents"), achieve and maintain training in the BCTS EMS.
- 2.03 If the Timber Sales Manager notifies the Licensee that the Licensee's agents must have educational requirements consistent with revised EMS training content by a date specified in the notice, the Licensee must ensure that beginning on that date the Licensee's agents have the educational requirements consistent with the revised EMS training content.
- 2.04 The Licensee must, before beginning operations on the cutting authority area or related permit areas, notify the Timber Sales Manager of the name
 - (a) of the person(s) who will be responsible for supervising operations on those sites and who will be present on site at all times ("the supervisor"), and
 - (b) of an alternate(s) should the supervisor not be on site,and after beginning operations must notify the Timber Sales Manager of any change to the supervisor referred to in subparagraph (a) of this paragraph, or alternate, within 5 days of making the change.
- 2.05 The Licensee must maintain records of the nature and extent of the BCTS EMS training received by the Licensee and the Licensee's agents sufficient to allow the Timber Sales Office to determine whether the Licensee is in compliance with paragraphs 2.01 and 2.02. The records will contain, but not be limited to:

- (a) Employee / agent name;
 - (b) EMS Training Level achieved;
 - (c) Date that training was taken.
- 2.06 The Licensee must ensure that those environmental field procedures (EFPs), environmental operating procedures (EOPs) and checklist/report forms applicable to the phases of work are made available on the cutting authority area or related permit areas to be viewed and read by the Licensee's agents.
- 2.07 The Timber Sales Manager, at any reasonable time, may notify the Licensee that the EFPs, EOPs or checklist/report forms as required by the EMS must be amended within a time specified to conform to the current edition of the BCTS EMS.
- 2.08 If the Timber Sales Manager notifies the Licensee under paragraph 2.07, BCTS must provide the Licensee with the amended EFPs, EOPs and checklist/report forms at substantially the same time as the notification.
- 2.09 If the Licensee receives a notice under paragraph 2.07, the Licensee must ensure that, by the date specified in the notice, the EFPs, EOPs and checklist/report forms are amended.
- 2.10 The Licensee must ensure that the Licensee's agents conform to the requirements of all applicable EFPs, EOPs and checklists/reports as required by the EMS.
- 2.11 The Licensee must inspect its own operations for conformance with the Licence, related permit(s), operational plans and the BCTS EMS. This does not preclude the requirement of the Licensee to conduct monitoring of its own operations for conformance.
- 2.12 Where operations do not conform to the requirements of the Licence, related permits, operational plans and the EMS, the Licensee must take appropriate corrective and preventive action.
- 2.13 The Licensee will conduct and document pre-work meetings and inspections as directed by BCTS staff at the pre-work meeting prior to the start up of field operations.
- 2.14 The Licensee will maintain records of pre-work meetings and inspection results and provide proof that operations are conforming or that corrective and preventive action has been taken, or is taking place.
- 2.15 On request of the Timber Sales Manager, the Licensee must make available to the Timber Sales Manager the records as required by the EMS and this Schedule.
- 2.16 The Licensee may be audited by an internal auditor and/or an independent third party auditor on conformance with the requirements of the BCTS EMS, and is committed to both
- (a) providing time and resources for such audits and,
 - (b) improving practices in response to audit results indicating that practices require improvement.

3.00 ENVIRONMENTAL EMERGENCY RESPONSE PLAN

- 3.01 The Licensee, if providing an activity or service with associated risks related to hazardous material spills, fuel, oil and pesticides, forest fires, landslides or other major erosion events, must comply with the BC Timber Sales Emergency Response Plan, as amended from time to time.
- 3.02 Before commencing operations on the cutting authority area or related permit areas, the Licensee must prepare and maintain on the cutting authority area an emergency response plan consistent with the approved BC Timber Sales Emergency Response Plan and submit such plan to the Timber Sales Manager upon request.
- 3.03 The Licensee must make its emergency response plan available on site for viewing by the Licensee's agents.
- 3.04 The Licensee must
 - (a) maintain a spill kit for every operation using herbicides or fuel on the cutting authority area or related permit areas and
 - (b) must ensure that all of the Licensee's agents have been trained in the use of that spill kit.
- 3.05 The Licensee must
 - (a) test emergency preparedness and
 - (b) maintain documentation of tests referred to in subparagraph (a) including
 - (i) the date of the test,
 - (ii) start and end times,
 - (iii) names of people involved,
 - (iv) results, and
 - (v) any actions to be taken as a result of those tests.
- 3.06 The Licensee must operate on the cutting authority area or related permit areas according to its emergency response plan.
- 3.07 The Licensee must report and document any incident in accordance with the BC Timber Sales Emergency Response Plan, identifying
 - (a) the time and date of the incident,
 - (b) location of the incident,
 - (c) description of the incident,
 - (d) impact(s),
 - (e) contributing factors,
 - (f) action taken and
 - (g) agencies to which the incident was reported.

