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Contact: Susan Heteny, Resource Clerk, Peace FD
Date typed: 2006/06/09 Date last saved: 2005/08/05 11:13 am

File: 19545-25/FLTC A87607 and A87608

March 29, 2011

Alex Stebbing
Fire Chief
District of Hudson's Hope
PO Box 330
Hudson's Hope, British Columbia
V0C 1H0

Dear Alex Stebbing:

Attached are copies of Forestry Licences to Cut A87607 and A87608. Forestry Licences to Cut A87607 and A87608 are approved subject to the conditions contained in said documents.



Signs clearly showing the timber mark for these forestry licences to cut must be erected at all exits from the harvest area(s).

Operations conducted not in accordance with these forestry licences to cut may be considered as unauthorized harvesting and dealt with accordingly.

Yours truly,

Rob Kopecky
District Manager
Peace District

Enclosure(s): Forestry Licences to Cut A87607 and A87608 documents



FORESTRY LICENCE TO CUT

A87607



THIS LICENCE, dated for reference **February 21, 2011**.

BETWEEN:

HER MAJESTY THE QUEEN IN RIGHT
OF THE PROVINCE OF BRITISH COLUMBIA,
as represented by the DISTRICT MANAGER,
MINISTRY OF NATURAL RESOURCE OPERATIONS
9000 17TH STREET
DAWSON CREEK, BRITISH COLUMBIA
V1G 4A4
Phone: 250-784-1200 Fax: 250-784-0143
(the "District Manager")

AND:

DISTRICT OF HUDSON'S HOPE
PO BOX 330
HUDSON'S HOPE, BRITISH COLUMBIA
V0C 1V0
Phone: 250-783-9901 Fax: 250-783-5741
(the "Licensee")

WHEREAS:

THE PARTIES agree as follows:

1.00 GRANT OF RIGHTS AND TERM

- 1.01 The term of this Licence begins on **March 1, 2011** and expires on the earlier of **February 28, 2013** or when the Regional Manager or District Manager gives notice to the Licensee that all contractual and legislative obligations associated with this Licence have been completed.

- 1.02 Subject to this Licence and the forestry legislation, the Licensee is authorized to harvest the Crown timber from the areas of land shown on the attached Exhibit "A" map(s) ("the licence area").
- 1.03 During the term of this Licence, the maximum volume of timber harvested under this Licence from the licence area is **2,000 m³**.
- 1.04 The volume of timber harvested under this Licence that exceeds the maximum harvestable volume of timber specified in paragraph 1.03 will be subject to the penalties specified in section 75.21 of the *Forest Act*, section 2 of the Cut Control Regulation, and may also be subject to penalties available under the *Forest and Range Practices Act*.
- 1.05 Subject to this Licence, the Licensee has the right to enter and use Crown land to exercise rights and fulfill obligations under this Licence.
- 1.06 This Licence is not replaceable under the *Forest Act*.
- 1.07 Extensions may be granted to the term of this Licence.

2.00 TIMBER HARVEST LIMITATIONS

- 2.01 Timber harvesting must be conducted in accordance with the forestry legislation and the conditions and requirements specified in Schedule "A".
- 2.02 In addition to timber specified in the forestry legislation as reserved, the Licensee must not cut, damage, or destroy timber if the timber is specified as reserved in Schedule "B".

3.00 TIMBER MARK

- 3.01 The timber mark for timber harvested under this Licence is:

8 7
6 0 7

- 3.02 All timber cut from the licence area must be marked in accordance with the *Forest Act* and the Timber Marking and Transportation Regulation.

4.00 SCALE BASED STUMPAGE

- 4.01 The Licensee must ensure that:
 - (a) all timber removed from the licence area is scaled; and
 - (b) the scale of the timber is conducted properly in accordance with the requirements of the *Forest Act* and the regulations made under that Act.

7.02 Subject to this Licence and the forestry legislation, if:

- (a) under paragraph 7.01, the Regional Manager or District Manager has varied the Licence issued to the Licensee;
- (b) a court of competent jurisdiction subsequently overturns, sets aside or dissolves the determination or injunction referred to in that paragraph; and
- (c) it is practical to do so;

the Regional Manager or District Manager, at the request of the Licensee, will vary the Licence to reflect as closely as possible, for the remainder of its term, the terms and conditions of the Licence prior to the variation under paragraph 7.01.

7.03 Subject to this Licence and the forestry legislation, if:

- (a) under paragraph 7.01, the Regional Manager or District Manager has suspended the Licence;
- (b) a court of competent jurisdiction subsequently overturns, sets aside or dissolves the determination or injunction referred to in that paragraph; and
- (c) it is practical to do so;

the Regional Manager or District Manager, at the request of the Licensee, will reinstate the Licence for the remainder of its term.

8.00 FINANCIAL AND DEPOSITS

8.01 In addition to any money payable in respect of this Licence under the forestry legislation, 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* at rates determined, re-determined and varied under section 105 of that Act in respect of timber removed under this Licence;
- (b) any payment required as a result of a waste assessment under part 6.00 of this Licence.

8.02 The Licensee will provide the Crown with \$N/A to be held on deposit (the “deposit”) to be used in accordance with the regulations.

8.03 If the Licensee fails to perform an obligation under this Licence, the Regional Manager or District Manager, after at least two weeks notice, may take from the deposit an amount equal to the reasonable costs to perform the obligation and may perform the obligation on the Licensee’s behalf.

10.00 TERMINATION

10.01 If this Licence expires or is cancelled or is otherwise terminated:

- (a) title to all improvements, including roads and bridges, fixed on Crown land in the licence area; and
- (b) all timber, including logs and special forest products, located on the licence area, will vest in the Crown, without right of compensation to the Licensee.

10.02 If the Licensee commits an act of bankruptcy, makes a general assignment for the benefit of its creditors or otherwise acknowledges its insolvency, the Licensee is deemed to have failed to perform an obligation under this Licence.

11.00 WAIVER

11.01 No waiver by the Crown of any default non-compliance by the Licensee in the strict and literal performance of or compliance with any provision of the Licence will be deemed to be a waiver of the strict and literal performance of or compliance with any other provision, condition or requirement of the Licence or to be a waiver of, or in any manner release the Licensee from compliance with any provision, condition or requirement in the future, nor will any delay or omission by the Crown in the exercising of any right hereunder in any manner with respect to non-compliance impair the exercise of any such rights in the future.

12.00 NOTICE

12.01 A notice given under this Licence must be in writing.

12.02 A notice given under this Licence may be:

- (a) delivered by hand;
- (b) sent by mail; or
- (c) sent by facsimile transmission;

to the address or facsimile number, as applicable, specified on the first page of this Licence, or to such other address or facsimile number as is specified in a notice given in accordance with this part.

12.03 If a notice is given under this Licence, it is deemed to have been given:

- (a) if it is given in accordance with subparagraph 12.02 (a) on the date it is delivered by hand;

- 13.07 This Licence is the entire agreement between the parties as to the matters set out in this Licence, and all previous promises, representations or agreements between the parties, whether oral or written, are deemed to have been replaced by this Licence.
- 13.08 Unless otherwise defined in this Licence, if a word or phrase used in this Licence is defined in the legislation described in paragraph 13.02, the definition in the legislation applies to this Licence, and where the word or phrase in the legislation is replaced by a new word or phrase, this Licence is deemed to have been amended accordingly.
- 13.09 Time is of the essence in this Licence.
- 13.10 If any provision in this Licence is found to be invalid or unenforceable by a court of law, the remainder of this Licence is separately valid and enforceable to the fullest extent permitted by law.
- 13.11 The Licensee acknowledges that any information released to the Licensee by the Regional Manager, District Manager or the Government about the nature of the Licence area or the quality or quantity of timber including the maximum volume in paragraph 1.03, is not to be relied upon. Execution of this Licence by the Licensee is an absolute release by the Licensee of the District Manager and the Crown from any claim that the Licensee may have in respect of the nature of the licence area or the quality or quantity of timber.

14.00 INTERPRETATION & DEFINITIONS

- 14.01 This Licence is divided into parts, paragraphs, subparagraphs, clauses and subparagraphs, illustrated as follows:

- 1.00 part;
 - 1.01 paragraph;
 - (a) subparagraph;
 - (i) clause;
 - (A) subparagraph;

and a reference to a subparagraph, clause or subparagraph 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.

- 14.02 In this Licence, unless the context otherwise requires,

“forestry legislation” means the statutes and regulations, to which the Licence is subject including: the *Forest Act*, the *Forest Practices Code of British Columbia Act*, *Forest and Range Practices Act* and the *Wildfire Act*.

SCHEDULE "A"

1.00 OTHER CONDITIONS AND REQUIREMENTS

1.01 In addition to the terms set out in the body of this Licence, the Licensee will also comply with the following conditions:

- (a) the Licensee must contact the District or Regional Manager or designate before start up and completion of operations;
- (b) final Harvesting Report: Within 60 days of the completion of harvesting operations, the Licensee must submit to the Regional Manager or District Manager a Post Harvest Report signed by a Licenced Forest Professional which specifies:
 - (i) the area in which the harvesting occurred;
 - (ii) an assessment of the post harvest free growing obligations within the licence area;
 - (iii) the amount of area harvested;
 - (iv) an update of Forest Cover Inventory; and
 - (v) the location and approximate size of all associate wildlife tree retention areas;
- (c) unless the Regional Manager or District Manager specifies otherwise in writing, the Licensee must take all reasonable steps to commence harvesting operations within a reasonable period of time following the commencement of the term and no later than **four (4) months** following the commencement of the term;
- (e) this Licence does not convey any right or title to any timber which has been cut prior to the effective date of the Licence and remains on the licence area, and the Licensee must not impede or obstruct the licensor from removing any such timber;

SCHEDULE "B"

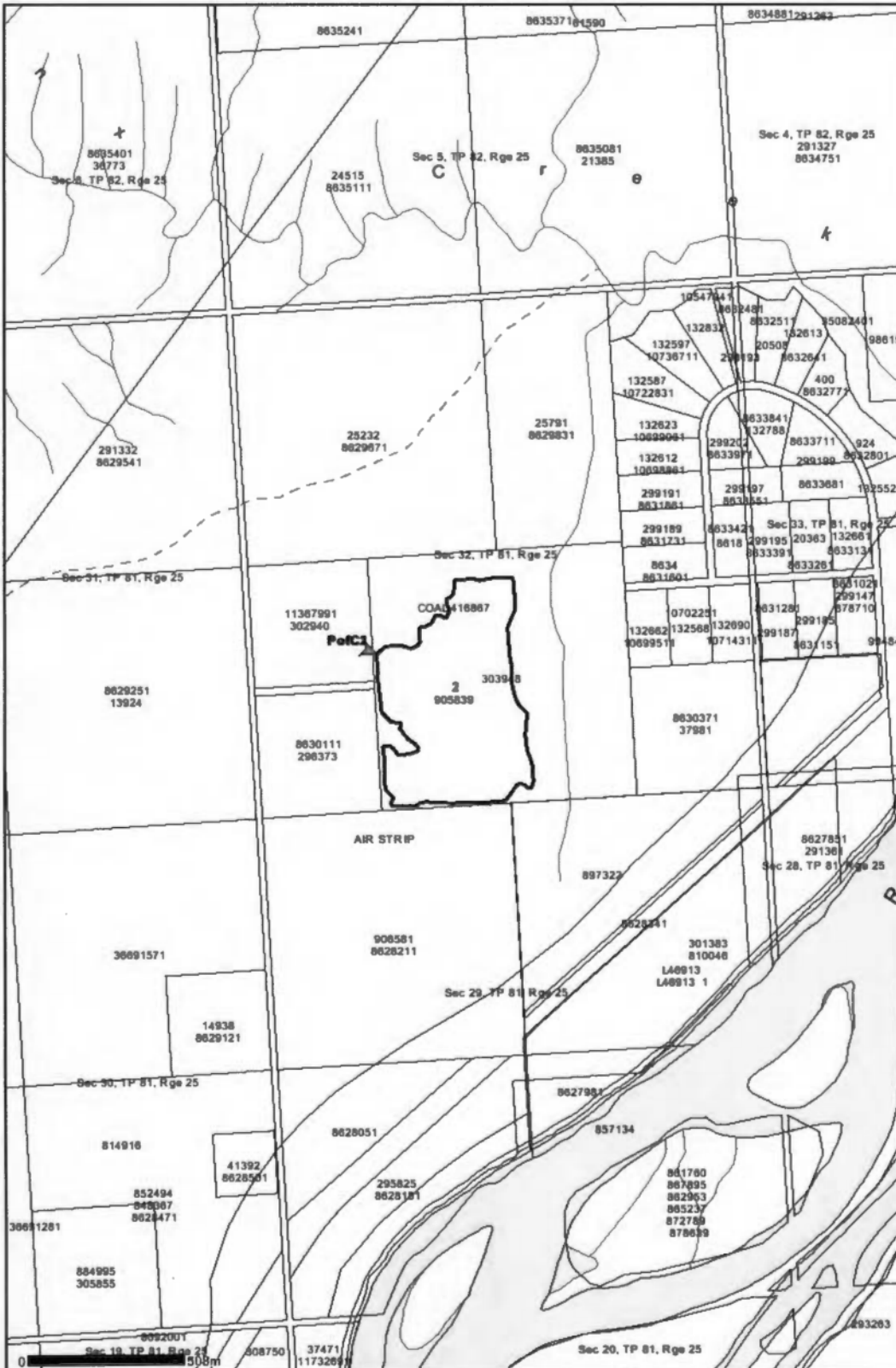
1.00 RESERVED TIMBER

1.01 Subject to the forestry legislation, there is no timber reserved under this Licence.








MAP OF : A87607 (shown in bold black)

FOREST REGION : RNI FOREST DISTRICT : DPC	TSA : LAND DISTRICT : PEACE RIVER DISTRICT	PULPWOOD AGREEMENT :	MGT UNIT TYPE : TIMBER SUPPLY AREA MGT UNIT NO : 41
ESF SUBMISSION ID : 819576 BCGS MAPSHEET NO : 94A.001	SCALE : 1:20000 at A Size Area (Ha): 26.435	UTM : 10 NAD : NAD83	DRAWN BY : FTA DATE : Oct 18, 2010



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

(26.4352 Ha)
PofC1 UTM10 569600, 6213587
2 (26.4352 Ha)
PofC2 UTM10 569600, 6213587



Ministry of
Forests, Lands and
Natural Resource Operations

Distribution: Peace FD file;
Document name: G:\Project\OPS_DIV31_AdminServices\RESOURCE CLERK\Forestry Licence to Cut\District of Hudson's Hope\issueCoverLetter 10
FTLC.doc lks
Contact: Theo Knevel, Authorization resource Tenures Officer, Peace FD
Date typed: 2014/03/06 Date last saved: 2014-03-06

File: 19545-25/ A91760, A91761, A91762, A91763, A91764
A91765, A91766, A91767, A91768, A91769

March 4, 2014

District of Hudson's Hope
PO Box 330
Hudson's Hope, British Columbia
V0C 1V0

Dear Licensee:

Attached are your copies of Forestry Licence to Cut A91760 - 69 (10 licences) documents.
The Forestry Licence to Cuts are approved subject to the conditions contained in said documents.

Signs clearly showing the timber mark for each forestry licence to cut must be erected at all exits from the harvest area(s).

Please ensure that the following stipulation is followed for all forestry licence to cuts:

Harvesting is to occur on frozen ground and with 30cm of snow.

Operations conducted not in accordance with the forestry licence to cuts may be considered as unauthorized harvesting and dealt with accordingly.

Yours truly,

Robert (Rob) Kopecky
District Manager
Peace Natural Resource District

Attachment(s): Forestry Licence to Cut documents for: A91760, A91761, A91762, A91763,
A91764, A91765, A91766, A91767, A91768, A91769



FORESTRY LICENCE TO CUT

A91762



THIS LICENCE, dated for reference .January 23, 2014

BETWEEN:

HER MAJESTY THE QUEEN IN RIGHT
OF THE PROVINCE OF BRITISH COLUMBIA,
as represented by the DISTRICT MANAGER
MINISTRY OF FORESTS, LANDS AND
NATURAL RESOURCE OPERATIONS
9000 17 STREET
DAWSON CREEK, BRITISH COLUMBIA
V1G 4A4
Phone: (250) 784-1200 Fax: (250) 784-0143
(the District Manager)

AND:

DISTRICT OF HUDSON'S HOPE
PO BOX 330
HUDSON'S HOPE, BRITISH COLUMBIA
V0C 1V0
(the "Licensee")

WHEREAS:

THE PARTIES agree as follows:

1.00 GRANT OF RIGHTS AND TERM

- 1.01 The term of this Licence begins on **January 23, 2014** and expires on the earlier of **January 22, 2015** or when the Regional Executive Director or District Manager gives notice to the Licensee that all contractual and legislative obligations associated with this Licence have been completed.

"The Table of Contents and headings in this Licence are included for convenience only and do not form a part of this Licence and in no way define, limit, alter or enlarge the scope or meaning of any provision of this Licence."

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- 1.02 Subject to this Licence and the forestry legislation, the Licensee is authorized to harvest the Crown timber from the areas of land shown on the attached Exhibit "A" map(s) ("the licence area").
- 1.03 During the term of this Licence, the maximum volume of timber harvested under this Licence from the licence area is **285 m³**.
- 1.04 The volume of timber harvested under this Licence that exceeds the maximum harvestable volume of timber specified in paragraph 1.03 will be subject to the penalties specified in section 75.21 of the *Forest Act*, section 2 of the Cut Control Regulation, and may also be subject to penalties available under the *Forest and Range Practices Act*.
- 1.05 Subject to this Licence, the Licensee has the right to enter and use Crown land to exercise rights and fulfill obligations under this Licence.
- 1.06 This Licence is not replaceable under the *Forest Act*.
- 1.07 Extensions may be granted to the term of this Licence.

2.00 TIMBER HARVEST LIMITATIONS

- 2.01 Timber harvesting must be conducted in accordance with the forestry legislation and the conditions and requirements specified in Schedule "A".
- 2.02 In addition to timber specified in the forestry legislation as reserved, the Licensee must not cut, damage, or destroy timber if the timber is specified as reserved in Schedule "B".

3.00 TIMBER MARK

- 3.01 The timber mark for timber harvested under this Licence is:

9 1
7 6 2

- 3.02 All timber cut from the licence area must be marked in accordance with the *Forest Act* and the Timber Marking and Transportation Regulation.

4.00 SCALE BASED STUMPAGE

- 4.01 The Licensee must ensure that:
 - (a) all timber removed from the licence area is scaled; and
 - (b) the scale of the timber is conducted properly in accordance with the requirements of the *Forest Act* and the regulations made under that Act.

5.00 TIMBER VOLUME CHARGED TO THE LICENCE

5.01 Timber of the following grades will be used to calculate and determine the “volume of timber harvested” as defined in section 75.1 of the *Forest Act*:

- (a) all species and grades except for grades 6 and Z.

6.00 WASTE ASSESSMENT

- 6.01 The quantity and quality of merchantable Crown timber that could have been harvested under this Licence but at the Licensee’s discretion was not harvested, will be determined in accordance with the provisions of the Provincial Logging Residue and Waste Measurement Procedures Manual, as amended or replaced from time to time.
- 6.02 The Regional Executive Director or District Manager, in a notice given to the Licensee, may require the Licensee to pay in respect of the volume of timber determined under paragraph 6.01, a monetary assessment for all waste.
- 6.03 The amount of money that the Licensee must pay under a waste assessment will be determined in accordance with the provisions of the Provincial Logging Residue and Waste Measurement Procedures Manual as they are at the time the quantity and quality of merchantable Crown timber is determined under paragraph 6.01.
- 6.04 For the purpose of conducting the assessment of the volume of timber that was not harvested as described in paragraph 6.01 the Regional Executive Director or District Manager may conduct an assessment in accordance with the current Provincial Logging Residue and Waste Measurement Procedures Manual after the expiry of the term of this Licence or the Licence otherwise being terminated, whichever occurs first.

7.00 COURT DETERMINED ABORIGINAL RIGHTS AND/OR TITLE

- 7.01 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 and/or title, or treaty right;
 - (b) grants an injunction further to a determination referred to in subparagraph 7.01 (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 and/or title, or treaty right,

the Regional Executive Director or District Manager in a notice given to the Licensee, may vary or suspend, this Licence in whole or in part, so as to be consistent with the court determination.

7.02 Subject to this Licence and the forestry legislation, if:

- (a) under paragraph 7.01, the Regional Executive Director or District Manager has varied the Licence issued to the Licensee;
- (b) a court of competent jurisdiction subsequently overturns, sets aside or dissolves the determination or injunction referred to in that paragraph; and
- (c) it is practical to do so;

the Regional Executive Director or District Manager, at the request of the Licensee, will vary the Licence to reflect as closely as possible, for the remainder of its term, the terms and conditions of the Licence prior to the variation under paragraph 7.01.

7.03 Subject to this Licence and the forestry legislation, if:

- (a) under paragraph 7.01, the Regional Executive Director or District Manager has suspended the Licence;
- (b) a court of competent jurisdiction subsequently overturns, sets aside or dissolves the determination or injunction referred to in that paragraph; and
- (c) it is practical to do so;

the Regional Executive Director or District Manager, at the request of the Licensee, will reinstate the Licence for the remainder of its term.

8.00 FINANCIAL AND DEPOSITS

8.01 In addition to any money payable in respect of this Licence under the forestry legislation, 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* at rates determined, re-determined and varied under section 105 of that Act in respect of timber removed under this Licence;
- (b) any payment required as a result of a waste assessment under part 6.00 of this Licence.

8.02 The Licensee will provide the Crown with **\$500.00** to be held on deposit (the “deposit”) to be used in accordance with the regulations.

- 8.03 If the Licensee fails to perform an obligation under this Licence, the Regional Executive Director or District Manager, after at least two weeks notice, may take from the deposit an amount equal to the reasonable costs to perform the obligation and may perform the obligation on the Licensee's behalf.
- 8.04 If the Regional Executive Director or District Manager takes from the deposit under paragraph 8.03, the Licensee must pay to the Government on demand an amount sufficient to replenish the deposit or this Licence may be terminated by the Regional Executive Director or District Manager.
- 8.05 In accordance with the Advertising, deposits, Disposition and Extensions Regulation, the deposit may be refunded to the Licensee.

9.00 LIABILITY & INDEMNITY

- 9.01 Subject to paragraph 9.03, the Licensee will 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 the Licensee's operations, under or associated with this Licence; 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 under or associated with this Licence.
- 9.02 For greater certainty, the Licensee has no obligation to indemnify the Government under paragraph 9.01 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.
- 9.03 Amounts taken under part 8.00 from the deposit and any payments required under parts 5.00, 6.00 or 8.00, and payments required further to the indemnity referred to in paragraph 9.01 are in addition to and not in substitution for any other remedies available to the Government in respect of a default of the Licensee.

- 9.04 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.

10.00 TERMINATION

10.01 If this Licence expires or is cancelled or is otherwise terminated:

- (a) title to all improvements, including roads and bridges, fixed on Crown land in the licence area; and
- (b) all timber, including logs and special forest products, located on the licence area, will vest in the Crown, without right of compensation to the Licensee.

10.02 If the Licensee commits an act of bankruptcy, makes a general assignment for the benefit of its creditors or otherwise acknowledges its insolvency, the Licensee is deemed to have failed to perform an obligation under this Licence.

11.00 WAIVER

11.01 No waiver by the Crown of any default non-compliance by the Licensee in the strict and literal performance of or compliance with any provision of the Licence will be deemed to be a waiver of the strict and literal performance of or compliance with any other provision, condition or requirement of the Licence or to be a waiver of, or in any manner release the Licensee from compliance with any provision, condition or requirement in the future, nor will any delay or omission by the Crown in the exercising of any right hereunder in any manner with respect to non-compliance impair the exercise of any such rights in the future.

12.00 NOTICE

12.01 A notice given under this Licence must be in writing.

12.02 A notice given under this Licence may be:

- (a) delivered by hand;
- (b) sent by mail; or
- (c) sent by facsimile transmission;

to the address or facsimile number, as applicable, specified on the first page of this Licence, or to such other address or facsimile number as is specified in a notice given in accordance with this part.

12.03 If a notice is given under this Licence, it is deemed to have been given:

- (a) if it is given in accordance with subparagraph 12.02 (a) on the date it is delivered by hand;
- (b) if it is given in accordance with subparagraph 12.02 (b), subject to paragraph 12.04, on the eighth day after its deposit in a Canada Post Office at any place in Canada; and
- (c) if it is given in accordance with subparagraph 12.02 (c), subject to paragraph 12.05, on the date it is sent by facsimile transmission.

12.04 If, between the time a notice is mailed in accordance with subparagraph 12.02 (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.

12.05 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.

12.06 Either party may, from time to time, advise the other party by notice in writing, of any change of address of the party giving such notice and, from and after the giving of such notice, the address specified will, for purposes of this Licence, be considered to be the address of the party giving such notice.

13.00 MISCELLANEOUS

13.01 This Licence will inure to the benefit of, and be binding on, the parties and their respective heirs, executors, successors and permitted assigns.

13.02 The laws of British Columbia will govern the interpretation of this Licence and the performance of the Licensee's obligations under this Licence.

13.03 Any non-statutory power conferred or duty imposed on the Regional Executive Director or District Manager under this Licence may be exercised or fulfilled by any person authorized to do so by the Regional Executive Director or District Manager.

13.04 Any Schedules, Exhibit "A" map(s) or attachments referenced in, or attached to this Licence are an integral part of this agreement as if set out in the body of this agreement, and the Licensee will comply with all the terms in the Schedules.

- 13.05 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 regulations made under that Act, prevails, and the Licensee must immediately notify the District Manager of the conflict and follow any direction given by the District Manager with respect to the conflict, provided such direction is consistent with the *Workers Compensation Act* and the regulations under that Act.
- 13.06 Nothing in this Licence authorizes the Licensee to in any way restrict the Government's right of access to the Licence areas or a road permit or the right of any other authorized entrant, user or occupier of these areas.
- 13.07 This Licence is the entire agreement between the parties as to the matters set out in this Licence, and all previous promises, representations or agreements between the parties, whether oral or written, are deemed to have been replaced by this Licence.
- 13.08 Unless otherwise defined in this Licence, if a word or phrase used in this Licence is defined in the legislation described in paragraph 13.02, the definition in the legislation applies to this Licence, and where the word or phrase in the legislation is replaced by a new word or phrase, this Licence is deemed to have been amended accordingly.
- 13.09 Time is of the essence in this Licence.
- 13.10 If any provision in this Licence is found to be invalid or unenforceable by a court of law, the remainder of this Licence is separately valid and enforceable to the fullest extent permitted by law.
- 13.11 The Licensee acknowledges that any information released to the Licensee by the Regional Executive Director, District Manager or the Government about the nature of the Licence area or the quality or quantity of timber including the maximum volume in paragraph 1.03, is not to be relied upon. Execution of this Licence by the Licensee is an absolute release by the Licensee of the District Manager and the Crown from any claim that the Licensee may have in respect of the nature of the licence area or the quality or quantity of timber.

14.00 INTERPRETATION & DEFINITIONS

- 14.01 This Licence is divided into parts, paragraphs, subparagraphs, clauses and subparagraphs, illustrated as follows:
- 1.00 part;
 - 1.01 paragraph;
 - (a) subparagraph;
 - (i) clause;
 - (A) subparagraph;

and a reference to a subparagraph, clause or subparagraph 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.

14.02 In this Licence, unless the context otherwise requires,

“forestry legislation” means the statutes and regulations, to which the Licence is subject including: the *Forest Act*, the *Forest Practices Code of British Columbia Act*, *Forest and Range Practices Act* and the *Wildfire Act*.