EXHIBIT "A"

[Map]



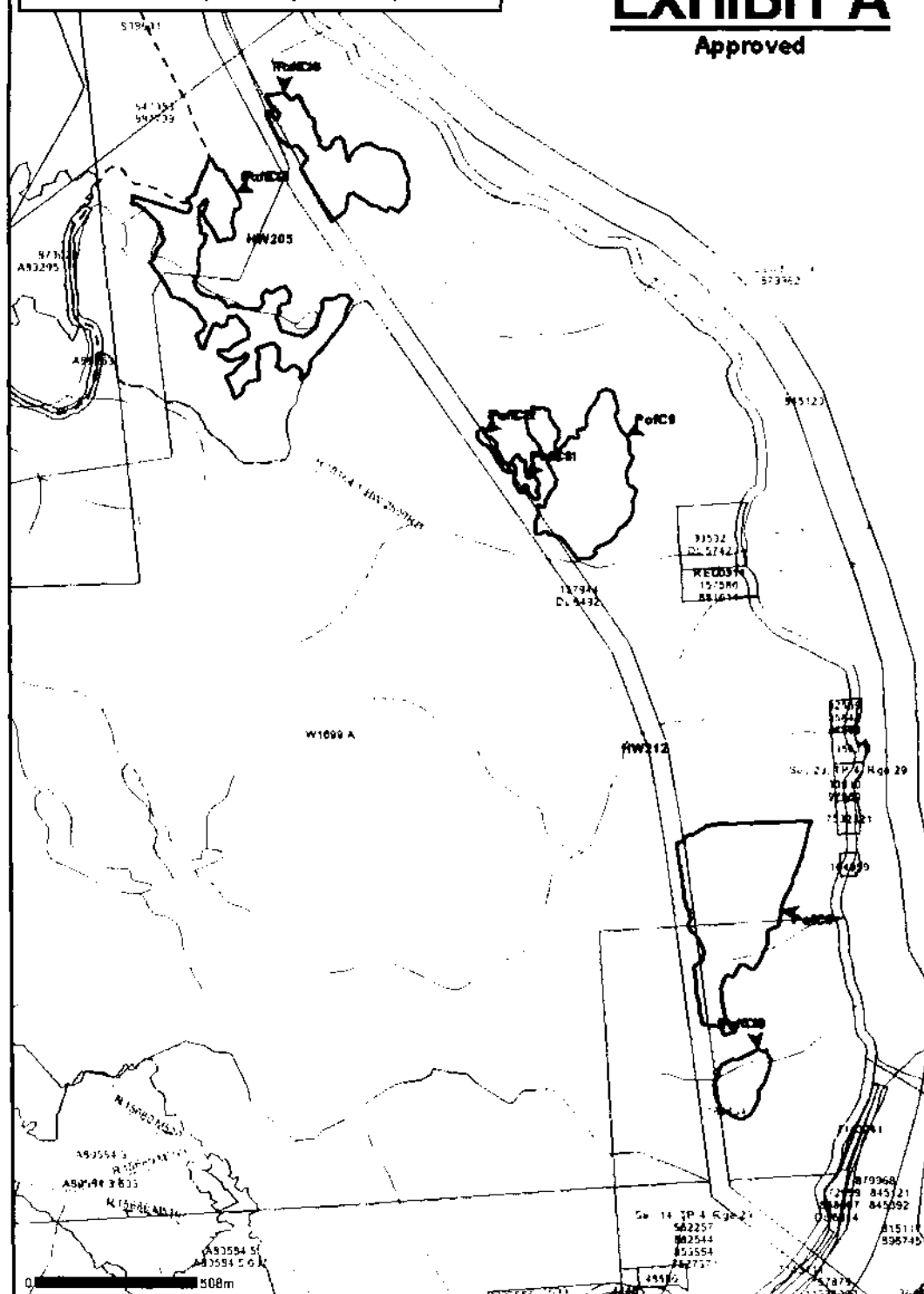
MAP OF: AIT865 (shown in bold black)			
FOREST REGION : RCO FOREST DISTRICT : DCK	TSA : LAND DISTRICT : NEW WESTMINSTER DISTRICT	PULPWOOD AGREEMENT :	MGT UNIT TYPE : TIMBER SUPPLY AREA MGT UNIT NO : 30
ESF SUBMISSION ID : 878582 BCGS MAPSHEET NO : 92H.031	SCALE : 1:20000 at A Size Area (Ha): 50.429	UTM : 10 NAD : NAD83	DRAWN BY : FTA DATE : Jan 31, 2011