IN WITNESS WHEREOF this Licence has been executed by the (District Manager) and the Licensee on the date written above.

SIGNED by the)
(District Manager))
on behalf of Her Majesty)
the Queen in Right of)
the Province of)
British Columbia)
in the presence of:)

Signature

Lisa Douma
Printed Name

THE COMMON SEAL of)
the Licensee was affixed)
in the presence of:)

Signature


Tom Matus
Printed Name

(or)

SIGNED, by the Licensee)
in the presence of:)

Signature _____

Printed Name _____)


Ralph Barkhouse, A/District Manager
Peace Natural Resource District

March 4 / 14 Dated

c/s

THE DISTRICT OF HENDERSON'S HOPE

Licensee

Tom Mathis CEO

Printed Name and Title

JAN 30 2014

Dated

SCHEDULE "A"

1.00 OTHER CONDITIONS AND REQUIREMENTS

1.01 In addition to the terms set out in the body of this Licence, the Licensee will also comply with the following conditions:

- (a) the Licensee must contact the District or Regional Executive Director or designate before start up and completion of operations;
- (b) Final Harvesting Report: Within 60 days of the completion of harvesting operations, the Licensee must submit to the Regional Executive Director or District Manager a Post Harvest Report signed by a Licenced Forest Professional which specifies:
 - (i) the area in which the harvesting occurred;
 - (ii) an assessment of the post harvest free growing obligations within the licence area;
 - (iii) the amount of area harvested;
 - (iv) an update of Forest Cover Inventory; and
 - (v) the location and approximate size of all associate wildlife tree retention areas;
- (c) unless the Regional Executive Director or District Manager specifies otherwise in writing, the Licensee must take all reasonable steps to commence harvesting operations within a reasonable period of time following the commencement of the term and no later than **four (4) months** following the commencement of the term;
- (d) this Licence does not convey any right or title to any timber which has been cut prior to the effective date of the Licence and remains on the licence area, and the Licensee must not impede or obstruct the licensor from removing any such timber;

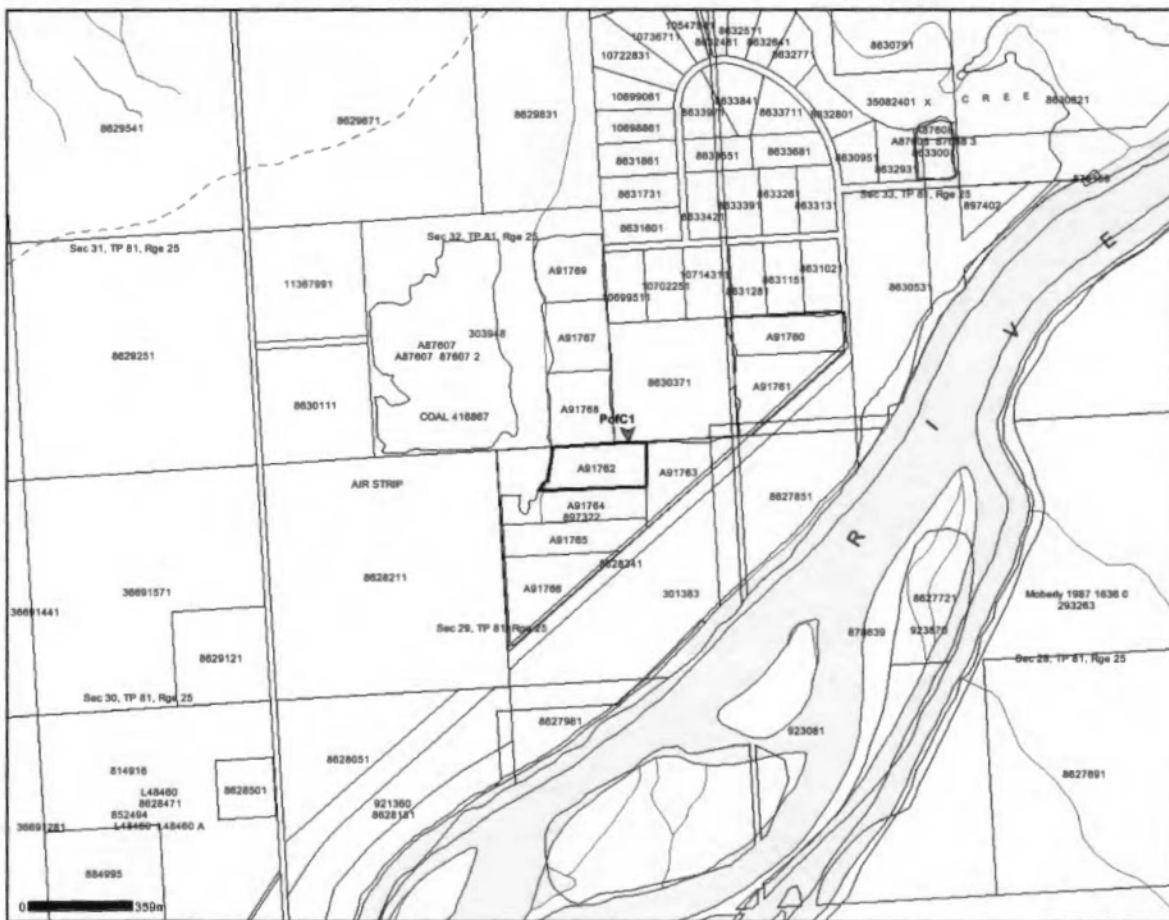
SCHEDULE "B"

1.00 RESERVED TIMBER

1.01 Subject to the forestry legislation, there is no timber reserved under this Licence.



MAP OF : A91762 (shown in bold black)			
FOREST REGION : RNI FOREST DISTRICT : DPC	TSA : LAND DISTRICT : PEACE RIVER DISTRICT	PULPWOOD AGREEMENT :	MGT UNIT TYPE : TIMBER SUPPLY AREA MGT UNIT NO : 41
ESF SUBMISSION ID : 1244996 BCGS MAPSHEET NO : 94A.001	SCALE : 1:20000 at A Size Area (Ha): 4.975	UTM : 10 NAD : NAD83	DRAWN BY : FTA DATE : Jan 20, 2014



Legend	
	Tenure Application
	Tenure Road Application
	Refined 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
	SLP Road
	Right of Way
	Schedule B CP Road
	Mineral Tenure Points
	Cities
	Waterbodies
	River/Stream
	Coastline / Island
(4.9754 Ha) PofC1 UTM10 570461, 6213102	



FORESTRY LICENCE TO CUT

A91763



THIS LICENCE, dated for reference January 23, 2014

BETWEEN:

HER MAJESTY THE QUEEN IN RIGHT
OF THE PROVINCE OF BRITISH COLUMBIA,
as represented by the DISTRICT MANAGER
MINISTRY OF FORESTS, LANDS AND
NATURAL RESOURCE OPERATIONS
9000 17 STREET
DAWSON CREEK, BRITISH COLUMBIA
V1G 4A4
Phone: (250) 784-1200 Fax: (250) 784-0143
(the District Manager)

AND:

DISTRICT OF HUDSON'S HOPE
PO BOX 330
HUDSON'S HOPE, BRITISH COLUMBIA
V0C 1V0
(the "Licensee")

WHEREAS:

THE PARTIES agree as follows:

1.00 GRANT OF RIGHTS AND TERM

- 1.01 The term of this Licence begins on **January 23, 2014** and expires on the earlier of **January 22, 2015** or when the Regional Executive Director or District Manager gives notice to the Licensee that all contractual and legislative obligations associated with this Licence have been completed.

"The Table of Contents and headings in this Licence are included for convenience only and do not form a part of this Licence and in no way define, limit, alter or enlarge the scope or meaning of any provision of this Licence."

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- 1.02 Subject to this Licence and the forestry legislation, the Licensee is authorized to harvest the Crown timber from the areas of land shown on the attached Exhibit "A" map(s) ("the licence area").
- 1.03 During the term of this Licence, the maximum volume of timber harvested under this Licence from the licence area is **285 m³**.
- 1.04 The volume of timber harvested under this Licence that exceeds the maximum harvestable volume of timber specified in paragraph 1.03 will be subject to the penalties specified in section 75.21 of the *Forest Act*, section 2 of the Cut Control Regulation, and may also be subject to penalties available under the *Forest and Range Practices Act*.
- 1.05 Subject to this Licence, the Licensee has the right to enter and use Crown land to exercise rights and fulfill obligations under this Licence.
- 1.06 This Licence is not replaceable under the *Forest Act*.
- 1.07 Extensions may be granted to the term of this Licence.

2.00 TIMBER HARVEST LIMITATIONS

- 2.01 Timber harvesting must be conducted in accordance with the forestry legislation and the conditions and requirements specified in Schedule "A".
- 2.02 In addition to timber specified in the forestry legislation as reserved, the Licensee must not cut, damage, or destroy timber if the timber is specified as reserved in Schedule "B".

3.00 TIMBER MARK

- 3.01 The timber mark for timber harvested under this Licence is:

9 1
7 6 3

- 3.02 All timber cut from the licence area must be marked in accordance with the *Forest Act* and the Timber Marking and Transportation Regulation.

4.00 SCALE BASED STUMPAGE

- 4.01 The Licensee must ensure that:
 - (a) all timber removed from the licence area is scaled; and
 - (b) the scale of the timber is conducted properly in accordance with the requirements of the *Forest Act* and the regulations made under that Act.

5.00 TIMBER VOLUME CHARGED TO THE LICENCE

5.01 Timber of the following grades will be used to calculate and determine the “volume of timber harvested” as defined in section 75.1 of the *Forest Act*:

- (a) all species and grades except for grades 6 and Z.

6.00 WASTE ASSESSMENT

- 6.01 The quantity and quality of merchantable Crown timber that could have been harvested under this Licence but at the Licensee’s discretion was not harvested, will be determined in accordance with the provisions of the Provincial Logging Residue and Waste Measurement Procedures Manual, as amended or replaced from time to time.
- 6.02 The Regional Executive Director or District Manager, in a notice given to the Licensee, may require the Licensee to pay in respect of the volume of timber determined under paragraph 6.01, a monetary assessment for all waste.
- 6.03 The amount of money that the Licensee must pay under a waste assessment will be determined in accordance with the provisions of the Provincial Logging Residue and Waste Measurement Procedures Manual as they are at the time the quantity and quality of merchantable Crown timber is determined under paragraph 6.01.
- 6.04 For the purpose of conducting the assessment of the volume of timber that was not harvested as described in paragraph 6.01 the Regional Executive Director or District Manager may conduct an assessment in accordance with the current Provincial Logging Residue and Waste Measurement Procedures Manual after the expiry of the term of this Licence or the Licence otherwise being terminated, whichever occurs first.

7.00 COURT DETERMINED ABORIGINAL RIGHTS AND/OR TITLE

- 7.01 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 and/or title, or treaty right;
 - (b) grants an injunction further to a determination referred to in subparagraph 7.01 (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 and/or title, or treaty right,

the Regional Executive Director or District Manager in a notice given to the Licensee, may vary or suspend, this Licence in whole or in part, so as to be consistent with the court determination.

7.02 Subject to this Licence and the forestry legislation, if:

- (a) under paragraph 7.01, the Regional Executive Director or District Manager has varied the Licence issued to the Licensee;
- (b) a court of competent jurisdiction subsequently overturns, sets aside or dissolves the determination or injunction referred to in that paragraph; and
- (c) it is practical to do so;

the Regional Executive Director or District Manager, at the request of the Licensee, will vary the Licence to reflect as closely as possible, for the remainder of its term, the terms and conditions of the Licence prior to the variation under paragraph 7.01.

7.03 Subject to this Licence and the forestry legislation, if:

- (a) under paragraph 7.01, the Regional Executive Director or District Manager has suspended the Licence;
- (b) a court of competent jurisdiction subsequently overturns, sets aside or dissolves the determination or injunction referred to in that paragraph; and
- (c) it is practical to do so;

the Regional Executive Director or District Manager, at the request of the Licensee, will reinstate the Licence for the remainder of its term.

8.00 FINANCIAL AND DEPOSITS

8.01 In addition to any money payable in respect of this Licence under the forestry legislation, 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* at rates determined, re-determined and varied under section 105 of that Act in respect of timber removed under this Licence;
- (b) any payment required as a result of a waste assessment under part 6.00 of this Licence.

8.02 The Licensee will provide the Crown with **\$500.00** to be held on deposit (the “deposit”) to be used in accordance with the regulations.

- 8.03 If the Licensee fails to perform an obligation under this Licence, the Regional Executive Director or District Manager, after at least two weeks notice, may take from the deposit an amount equal to the reasonable costs to perform the obligation and may perform the obligation on the Licensee's behalf.
- 8.04 If the Regional Executive Director or District Manager takes from the deposit under paragraph 8.03, the Licensee must pay to the Government on demand an amount sufficient to replenish the deposit or this Licence may be terminated by the Regional Executive Director or District Manager.
- 8.05 In accordance with the Advertising, deposits, Disposition and Extensions Regulation, the deposit may be refunded to the Licensee.

9.00 LIABILITY & INDEMNITY

- 9.01 Subject to paragraph 9.03, the Licensee will 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 the Licensee's operations, under or associated with this Licence; 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 under or associated with this Licence.
- 9.02 For greater certainty, the Licensee has no obligation to indemnify the Government under paragraph 9.01 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.
- 9.03 Amounts taken under part 8.00 from the deposit and any payments required under parts 5.00, 6.00 or 8.00, and payments required further to the indemnity referred to in paragraph 9.01 are in addition to and not in substitution for any other remedies available to the Government in respect of a default of the Licensee.

- 9.04 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.

10.00 TERMINATION

- 10.01 If this Licence expires or is cancelled or is otherwise terminated:

- (a) title to all improvements, including roads and bridges, fixed on Crown land in the licence area; and
- (b) all timber, including logs and special forest products, located on the licence area, will vest in the Crown, without right of compensation to the Licensee.

- 10.02 If the Licensee commits an act of bankruptcy, makes a general assignment for the benefit of its creditors or otherwise acknowledges its insolvency, the Licensee is deemed to have failed to perform an obligation under this Licence.

11.00 WAIVER

- 11.01 No waiver by the Crown of any default non-compliance by the Licensee in the strict and literal performance of or compliance with any provision of the Licence will be deemed to be a waiver of the strict and literal performance of or compliance with any other provision, condition or requirement of the Licence or to be a waiver of, or in any manner release the Licensee from compliance with any provision, condition or requirement in the future, nor will any delay or omission by the Crown in the exercising of any right hereunder in any manner with respect to non-compliance impair the exercise of any such rights in the future.

12.00 NOTICE

- 12.01 A notice given under this Licence must be in writing.

- 12.02 A notice given under this Licence may be:

- (a) delivered by hand;
- (b) sent by mail; or
- (c) sent by facsimile transmission;

to the address or facsimile number, as applicable, specified on the first page of this Licence, or to such other address or facsimile number as is specified in a notice given in accordance with this part.

12.03 If a notice is given under this Licence, it is deemed to have been given:

- (a) if it is given in accordance with subparagraph 12.02 (a) on the date it is delivered by hand;
- (b) if it is given in accordance with subparagraph 12.02 (b), subject to paragraph 12.04, on the eighth day after its deposit in a Canada Post Office at any place in Canada; and
- (c) if it is given in accordance with subparagraph 12.02 (c), subject to paragraph 12.05, on the date it is sent by facsimile transmission.

12.04 If, between the time a notice is mailed in accordance with subparagraph 12.02 (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.

12.05 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.

12.06 Either party may, from time to time, advise the other party by notice in writing, of any change of address of the party giving such notice and, from and after the giving of such notice, the address specified will, for purposes of this Licence, be considered to be the address of the party giving such notice.

13.00 MISCELLANEOUS

13.01 This Licence will inure to the benefit of, and be binding on, the parties and their respective heirs, executors, successors and permitted assigns.

13.02 The laws of British Columbia will govern the interpretation of this Licence and the performance of the Licensee's obligations under this Licence.

13.03 Any non-statutory power conferred or duty imposed on the Regional Executive Director or District Manager under this Licence may be exercised or fulfilled by any person authorized to do so by the Regional Executive Director or District Manager.

13.04 Any Schedules, Exhibit "A" map(s) or attachments referenced in, or attached to this Licence are an integral part of this agreement as if set out in the body of this agreement, and the Licensee will comply with all the terms in the Schedules.

- 13.05 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 regulations made under that Act, prevails, and the Licensee must immediately notify the District Manager of the conflict and follow any direction given by the District Manager with respect to the conflict, provided such direction is consistent with the *Workers Compensation Act* and the regulations under that Act.
- 13.06 Nothing in this Licence authorizes the Licensee to in any way restrict the Government's right of access to the Licence areas or a road permit or the right of any other authorized entrant, user or occupier of these areas.
- 13.07 This Licence is the entire agreement between the parties as to the matters set out in this Licence, and all previous promises, representations or agreements between the parties, whether oral or written, are deemed to have been replaced by this Licence.
- 13.08 Unless otherwise defined in this Licence, if a word or phrase used in this Licence is defined in the legislation described in paragraph 13.02, the definition in the legislation applies to this Licence, and where the word or phrase in the legislation is replaced by a new word or phrase, this Licence is deemed to have been amended accordingly.
- 13.09 Time is of the essence in this Licence.
- 13.10 If any provision in this Licence is found to be invalid or unenforceable by a court of law, the remainder of this Licence is separately valid and enforceable to the fullest extent permitted by law.
- 13.11 The Licensee acknowledges that any information released to the Licensee by the Regional Executive Director, District Manager or the Government about the nature of the Licence area or the quality or quantity of timber including the maximum volume in paragraph 1.03, is not to be relied upon. Execution of this Licence by the Licensee is an absolute release by the Licensee of the District Manager and the Crown from any claim that the Licensee may have in respect of the nature of the licence area or the quality or quantity of timber.

14.00 INTERPRETATION & DEFINITIONS

- 14.01 This Licence is divided into parts, paragraphs, subparagraphs, clauses and subparagraphs, illustrated as follows:
- 1.00 part;
 - 1.01 paragraph;
 - (a) subparagraph;
 - (i) clause;
 - (A) subparagraph;


and a reference to a subparagraph, clause or subparagraph 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.

14.02 In this Licence, unless the context otherwise requires,

“forestry legislation” means the statutes and regulations, to which the Licence is subject including: the *Forest Act*, the *Forest Practices Code of British Columbia Act*, *Forest and Range Practices Act* and the *Wildfire Act*.

IN WITNESS WHEREOF this Licence has been executed by the (District Manager) and the Licensee on the date written above.

SIGNED by the)
(District Manager))
on behalf of Her Majesty)
the Queen in Right of)
the Province of)
British Columbia)
in the presence of:)


Signature

Lisa Douma
Printed Name

THE COMMON SEAL of)
the Licensee was affixed)
in the presence of:)


Signature


Printed Name _____

(or)

SIGNED, by the Licensee)
in the presence of:)

Signature _____

Printed Name _____)


Ralph Barkhouse, A/District Manager
Peace Natural Resource District

March 4/14 Dated

c/s

THE DISTRICT OF HUDSON'S HOPE

Licensee

Tom Matus, CAO
Printed Name and Title

JAN 30 2014
Dated

SCHEDULE "A"

1.00 OTHER CONDITIONS AND REQUIREMENTS

1.01 In addition to the terms set out in the body of this Licence, the Licensee will also comply with the following conditions:

- (a) the Licensee must contact the District or Regional Executive Director or designate before start up and completion of operations;
- (b) Final Harvesting Report: Within 60 days of the completion of harvesting operations, the Licensee must submit to the Regional Executive Director or District Manager a Post Harvest Report signed by a Licenced Forest Professional which specifies:
 - (i) the area in which the harvesting occurred;
 - (ii) an assessment of the post harvest free growing obligations within the licence area;
 - (iii) the amount of area harvested;
 - (iv) an update of Forest Cover Inventory; and
 - (v) the location and approximate size of all associate wildlife tree retention areas;
- (c) unless the Regional Executive Director or District Manager specifies otherwise in writing, the Licensee must take all reasonable steps to commence harvesting operations within a reasonable period of time following the commencement of the term and no later than **four (4) months** following the commencement of the term;
- (d) this Licence does not convey any right or title to any timber which has been cut prior to the effective date of the Licence and remains on the licence area, and the Licensee must not impede or obstruct the licensor from removing any such timber;

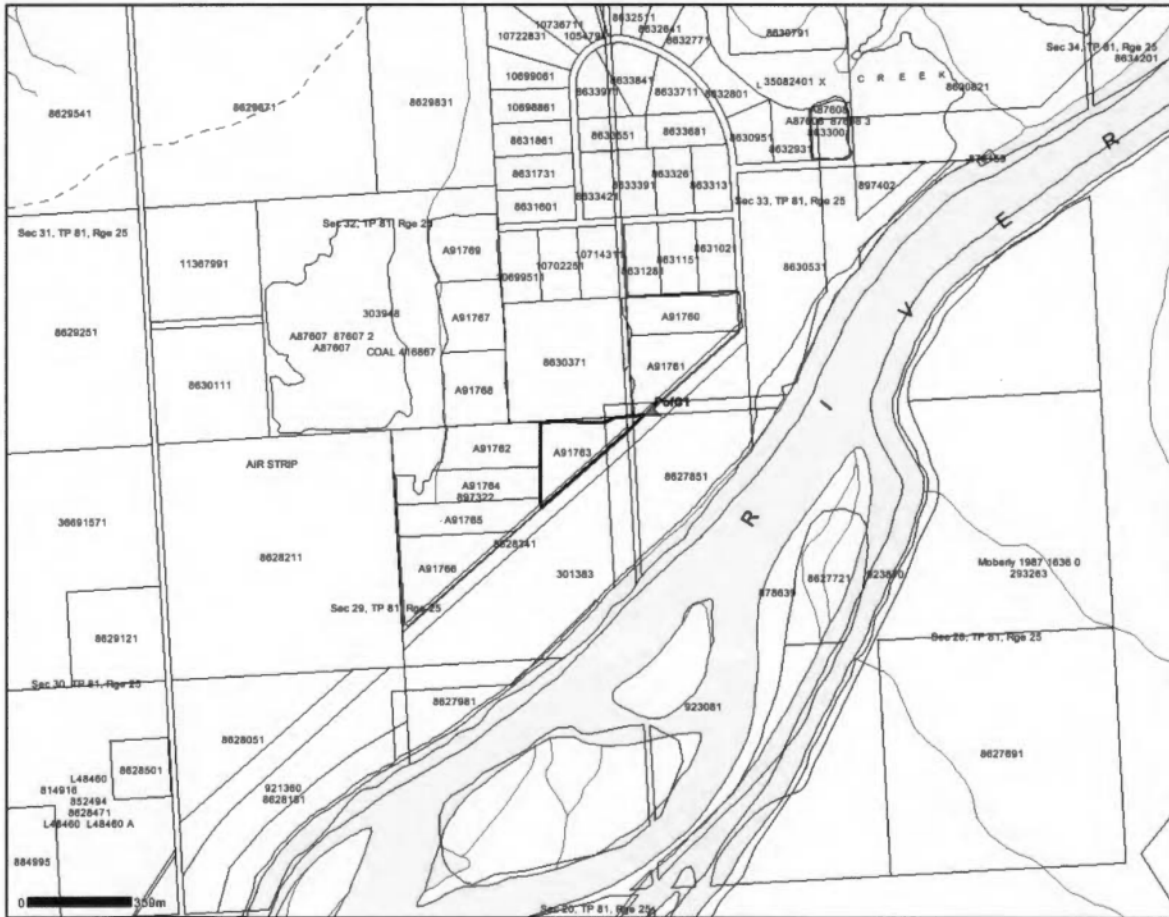
SCHEDULE "B"

1.00 RESERVED TIMBER

1.01 Subject to the forestry legislation, there is no timber reserved under this Licence.



MAP OF : A91763 (shown in bold black)			
FOREST REGION : RNI FOREST DISTRICT : DPC	TSA : LAND DISTRICT : PEACE RIVER DISTRICT	PULPWOOD AGREEMENT :	MGT UNIT TYPE : TIMBER SUPPLY AREA MGT UNIT NO : 41
ESF SUBMISSION ID : 1244997 BCGS MAPSHEET NO : 94A.001	SCALE : 1:20000 at A Size Area (Ha): 5.046	UTM : 10 NAD : NAD83	DRAWN BY : FTA DATE : Jan 20, 2014



Legend	
	Tenure Application
	Tenure Road Application
	Retired Tenure Road
	P of C
	P of T
	Tenure Feature
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	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
(5.0464 Ha) PofC1 UTM10 570875, 6213109	



FORESTRY LICENCE TO CUT

A91764



THIS LICENCE, dated for reference January 23, 2014

BETWEEN:

HER MAJESTY THE QUEEN IN RIGHT
OF THE PROVINCE OF BRITISH COLUMBIA,
as represented by the DISTRICT MANAGER
MINISTRY OF FORESTS, LANDS AND
NATURAL RESOURCE OPERATIONS
9000 17 STREET
DAWSON CREEK, BRITISH COLUMBIA
V1G 4A4
Phone: (250) 784-1200 Fax: (250) 784-0143
(the District Manager)

AND:

DISTRICT OF HUDSON'S HOPE
PO BOX 330
HUDSON'S HOPE, BRITISH COLUMBIA
V0C 1V0
(the "Licensee")

WHEREAS:

THE PARTIES agree as follows:

1.00 GRANT OF RIGHTS AND TERM

- 1.01 The term of this Licence begins on **January 23, 2014** and expires on the earlier of **January 22, 2015** or when the Regional Executive Director or District Manager gives notice to the Licensee that all contractual and legislative obligations associated with this Licence have been completed.

"The Table of Contents and headings in this Licence are included for convenience only and do not form a part of this Licence and in no way define, limit, alter or enlarge the scope or meaning of any provision of this Licence."

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- 1.02 Subject to this Licence and the forestry legislation, the Licensee is authorized to harvest the Crown timber from the areas of land shown on the attached Exhibit "A" map(s) ("the licence area").
- 1.03 During the term of this Licence, the maximum volume of timber harvested under this Licence from the licence area is **285 m³**.
- 1.04 The volume of timber harvested under this Licence that exceeds the maximum harvestable volume of timber specified in paragraph 1.03 will be subject to the penalties specified in section 75.21 of the *Forest Act*, section 2 of the Cut Control Regulation, and may also be subject to penalties available under the *Forest and Range Practices Act*.
- 1.05 Subject to this Licence, the Licensee has the right to enter and use Crown land to exercise rights and fulfill obligations under this Licence.
- 1.06 This Licence is not replaceable under the *Forest Act*.
- 1.07 Extensions may be granted to the term of this Licence.

2.00 TIMBER HARVEST LIMITATIONS

- 2.01 Timber harvesting must be conducted in accordance with the forestry legislation and the conditions and requirements specified in Schedule "A".
- 2.02 In addition to timber specified in the forestry legislation as reserved, the Licensee must not cut, damage, or destroy timber if the timber is specified as reserved in Schedule "B".

3.00 TIMBER MARK

- 3.01 The timber mark for timber harvested under this Licence is:

9 1
7 6 4

- 3.02 All timber cut from the licence area must be marked in accordance with the *Forest Act* and the Timber Marking and Transportation Regulation.

4.00 SCALE BASED STUMPAGE

- 4.01 The Licensee must ensure that:
 - (a) all timber removed from the licence area is scaled; and
 - (b) the scale of the timber is conducted properly in accordance with the requirements of the *Forest Act* and the regulations made under that Act.