EXCLUDING THEREOUT: W1699, FSR6314.
SAVE AND EXCEPTING PRIOR RIGHTS OF:
DL 6492 G1 NWD, L48317, 2408553, 0204241.
























Chilliwack Forest District

EXHIBIT A

Approved



Legend

-  Tenure Application
-  Tenure Road Application
-  Retired Tenure Road
-  P of C
-  P of T
-  Tenure Feature
-  Range
-  TFL
-  Provincial Forest
-  Forest Service Road
-  Highway
-  Municipal Road
-  Non Status Road
-  Recreation Trails
-  Road Permit
-  SUP Road
-  Right of Way
-  Schedule B CP Road
-  Mineral Tenure Points
-  Cities
-  Waterbodies
-  River/Stream
-  Coastline / Island

(50 429 Ha)

PolC1 UTM10 586569, 5863391
PolC2 UTM10 584984, 5846573
PolC3 UTM10 586152, 5848915
PolC4 UTM10 585127, 5846804
PolC5 UTM10 586475, 5842956
PolC6 UTM10 585828, 5846480
PolC7 UTM10 585703, 5846494
HW212 (30.3675 Ha)
PolC8 UTM10 586569, 5863391
PolC9 UTM10 586152, 5848915
PolC10 UTM10 586475, 5842956
PolC11 UTM10 585828, 5846480
PolC12 UTM10 585703, 5846494
HW205 (20.0616 Ha)
PolC13 UTM10 584984, 5846573
PolC14 UTM10 585127, 5846804

SALE OF CROWN TIMBER BID AND DEPOSIT RECORD

Scale Based Timber Sale Licence

Page 1 of 1

Licence Number A87655		Registration Category 1, 2 & 3		Location West Harrison, Chilliwack			Held at BC Timber Sales office Chinook		
Volume (m3) 24,534		Upset Rate (\$/m3) 10.27		Deposit Amount (\$) 4,101.42		Date of Sale YYYY/MM/DD 2011/03/23		Time of Sale 2:30 PM	
BID NO.	RECEIVED FROM			BCTS REGISTRATION No.	BONUS BID (\$/m3)	FORM OF SECURITY	DEPOSIT AMOUNT (\$)		SIGNATURE ACKNOWLEDGING RETURN OF DEPOSIT OR DATE RETURNED
1	Central Island Excavating			00023425	4.81	BD	\$4101.42		<i>RW 511 352 007 CA</i> <i>APR 8/11</i>
2	Bradley John Blackburn			00120233	30.20	BD	\$4101.42		
3	LaPointe Woodlands Ltd.			00162581	15.01	BD	\$300.00 \$3000.00 \$1000.00		<i>RW 511 360 272 CA</i> <i>APR 8/11</i>
4	JFI Forestry Ltd.			00157901	16.03	BD	\$4101.42		<i>JFI</i>
5	0793663 B.C. Ltd.			00159563	27.75	BD	\$4101.42		<i>RW 511 360 269 CA</i> <i>APR 8/11</i>
6	Mount 7 Adventure Company Ltd.			00144678	28.99	MO	\$4101.42		<i>RW 511 360 290 CA</i> <i>APR 12/11</i>
HIGHEST BID NO. 2				APPROVED (TIMBER SALES MANAGER SIGNATURE) <i>[Signature]</i>				DATE SIGNED YYYY/MM/DD 2011-03-23	
Tender Opening conducted by undersigned at 1430 hours on the 23 day of March, 20 11 .									
IN THE PRESENCE OF: <u>Judy Nitschke</u> <i>J Nitschke</i> WITNESS NAME <u>Cheryl Turner</u> <i>Cheryl Turner</i> AUCTIONEER <u>Resource Clerk</u> POSITION									
Approved Security						CASH (C) MONEY ORDER (MO) BANK DRAFT (BD) OTHER (O) SAFEKEEPING AGREEMENT (SKA) LETTER OF CREDIT (LOC) STANDING BID DEPOSIT (SBD)			