5.00 TIMBER VOLUME CHARGED TO THE LICENCE

5.01 Timber of the following grades will be used to calculate and determine the “volume of timber harvested” as defined in section 75.1 of the *Forest Act*:

- (a) all species and grades except for grades 6 and Z.

6.00 WASTE ASSESSMENT

- 6.01 The quantity and quality of merchantable Crown timber that could have been harvested under this Licence but at the Licensee’s discretion was not harvested, will be determined in accordance with the provisions of the Provincial Logging Residue and Waste Measurement Procedures Manual, as amended or replaced from time to time.
- 6.02 The Regional Executive Director or District Manager, in a notice given to the Licensee, may require the Licensee to pay in respect of the volume of timber determined under paragraph 6.01, a monetary assessment for all waste.
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- 6.04 For the purpose of conducting the assessment of the volume of timber that was not harvested as described in paragraph 6.01 the Regional Executive Director or District Manager may conduct an assessment in accordance with the current Provincial Logging Residue and Waste Measurement Procedures Manual after the expiry of the term of this Licence or the Licence otherwise being terminated, whichever occurs first.

7.00 COURT DETERMINED ABORIGINAL RIGHTS AND/OR TITLE

- 7.01 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 and/or title, or treaty right;
 - (b) grants an injunction further to a determination referred to in subparagraph 7.01 (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 and/or title, or treaty right,

the Regional Executive Director or District Manager in a notice given to the Licensee, may vary or suspend, this Licence in whole or in part, so as to be consistent with the court determination.

7.02 Subject to this Licence and the forestry legislation, if:

- (a) under paragraph 7.01, the Regional Executive Director or District Manager has varied the Licence issued to the Licensee;
- (b) a court of competent jurisdiction subsequently overturns, sets aside or dissolves the determination or injunction referred to in that paragraph; and
- (c) it is practical to do so;

the Regional Executive Director or District Manager, at the request of the Licensee, will vary the Licence to reflect as closely as possible, for the remainder of its term, the terms and conditions of the Licence prior to the variation under paragraph 7.01.

7.03 Subject to this Licence and the forestry legislation, if:

- (a) under paragraph 7.01, the Regional Executive Director or District Manager has suspended the Licence;
- (b) a court of competent jurisdiction subsequently overturns, sets aside or dissolves the determination or injunction referred to in that paragraph; and
- (c) it is practical to do so;

the Regional Executive Director or District Manager, at the request of the Licensee, will reinstate the Licence for the remainder of its term.

8.00 FINANCIAL AND DEPOSITS

8.01 In addition to any money payable in respect of this Licence under the forestry legislation, 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* at rates determined, re-determined and varied under section 105 of that Act in respect of timber removed under this Licence;
- (b) any payment required as a result of a waste assessment under part 6.00 of this Licence.

8.02 The Licensee will provide the Crown with **\$500.00** to be held on deposit (the “deposit”) to be used in accordance with the regulations.

- 8.03 If the Licensee fails to perform an obligation under this Licence, the Regional Executive Director or District Manager, after at least two weeks notice, may take from the deposit an amount equal to the reasonable costs to perform the obligation and may perform the obligation on the Licensee's behalf.
- 8.04 If the Regional Executive Director or District Manager takes from the deposit under paragraph 8.03, the Licensee must pay to the Government on demand an amount sufficient to replenish the deposit or this Licence may be terminated by the Regional Executive Director or District Manager.
- 8.05 In accordance with the Advertising, deposits, Disposition and Extensions Regulation, the deposit may be refunded to the Licensee.

9.00 LIABILITY & INDEMNITY

- 9.01 Subject to paragraph 9.03, the Licensee will 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 the Licensee's operations, under or associated with this Licence; 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 under or associated with this Licence.
- 9.02 For greater certainty, the Licensee has no obligation to indemnify the Government under paragraph 9.01 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.
- 9.03 Amounts taken under part 8.00 from the deposit and any payments required under parts 5.00, 6.00 or 8.00, and payments required further to the indemnity referred to in paragraph 9.01 are in addition to and not in substitution for any other remedies available to the Government in respect of a default of the Licensee.

- 9.04 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.

10.00 TERMINATION

10.01 If this Licence expires or is cancelled or is otherwise terminated:

- (a) title to all improvements, including roads and bridges, fixed on Crown land in the licence area; and
- (b) all timber, including logs and special forest products, located on the licence area, will vest in the Crown, without right of compensation to the Licensee.

10.02 If the Licensee commits an act of bankruptcy, makes a general assignment for the benefit of its creditors or otherwise acknowledges its insolvency, the Licensee is deemed to have failed to perform an obligation under this Licence.

11.00 WAIVER

11.01 No waiver by the Crown of any default non-compliance by the Licensee in the strict and literal performance of or compliance with any provision of the Licence will be deemed to be a waiver of the strict and literal performance of or compliance with any other provision, condition or requirement of the Licence or to be a waiver of, or in any manner release the Licensee from compliance with any provision, condition or requirement in the future, nor will any delay or omission by the Crown in the exercising of any right hereunder in any manner with respect to non-compliance impair the exercise of any such rights in the future.

12.00 NOTICE

12.01 A notice given under this Licence must be in writing.

12.02 A notice given under this Licence may be:

- (a) delivered by hand;
- (b) sent by mail; or
- (c) sent by facsimile transmission;

to the address or facsimile number, as applicable, specified on the first page of this Licence, or to such other address or facsimile number as is specified in a notice given in accordance with this part.

12.03 If a notice is given under this Licence, it is deemed to have been given:

- (a) if it is given in accordance with subparagraph 12.02 (a) on the date it is delivered by hand;
- (b) if it is given in accordance with subparagraph 12.02 (b), subject to paragraph 12.04, on the eighth day after its deposit in a Canada Post Office at any place in Canada; and
- (c) if it is given in accordance with subparagraph 12.02 (c), subject to paragraph 12.05, on the date it is sent by facsimile transmission.

12.04 If, between the time a notice is mailed in accordance with subparagraph 12.02 (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.

12.05 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.

12.06 Either party may, from time to time, advise the other party by notice in writing, of any change of address of the party giving such notice and, from and after the giving of such notice, the address specified will, for purposes of this Licence, be considered to be the address of the party giving such notice.

13.00 MISCELLANEOUS

13.01 This Licence will inure to the benefit of, and be binding on, the parties and their respective heirs, executors, successors and permitted assigns.

13.02 The laws of British Columbia will govern the interpretation of this Licence and the performance of the Licensee's obligations under this Licence.

13.03 Any non-statutory power conferred or duty imposed on the Regional Executive Director or District Manager under this Licence may be exercised or fulfilled by any person authorized to do so by the Regional Executive Director or District Manager.

13.04 Any Schedules, Exhibit "A" map(s) or attachments referenced in, or attached to this Licence are an integral part of this agreement as if set out in the body of this agreement, and the Licensee will comply with all the terms in the Schedules.

- 13.05 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 regulations made under that Act, prevails, and the Licensee must immediately notify the District Manager of the conflict and follow any direction given by the District Manager with respect to the conflict, provided such direction is consistent with the *Workers Compensation Act* and the regulations under that Act.
- 13.06 Nothing in this Licence authorizes the Licensee to in any way restrict the Government's right of access to the Licence areas or a road permit or the right of any other authorized entrant, user or occupier of these areas.
- 13.07 This Licence is the entire agreement between the parties as to the matters set out in this Licence, and all previous promises, representations or agreements between the parties, whether oral or written, are deemed to have been replaced by this Licence.
- 13.08 Unless otherwise defined in this Licence, if a word or phrase used in this Licence is defined in the legislation described in paragraph 13.02, the definition in the legislation applies to this Licence, and where the word or phrase in the legislation is replaced by a new word or phrase, this Licence is deemed to have been amended accordingly.
- 13.09 Time is of the essence in this Licence.
- 13.10 If any provision in this Licence is found to be invalid or unenforceable by a court of law, the remainder of this Licence is separately valid and enforceable to the fullest extent permitted by law.
- 13.11 The Licensee acknowledges that any information released to the Licensee by the Regional Executive Director, District Manager or the Government about the nature of the Licence area or the quality or quantity of timber including the maximum volume in paragraph 1.03, is not to be relied upon. Execution of this Licence by the Licensee is an absolute release by the Licensee of the District Manager and the Crown from any claim that the Licensee may have in respect of the nature of the licence area or the quality or quantity of timber.

14.00 INTERPRETATION & DEFINITIONS

- 14.01 This Licence is divided into parts, paragraphs, subparagraphs, clauses and subparagraphs, illustrated as follows:
- 1.00 part;
 - 1.01 paragraph;
 - (a) subparagraph;
 - (i) clause;
 - (A) subparagraph;

and a reference to a subparagraph, clause or subparagraph 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.

14.02 In this Licence, unless the context otherwise requires,

“forestry legislation” means the statutes and regulations, to which the Licence is subject including: the *Forest Act*, the *Forest Practices Code of British Columbia Act*, *Forest and Range Practices Act* and the *Wildfire Act*.

IN WITNESS WHEREOF this Licence has been executed by the (District Manager) and the Licensee on the date written above.

SIGNED by the)
(District Manager))
on behalf of Her Majesty)
the Queen in Right of)
the Province of)
British Columbia)
in the presence of:)

[Signature])
Signature)

Lisa Douma)
Printed Name)

THE COMMON SEAL of)
the Licensee was affixed)
in the presence of:)

[Signature])
Signature)

Tom Matus)
Printed Name)

(or)

SIGNED, by the Licensee)
in the presence of:)

)
Signature)

)
Printed Name)

[Signature]
Ralph Barkhouse, A/District Manager
Peace Natural Resource District

March 4 / 14
Dated

c/s

THE DISTRICT OF HUDSON'S HOPE

 Licensee
Tom Matus, CAO
Printed Name and Title

JAN 30 2014
Dated

SCHEDULE “A”

1.00 OTHER CONDITIONS AND REQUIREMENTS

- 1.01 In addition to the terms set out in the body of this Licence, the Licensee will also comply with the following conditions:
- (a) the Licensee must contact the District or Regional Executive Director or designate before start up and completion of operations;
 - (b) Final Harvesting Report: Within 60 days of the completion of harvesting operations, the Licensee must submit to the Regional Executive Director or District Manager a Post Harvest Report signed by a Licenced Forest Professional which specifies:
 - (i) the area in which the harvesting occurred;
 - (ii) an assessment of the post harvest free growing obligations within the licence area;
 - (iii) the amount of area harvested;
 - (iv) an update of Forest Cover Inventory; and
 - (v) the location and approximate size of all associate wildlife tree retention areas;
 - (c) unless the Regional Executive Director or District Manager specifies otherwise in writing, the Licensee must take all reasonable steps to commence harvesting operations within a reasonable period of time following the commencement of the term and no later than **four (4) months** following the commencement of the term;
 - (d) this Licence does not convey any right or title to any timber which has been cut prior to the effective date of the Licence and remains on the licence area, and the Licensee must not impede or obstruct the licensor from removing any such timber;

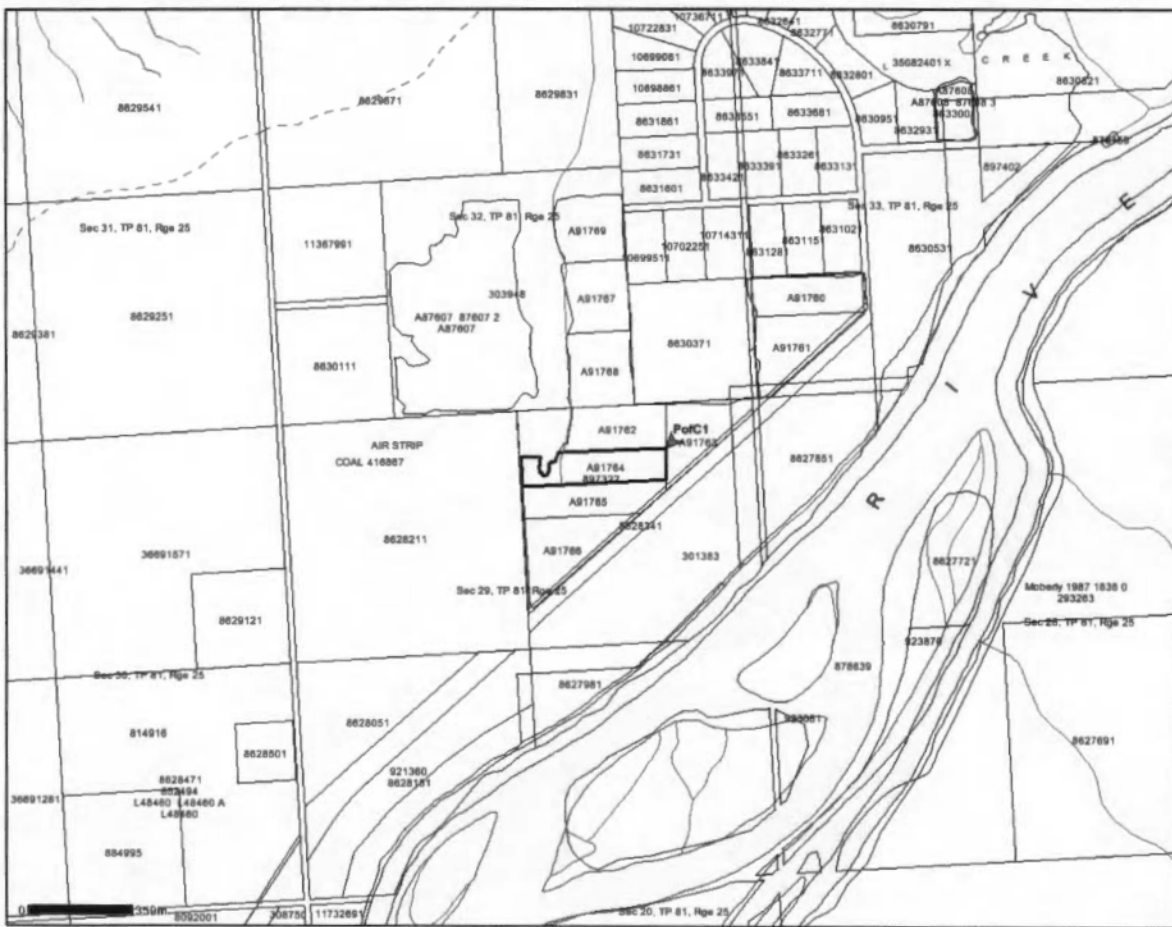
SCHEDULE “B”

1.00 RESERVED TIMBER

1.01 Subject to the forestry legislation, there is no timber reserved under this Licence.



MAP OF : A91764 (shown in bold black)			
FOREST REGION : RNI FOREST DISTRICT : DPC	TSA : LAND DISTRICT : PEACE RIVER DISTRICT	PULPWOOD AGREEMENT :	MGT UNIT TYPE : TIMBER SUPPLY AREA MGT UNIT NO : 41
ESF SUBMISSION ID : 1244998 BCGS MAPSHEET NO : 94A.001	SCALE : 1:20000 at A Size Area (Ha): 4.999	UTM : 10 NAD : NAD83	DRAWN BY : FTA DATE : Jan 20, 2014



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

(4.9992 Ha)
PofC1 UTM10 570516, 6212950



FORESTRY LICENCE TO CUT

A91765



THIS LICENCE, dated for reference January 23, 2014

BETWEEN:

HER MAJESTY THE QUEEN IN RIGHT
OF THE PROVINCE OF BRITISH COLUMBIA,
as represented by the DISTRICT MANAGER
MINISTRY OF FORESTS, LANDS AND
NATURAL RESOURCE OPERATIONS
9000 17 STREET
DAWSON CREEK, BRITISH COLUMBIA
V1G 4A4
Phone: (250) 784-1200 Fax: (250) 784-0143
(the District Manager)

AND:

DISTRICT OF HUDSON'S HOPE
PO BOX 330
HUDSON'S HOPE, BRITISH COLUMBIA
V0C 1V0
(the "Licensee")

WHEREAS:

THE PARTIES agree as follows:

1.00 GRANT OF RIGHTS AND TERM

- 1.01 The term of this Licence begins on **January 23, 2014** and expires on the earlier of **January 22, 2015** or when the Regional Executive Director or District Manager gives notice to the Licensee that all contractual and legislative obligations associated with this Licence have been completed.

"The Table of Contents and headings in this Licence are included for convenience only and do not form a part of this Licence and in no way define, limit, alter or enlarge the scope or meaning of any provision of this Licence."

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- 1.02 Subject to this Licence and the forestry legislation, the Licensee is authorized to harvest the Crown timber from the areas of land shown on the attached Exhibit "A" map(s) ("the licence area").
- 1.03 During the term of this Licence, the maximum volume of timber harvested under this Licence from the licence area is **285 m³**.
- 1.04 The volume of timber harvested under this Licence that exceeds the maximum harvestable volume of timber specified in paragraph 1.03 will be subject to the penalties specified in section 75.21 of the *Forest Act*, section 2 of the Cut Control Regulation, and may also be subject to penalties available under the *Forest and Range Practices Act*.
- 1.05 Subject to this Licence, the Licensee has the right to enter and use Crown land to exercise rights and fulfill obligations under this Licence.
- 1.06 This Licence is not replaceable under the *Forest Act*.
- 1.07 Extensions may be granted to the term of this Licence.

2.00 TIMBER HARVEST LIMITATIONS

- 2.01 Timber harvesting must be conducted in accordance with the forestry legislation and the conditions and requirements specified in Schedule "A".
- 2.02 In addition to timber specified in the forestry legislation as reserved, the Licensee must not cut, damage, or destroy timber if the timber is specified as reserved in Schedule "B".

3.00 TIMBER MARK

- 3.01 The timber mark for timber harvested under this Licence is:

9 1
7 6 5

- 3.02 All timber cut from the licence area must be marked in accordance with the *Forest Act* and the Timber Marking and Transportation Regulation.

4.00 SCALE BASED STUMPAGE

- 4.01 The Licensee must ensure that:
 - (a) all timber removed from the licence area is scaled; and
 - (b) the scale of the timber is conducted properly in accordance with the requirements of the *Forest Act* and the regulations made under that Act.

5.00 TIMBER VOLUME CHARGED TO THE LICENCE

5.01 Timber of the following grades will be used to calculate and determine the “volume of timber harvested” as defined in section 75.1 of the *Forest Act*:

- (a) all species and grades except for grades 6 and Z.

6.00 WASTE ASSESSMENT

- 6.01 The quantity and quality of merchantable Crown timber that could have been harvested under this Licence but at the Licensee’s discretion was not harvested, will be determined in accordance with the provisions of the Provincial Logging Residue and Waste Measurement Procedures Manual, as amended or replaced from time to time.
- 6.02 The Regional Executive Director or District Manager, in a notice given to the Licensee, may require the Licensee to pay in respect of the volume of timber determined under paragraph 6.01, a monetary assessment for all waste.
- 6.03 The amount of money that the Licensee must pay under a waste assessment will be determined in accordance with the provisions of the Provincial Logging Residue and Waste Measurement Procedures Manual as they are at the time the quantity and quality of merchantable Crown timber is determined under paragraph 6.01.
- 6.04 For the purpose of conducting the assessment of the volume of timber that was not harvested as described in paragraph 6.01 the Regional Executive Director or District Manager may conduct an assessment in accordance with the current Provincial Logging Residue and Waste Measurement Procedures Manual after the expiry of the term of this Licence or the Licence otherwise being terminated, whichever occurs first.

7.00 COURT DETERMINED ABORIGINAL RIGHTS AND/OR TITLE

- 7.01 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 and/or title, or treaty right;
 - (b) grants an injunction further to a determination referred to in subparagraph 7.01 (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 and/or title, or treaty right,

the Regional Executive Director or District Manager in a notice given to the Licensee, may vary or suspend, this Licence in whole or in part, so as to be consistent with the court determination.

7.02 Subject to this Licence and the forestry legislation, if:

- (a) under paragraph 7.01, the Regional Executive Director or District Manager has varied the Licence issued to the Licensee;
- (b) a court of competent jurisdiction subsequently overturns, sets aside or dissolves the determination or injunction referred to in that paragraph; and
- (c) it is practical to do so;

the Regional Executive Director or District Manager, at the request of the Licensee, will vary the Licence to reflect as closely as possible, for the remainder of its term, the terms and conditions of the Licence prior to the variation under paragraph 7.01.

7.03 Subject to this Licence and the forestry legislation, if:

- (a) under paragraph 7.01, the Regional Executive Director or District Manager has suspended the Licence;
- (b) a court of competent jurisdiction subsequently overturns, sets aside or dissolves the determination or injunction referred to in that paragraph; and
- (c) it is practical to do so;

the Regional Executive Director or District Manager, at the request of the Licensee, will reinstate the Licence for the remainder of its term.

8.00 FINANCIAL AND DEPOSITS

8.01 In addition to any money payable in respect of this Licence under the forestry legislation, 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* at rates determined, re-determined and varied under section 105 of that Act in respect of timber removed under this Licence;
- (b) any payment required as a result of a waste assessment under part 6.00 of this Licence.

8.02 The Licensee will provide the Crown with **\$500.00** to be held on deposit (the “deposit”) to be used in accordance with the regulations.

- 8.03 If the Licensee fails to perform an obligation under this Licence, the Regional Executive Director or District Manager, after at least two weeks notice, may take from the deposit an amount equal to the reasonable costs to perform the obligation and may perform the obligation on the Licensee's behalf.
- 8.04 If the Regional Executive Director or District Manager takes from the deposit under paragraph 8.03, the Licensee must pay to the Government on demand an amount sufficient to replenish the deposit or this Licence may be terminated by the Regional Executive Director or District Manager.
- 8.05 In accordance with the Advertising, deposits, Disposition and Extensions Regulation, the deposit may be refunded to the Licensee.

9.00 LIABILITY & INDEMNITY

- 9.01 Subject to paragraph 9.03, the Licensee will 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 the Licensee's operations, under or associated with this Licence; 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 under or associated with this Licence.
- 9.02 For greater certainty, the Licensee has no obligation to indemnify the Government under paragraph 9.01 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.
- 9.03 Amounts taken under part 8.00 from the deposit and any payments required under parts 5.00, 6.00 or 8.00, and payments required further to the indemnity referred to in paragraph 9.01 are in addition to and not in substitution for any other remedies available to the Government in respect of a default of the Licensee.

- 9.04 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.

10.00 TERMINATION

- 10.01 If this Licence expires or is cancelled or is otherwise terminated:

- (a) title to all improvements, including roads and bridges, fixed on Crown land in the licence area; and
- (b) all timber, including logs and special forest products, located on the licence area, will vest in the Crown, without right of compensation to the Licensee.

- 10.02 If the Licensee commits an act of bankruptcy, makes a general assignment for the benefit of its creditors or otherwise acknowledges its insolvency, the Licensee is deemed to have failed to perform an obligation under this Licence.

11.00 WAIVER

- 11.01 No waiver by the Crown of any default non-compliance by the Licensee in the strict and literal performance of or compliance with any provision of the Licence will be deemed to be a waiver of the strict and literal performance of or compliance with any other provision, condition or requirement of the Licence or to be a waiver of, or in any manner release the Licensee from compliance with any provision, condition or requirement in the future, nor will any delay or omission by the Crown in the exercising of any right hereunder in any manner with respect to non-compliance impair the exercise of any such rights in the future.

12.00 NOTICE

- 12.01 A notice given under this Licence must be in writing.

- 12.02 A notice given under this Licence may be:

- (a) delivered by hand;
- (b) sent by mail; or
- (c) sent by facsimile transmission;

to the address or facsimile number, as applicable, specified on the first page of this Licence, or to such other address or facsimile number as is specified in a notice given in accordance with this part.

12.03 If a notice is given under this Licence, it is deemed to have been given:

- (a) if it is given in accordance with subparagraph 12.02 (a) on the date it is delivered by hand;
- (b) if it is given in accordance with subparagraph 12.02 (b), subject to paragraph 12.04, on the eighth day after its deposit in a Canada Post Office at any place in Canada; and
- (c) if it is given in accordance with subparagraph 12.02 (c), subject to paragraph 12.05, on the date it is sent by facsimile transmission.

12.04 If, between the time a notice is mailed in accordance with subparagraph 12.02 (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.

12.05 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.

12.06 Either party may, from time to time, advise the other party by notice in writing, of any change of address of the party giving such notice and, from and after the giving of such notice, the address specified will, for purposes of this Licence, be considered to be the address of the party giving such notice.

13.00 MISCELLANEOUS

13.01 This Licence will inure to the benefit of, and be binding on, the parties and their respective heirs, executors, successors and permitted assigns.

13.02 The laws of British Columbia will govern the interpretation of this Licence and the performance of the Licensee's obligations under this Licence.

13.03 Any non-statutory power conferred or duty imposed on the Regional Executive Director or District Manager under this Licence may be exercised or fulfilled by any person authorized to do so by the Regional Executive Director or District Manager.

13.04 Any Schedules, Exhibit "A" map(s) or attachments referenced in, or attached to this Licence are an integral part of this agreement as if set out in the body of this agreement, and the Licensee will comply with all the terms in the Schedules.

- 13.05 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 regulations made under that Act, prevails, and the Licensee must immediately notify the District Manager of the conflict and follow any direction given by the District Manager with respect to the conflict, provided such direction is consistent with the *Workers Compensation Act* and the regulations under that Act.
- 13.06 Nothing in this Licence authorizes the Licensee to in any way restrict the Government's right of access to the Licence areas or a road permit or the right of any other authorized entrant, user or occupier of these areas.
- 13.07 This Licence is the entire agreement between the parties as to the matters set out in this Licence, and all previous promises, representations or agreements between the parties, whether oral or written, are deemed to have been replaced by this Licence.
- 13.08 Unless otherwise defined in this Licence, if a word or phrase used in this Licence is defined in the legislation described in paragraph 13.02, the definition in the legislation applies to this Licence, and where the word or phrase in the legislation is replaced by a new word or phrase, this Licence is deemed to have been amended accordingly.
- 13.09 Time is of the essence in this Licence.
- 13.10 If any provision in this Licence is found to be invalid or unenforceable by a court of law, the remainder of this Licence is separately valid and enforceable to the fullest extent permitted by law.
- 13.11 The Licensee acknowledges that any information released to the Licensee by the Regional Executive Director, District Manager or the Government about the nature of the Licence area or the quality or quantity of timber including the maximum volume in paragraph 1.03, is not to be relied upon. Execution of this Licence by the Licensee is an absolute release by the Licensee of the District Manager and the Crown from any claim that the Licensee may have in respect of the nature of the licence area or the quality or quantity of timber.

14.00 INTERPRETATION & DEFINITIONS

- 14.01 This Licence is divided into parts, paragraphs, subparagraphs, clauses and subparagraphs, illustrated as follows:
- 1.00 part;
 - 1.01 paragraph;
 - (a) subparagraph;
 - (i) clause;
 - (A) subparagraph;

and a reference to a subparagraph, clause or subparagraph 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.

14.02 In this Licence, unless the context otherwise requires,

“forestry legislation” means the statutes and regulations, to which the Licence is subject including: the *Forest Act*, the *Forest Practices Code of British Columbia Act*, *Forest and Range Practices Act* and the *Wildfire Act*.

IN WITNESS WHEREOF this Licence has been executed by the (District Manager) and the Licensee on the date written above.

SIGNED by the)
(District Manager))
on behalf of Her Majesty)
the Queen in Right of)
the Province of)
British Columbia)
in the presence of:)


Signature

Lisa Douma
Printed Name

THE COMMON SEAL of)
the Licensee was affixed)
in the presence of:)

Signature


Tom Myers, CMA
Printed Name

(or)

SIGNED, by the Licensee)
in the presence of:)

Signature _____)

Printed Name _____)


Ralph Barkhouse, A/District Manager
Peace Natural Resource District

March 4/11 Dated

c/s

THE DISTRICT OF HUDSON'S HOPE

Licensee _____

Tom Myers, CAO
Printed Name and Title

JAN 30 2014

Dated

SCHEDULE "A"

1.00 OTHER CONDITIONS AND REQUIREMENTS

- 1.01 In addition to the terms set out in the body of this Licence, the Licensee will also comply with the following conditions:
- (a) the Licensee must contact the District or Regional Executive Director or designate before start up and completion of operations;
 - (b) Final Harvesting Report: Within 60 days of the completion of harvesting operations, the Licensee must submit to the Regional Executive Director or District Manager a Post Harvest Report signed by a Licenced Forest Professional which specifies:
 - (i) the area in which the harvesting occurred;
 - (ii) an assessment of the post harvest free growing obligations within the licence area;
 - (iii) the amount of area harvested;
 - (iv) an update of Forest Cover Inventory; and
 - (v) the location and approximate size of all associate wildlife tree retention areas;
 - (c) unless the Regional Executive Director or District Manager specifies otherwise in writing, the Licensee must take all reasonable steps to commence harvesting operations within a reasonable period of time following the commencement of the term and no later than **four (4) months** following the commencement of the term;
 - (d) this Licence does not convey any right or title to any timber which has been cut prior to the effective date of the Licence and remains on the licence area, and the Licensee must not impede or obstruct the licensor from removing any such timber;

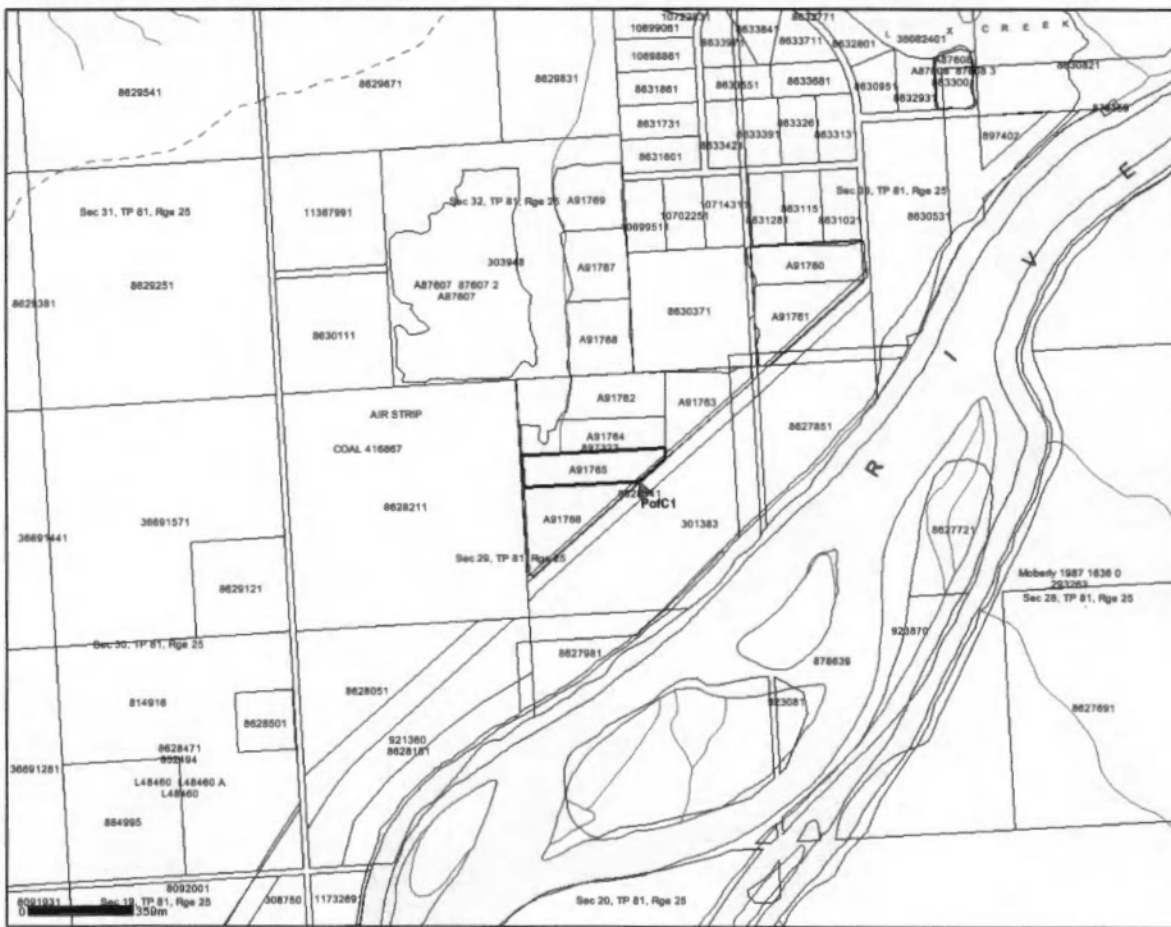
SCHEDULE "B"

1.00 RESERVED TIMBER

1.01 Subject to the forestry legislation, there is no timber reserved under this Licence.



MAP OF : A91765 (shown in bold black)			
FOREST REGION : RNI FOREST DISTRICT : DPC	TSA : LAND DISTRICT : PEACE RIVER DISTRICT	PULPWOOD AGREEMENT :	MGT UNIT TYPE : TIMBER SUPPLY AREA MGT UNIT NO : 41
ESF SUBMISSION ID : 1245000 BCGS MAPSHEET NO : 94A.001	SCALE : 1:20000 at A Size Area (Ha): 5.001	UTM : 10 NAD : NAD83	DRAWN BY : FTA DATE : Jan 20, 2014



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
(5.0007 Ha) PolC1 UTM10 570419, 6212734	



FORESTRY LICENCE TO CUT

A91766



THIS LICENCE, dated for reference January 23, 2014

BETWEEN:

HER MAJESTY THE QUEEN IN RIGHT
OF THE PROVINCE OF BRITISH COLUMBIA,
as represented by the DISTRICT MANAGER
MINISTRY OF FORESTS, LANDS AND
NATURAL RESOURCE OPERATIONS
9000 17 STREET
DAWSON CREEK, BRITISH COLUMBIA
V1G 4A4
Phone: (250) 784-1200 Fax: (250) 784-0143
(the District Manager)

AND:

DISTRICT OF HUDSON'S HOPE
PO BOX 330
HUDSON'S HOPE, BRITISH COLUMBIA
V0C 1V0
(the "Licensee")

WHEREAS:

THE PARTIES agree as follows:

1.00 GRANT OF RIGHTS AND TERM

- 1.01 The term of this Licence begins on **January 23, 2014** and expires on the earlier of **January 22, 2015** or when the Regional Executive Director or District Manager gives notice to the Licensee that all contractual and legislative obligations associated with this Licence have been completed.

"The Table of Contents and headings in this Licence are included for convenience only and do not form a part of this Licence and in no way define, limit, alter or enlarge the scope or meaning of any provision of this Licence."

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- 1.02 Subject to this Licence and the forestry legislation, the Licensee is authorized to harvest the Crown timber from the areas of land shown on the attached Exhibit "A" map(s) ("the licence area").
- 1.03 During the term of this Licence, the maximum volume of timber harvested under this Licence from the licence area is **285 m³**.
- 1.04 The volume of timber harvested under this Licence that exceeds the maximum harvestable volume of timber specified in paragraph 1.03 will be subject to the penalties specified in section 75.21 of the *Forest Act*, section 2 of the Cut Control Regulation, and may also be subject to penalties available under the *Forest and Range Practices Act*.
- 1.05 Subject to this Licence, the Licensee has the right to enter and use Crown land to exercise rights and fulfill obligations under this Licence.
- 1.06 This Licence is not replaceable under the *Forest Act*.
- 1.07 Extensions may be granted to the term of this Licence.

2.00 TIMBER HARVEST LIMITATIONS

- 2.01 Timber harvesting must be conducted in accordance with the forestry legislation and the conditions and requirements specified in Schedule "A".
- 2.02 In addition to timber specified in the forestry legislation as reserved, the Licensee must not cut, damage, or destroy timber if the timber is specified as reserved in Schedule "B".

3.00 TIMBER MARK

- 3.01 The timber mark for timber harvested under this Licence is:

9 1
7 6 6

- 3.02 All timber cut from the licence area must be marked in accordance with the *Forest Act* and the Timber Marking and Transportation Regulation.

4.00 SCALE BASED STUMPAGE

- 4.01 The Licensee must ensure that:
 - (a) all timber removed from the licence area is scaled; and
 - (b) the scale of the timber is conducted properly in accordance with the requirements of the *Forest Act* and the regulations made under that Act.

5.00 TIMBER VOLUME CHARGED TO THE LICENCE

5.01 Timber of the following grades will be used to calculate and determine the “volume of timber harvested” as defined in section 75.1 of the *Forest Act*:

- (a) all species and grades except for grades 6 and Z.

6.00 WASTE ASSESSMENT

- 6.01 The quantity and quality of merchantable Crown timber that could have been harvested under this Licence but at the Licensee’s discretion was not harvested, will be determined in accordance with the provisions of the Provincial Logging Residue and Waste Measurement Procedures Manual, as amended or replaced from time to time.
- 6.02 The Regional Executive Director or District Manager, in a notice given to the Licensee, may require the Licensee to pay in respect of the volume of timber determined under paragraph 6.01, a monetary assessment for all waste.
- 6.03 The amount of money that the Licensee must pay under a waste assessment will be determined in accordance with the provisions of the Provincial Logging Residue and Waste Measurement Procedures Manual as they are at the time the quantity and quality of merchantable Crown timber is determined under paragraph 6.01.
- 6.04 For the purpose of conducting the assessment of the volume of timber that was not harvested as described in paragraph 6.01 the Regional Executive Director or District Manager may conduct an assessment in accordance with the current Provincial Logging Residue and Waste Measurement Procedures Manual after the expiry of the term of this Licence or the Licence otherwise being terminated, whichever occurs first.

7.00 COURT DETERMINED ABORIGINAL RIGHTS AND/OR TITLE

- 7.01 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 and/or title, or treaty right;
 - (b) grants an injunction further to a determination referred to in subparagraph 7.01 (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 and/or title, or treaty right,

the Regional Executive Director or District Manager in a notice given to the Licensee, may vary or suspend, this Licence in whole or in part, so as to be consistent with the court determination.

7.02 Subject to this Licence and the forestry legislation, if:

- (a) under paragraph 7.01, the Regional Executive Director or District Manager has varied the Licence issued to the Licensee;
- (b) a court of competent jurisdiction subsequently overturns, sets aside or dissolves the determination or injunction referred to in that paragraph; and
- (c) it is practical to do so;

the Regional Executive Director or District Manager, at the request of the Licensee, will vary the Licence to reflect as closely as possible, for the remainder of its term, the terms and conditions of the Licence prior to the variation under paragraph 7.01.

7.03 Subject to this Licence and the forestry legislation, if:

- (a) under paragraph 7.01, the Regional Executive Director or District Manager has suspended the Licence;
- (b) a court of competent jurisdiction subsequently overturns, sets aside or dissolves the determination or injunction referred to in that paragraph; and
- (c) it is practical to do so;

the Regional Executive Director or District Manager, at the request of the Licensee, will reinstate the Licence for the remainder of its term.

8.00 FINANCIAL AND DEPOSITS

8.01 In addition to any money payable in respect of this Licence under the forestry legislation, 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* at rates determined, re-determined and varied under section 105 of that Act in respect of timber removed under this Licence;
- (b) any payment required as a result of a waste assessment under part 6.00 of this Licence.

8.02 The Licensee will provide the Crown with **\$500.00** to be held on deposit (the “deposit”) to be used in accordance with the regulations.

- 8.03 If the Licensee fails to perform an obligation under this Licence, the Regional Executive Director or District Manager, after at least two weeks notice, may take from the deposit an amount equal to the reasonable costs to perform the obligation and may perform the obligation on the Licensee's behalf.
- 8.04 If the Regional Executive Director or District Manager takes from the deposit under paragraph 8.03, the Licensee must pay to the Government on demand an amount sufficient to replenish the deposit or this Licence may be terminated by the Regional Executive Director or District Manager.
- 8.05 In accordance with the Advertising, deposits, Disposition and Extensions Regulation, the deposit may be refunded to the Licensee.

9.00 LIABILITY & INDEMNITY

- 9.01 Subject to paragraph 9.03, the Licensee will 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 the Licensee's operations, under or associated with this Licence; 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 under or associated with this Licence.
- 9.02 For greater certainty, the Licensee has no obligation to indemnify the Government under paragraph 9.01 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.
- 9.03 Amounts taken under part 8.00 from the deposit and any payments required under parts 5.00, 6.00 or 8.00, and payments required further to the indemnity referred to in paragraph 9.01 are in addition to and not in substitution for any other remedies available to the Government in respect of a default of the Licensee.

- 9.04 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.

10.00 TERMINATION

10.01 If this Licence expires or is cancelled or is otherwise terminated:

- (a) title to all improvements, including roads and bridges, fixed on Crown land in the licence area; and
- (b) all timber, including logs and special forest products, located on the licence area, will vest in the Crown, without right of compensation to the Licensee.

10.02 If the Licensee commits an act of bankruptcy, makes a general assignment for the benefit of its creditors or otherwise acknowledges its insolvency, the Licensee is deemed to have failed to perform an obligation under this Licence.

11.00 WAIVER

11.01 No waiver by the Crown of any default non-compliance by the Licensee in the strict and literal performance of or compliance with any provision of the Licence will be deemed to be a waiver of the strict and literal performance of or compliance with any other provision, condition or requirement of the Licence or to be a waiver of, or in any manner release the Licensee from compliance with any provision, condition or requirement in the future, nor will any delay or omission by the Crown in the exercising of any right hereunder in any manner with respect to non-compliance impair the exercise of any such rights in the future.

12.00 NOTICE

12.01 A notice given under this Licence must be in writing.

12.02 A notice given under this Licence may be:

- (a) delivered by hand;
- (b) sent by mail; or
- (c) sent by facsimile transmission;

to the address or facsimile number, as applicable, specified on the first page of this Licence, or to such other address or facsimile number as is specified in a notice given in accordance with this part.

12.03 If a notice is given under this Licence, it is deemed to have been given:

- (a) if it is given in accordance with subparagraph 12.02 (a) on the date it is delivered by hand;
- (b) if it is given in accordance with subparagraph 12.02 (b), subject to paragraph 12.04, on the eighth day after its deposit in a Canada Post Office at any place in Canada; and
- (c) if it is given in accordance with subparagraph 12.02 (c), subject to paragraph 12.05, on the date it is sent by facsimile transmission.

12.04 If, between the time a notice is mailed in accordance with subparagraph 12.02 (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.

12.05 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.

12.06 Either party may, from time to time, advise the other party by notice in writing, of any change of address of the party giving such notice and, from and after the giving of such notice, the address specified will, for purposes of this Licence, be considered to be the address of the party giving such notice.

13.00 MISCELLANEOUS

13.01 This Licence will inure to the benefit of, and be binding on, the parties and their respective heirs, executors, successors and permitted assigns.

13.02 The laws of British Columbia will govern the interpretation of this Licence and the performance of the Licensee's obligations under this Licence.

13.03 Any non-statutory power conferred or duty imposed on the Regional Executive Director or District Manager under this Licence may be exercised or fulfilled by any person authorized to do so by the Regional Executive Director or District Manager.

13.04 Any Schedules, Exhibit "A" map(s) or attachments referenced in, or attached to this Licence are an integral part of this agreement as if set out in the body of this agreement, and the Licensee will comply with all the terms in the Schedules.

- 13.05 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 regulations made under that Act, prevails, and the Licensee must immediately notify the District Manager of the conflict and follow any direction given by the District Manager with respect to the conflict, provided such direction is consistent with the *Workers Compensation Act* and the regulations under that Act.
- 13.06 Nothing in this Licence authorizes the Licensee to in any way restrict the Government's right of access to the Licence areas or a road permit or the right of any other authorized entrant, user or occupier of these areas.
- 13.07 This Licence is the entire agreement between the parties as to the matters set out in this Licence, and all previous promises, representations or agreements between the parties, whether oral or written, are deemed to have been replaced by this Licence.
- 13.08 Unless otherwise defined in this Licence, if a word or phrase used in this Licence is defined in the legislation described in paragraph 13.02, the definition in the legislation applies to this Licence, and where the word or phrase in the legislation is replaced by a new word or phrase, this Licence is deemed to have been amended accordingly.
- 13.09 Time is of the essence in this Licence.
- 13.10 If any provision in this Licence is found to be invalid or unenforceable by a court of law, the remainder of this Licence is separately valid and enforceable to the fullest extent permitted by law.
- 13.11 The Licensee acknowledges that any information released to the Licensee by the Regional Executive Director, District Manager or the Government about the nature of the Licence area or the quality or quantity of timber including the maximum volume in paragraph 1.03, is not to be relied upon. Execution of this Licence by the Licensee is an absolute release by the Licensee of the District Manager and the Crown from any claim that the Licensee may have in respect of the nature of the licence area or the quality or quantity of timber.

14.00 INTERPRETATION & DEFINITIONS

- 14.01 This Licence is divided into parts, paragraphs, subparagraphs, clauses and subparagraphs, illustrated as follows:
- 1.00 part;
 - 1.01 paragraph;
 - (a) subparagraph;
 - (i) clause;
 - (A) subparagraph;


and a reference to a subparagraph, clause or subparagraph 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.

14.02 In this Licence, unless the context otherwise requires,

“forestry legislation” means the statutes and regulations, to which the Licence is subject including: the *Forest Act*, the *Forest Practices Code of British Columbia Act*, *Forest and Range Practices Act* and the *Wildfire Act*.

IN WITNESS WHEREOF this Licence has been executed by the (District Manager) and the Licensee on the date written above.

SIGNED by the)
(District Manager))
on behalf of Her Majesty)
the Queen in Right of)
the Province of)
British Columbia)
in the presence of:)


Signature

Lisa Douma
Printed Name

THE COMMON SEAL of)
the Licensee was affixed)
in the presence of:)


Signature


Tom Morris
Printed Name

(or)

SIGNED, by the Licensee)
in the presence of:)

Signature _____)

Printed Name _____)


Ralph Barkhouse, A/District Manager
Peace Natural Resource District

March 4/14

Dated

c/s

THE DISTRICT OF HUDSON'S HOPE
Licensee

Tom Mares, CEO
Printed Name and Title
JAN 30 2014
Dated

SCHEDULE “A”

1.00 OTHER CONDITIONS AND REQUIREMENTS

1.01 In addition to the terms set out in the body of this Licence, the Licensee will also comply with the following conditions:

- (a) the Licensee must contact the District or Regional Executive Director or designate before start up and completion of operations;
- (b) Final Harvesting Report: Within 60 days of the completion of harvesting operations, the Licensee must submit to the Regional Executive Director or District Manager a Post Harvest Report signed by a Licenced Forest Professional which specifies:
 - (i) the area in which the harvesting occurred;
 - (ii) an assessment of the post harvest free growing obligations within the licence area;
 - (iii) the amount of area harvested;
 - (iv) an update of Forest Cover Inventory; and
 - (v) the location and approximate size of all associate wildlife tree retention areas;
- (c) unless the Regional Executive Director or District Manager specifies otherwise in writing, the Licensee must take all reasonable steps to commence harvesting operations within a reasonable period of time following the commencement of the term and no later than **four (4) months** following the commencement of the term;
- (d) this Licence does not convey any right or title to any timber which has been cut prior to the effective date of the Licence and remains on the licence area, and the Licensee must not impede or obstruct the licensor from removing any such timber;

SCHEDULE "B"

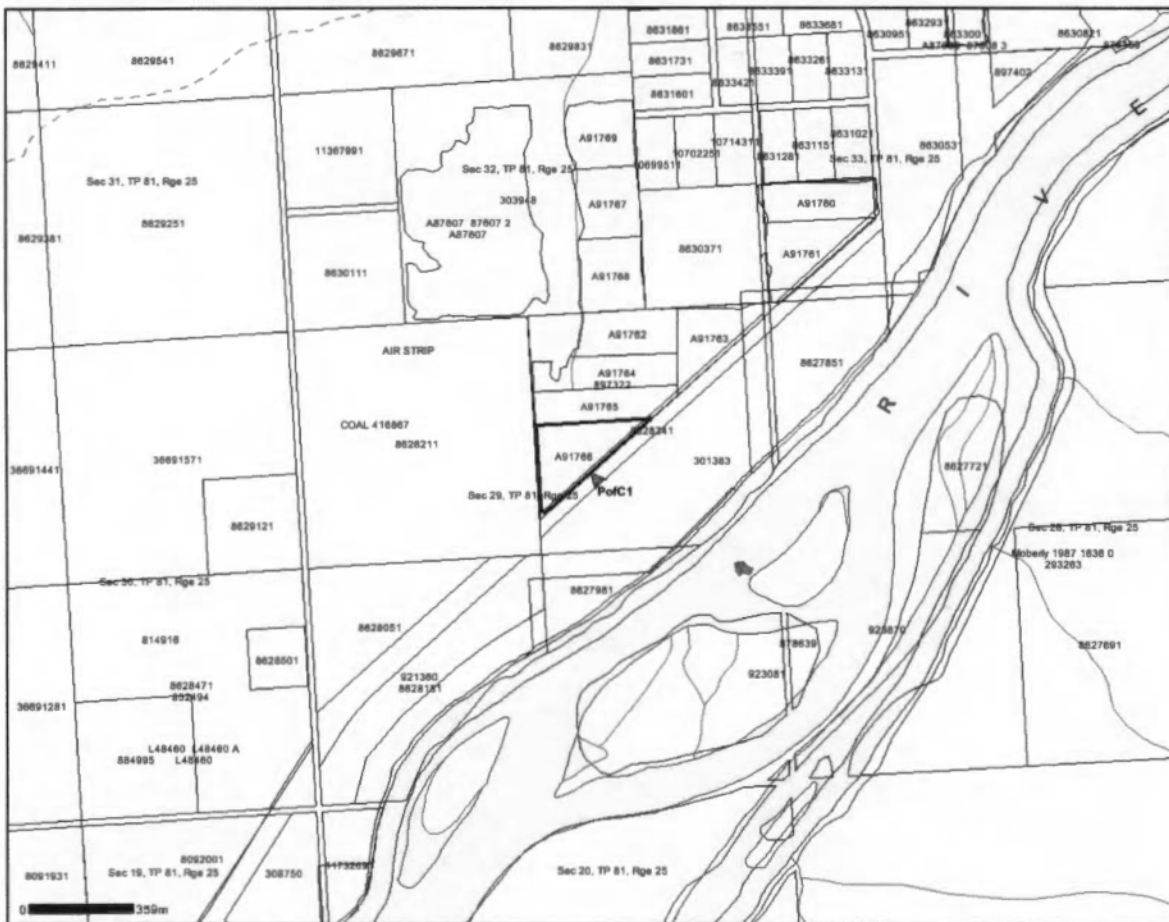
1.00 RESERVED TIMBER

1.01 Subject to the forestry legislation, there is no timber reserved under this Licence.



MAP OF : A91786 (shown in bold black)

FOREST REGION : RNI FOREST DISTRICT : DPC	TSA : LAND DISTRICT : PEACE RIVER DISTRICT	PULPWOOD AGREEMENT :	MGT UNIT TYPE : TIMBER SUPPLY AREA MGT UNIT NO : 41
ESF SUBMISSION ID : 1245001 BCGS MAPSHEET NO : 94A.001	SCALE : 1:20000 at A Size Area (Ha): 6.138	UTM : 10 NAD : NAD83	DRAWN BY : FTA DATE : Jan 20, 2014



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

(6.1381 Ha)
PoC1 UTM10 570204, 6212560



FORESTRY LICENCE TO CUT

A91767



THIS LICENCE, dated for reference .January 23, 2014

BETWEEN:

HER MAJESTY THE QUEEN IN RIGHT
OF THE PROVINCE OF BRITISH COLUMBIA,
as represented by the DISTRICT MANAGER
MINISTRY OF FORESTS, LANDS AND
NATURAL RESOURCE OPERATIONS
9000 17 STREET
DAWSON CREEK, BRITISH COLUMBIA
V1G 4A4
Phone: (250) 784-1200 Fax: (250) 784-0143
(the District Manager)

AND:

DISTRICT OF HUDSON'S HOPE
PO BOX 330
HUDSON'S HOPE, BRITISH COLUMBIA
V0C 1V0
(the "Licensee")

WHEREAS:

THE PARTIES agree as follows:

1.00 GRANT OF RIGHTS AND TERM

- 1.01 The term of this Licence begins on **January 23, 2014** and expires on the earlier of **January 22, 2015** or when the Regional Executive Director or District Manager gives notice to the Licensee that all contractual and legislative obligations associated with this Licence have been completed.

"The Table of Contents and headings in this Licence are included for convenience only and do not form a part of this Licence and in no way define, limit, alter or enlarge the scope or meaning of any provision of this Licence."

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- 1.02 Subject to this Licence and the forestry legislation, the Licensee is authorized to harvest the Crown timber from the areas of land shown on the attached Exhibit "A" map(s) ("the licence area").
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- 1.04 The volume of timber harvested under this Licence that exceeds the maximum harvestable volume of timber specified in paragraph 1.03 will be subject to the penalties specified in section 75.21 of the *Forest Act*, section 2 of the Cut Control Regulation, and may also be subject to penalties available under the *Forest and Range Practices Act*.
- 1.05 Subject to this Licence, the Licensee has the right to enter and use Crown land to exercise rights and fulfill obligations under this Licence.
- 1.06 This Licence is not replaceable under the *Forest Act*.
- 1.07 Extensions may be granted to the term of this Licence.

2.00 TIMBER HARVEST LIMITATIONS

- 2.01 Timber harvesting must be conducted in accordance with the forestry legislation and the conditions and requirements specified in Schedule "A".
- 2.02 In addition to timber specified in the forestry legislation as reserved, the Licensee must not cut, damage, or destroy timber if the timber is specified as reserved in Schedule "B".

3.00 TIMBER MARK

- 3.01 The timber mark for timber harvested under this Licence is:

9 1
7 6 7

- 3.02 All timber cut from the licence area must be marked in accordance with the *Forest Act* and the Timber Marking and Transportation Regulation.

4.00 SCALE BASED STUMPAGE

- 4.01 The Licensee must ensure that:
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5.00 TIMBER VOLUME CHARGED TO THE LICENCE

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6.00 WASTE ASSESSMENT

- 6.01 The quantity and quality of merchantable Crown timber that could have been harvested under this Licence but at the Licensee’s discretion was not harvested, will be determined in accordance with the provisions of the Provincial Logging Residue and Waste Measurement Procedures Manual, as amended or replaced from time to time.
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- 6.04 For the purpose of conducting the assessment of the volume of timber that was not harvested as described in paragraph 6.01 the Regional Executive Director or District Manager may conduct an assessment in accordance with the current Provincial Logging Residue and Waste Measurement Procedures Manual after the expiry of the term of this Licence or the Licence otherwise being terminated, whichever occurs first.

7.00 COURT DETERMINED ABORIGINAL RIGHTS AND/OR TITLE

- 7.01 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 and/or title, or treaty right;
 - (b) grants an injunction further to a determination referred to in subparagraph 7.01 (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 and/or title, or treaty right,

the Regional Executive Director or District Manager in a notice given to the Licensee, may vary or suspend, this Licence in whole or in part, so as to be consistent with the court determination.

7.02 Subject to this Licence and the forestry legislation, if:

- (a) under paragraph 7.01, the Regional Executive Director or District Manager has varied the Licence issued to the Licensee;
- (b) a court of competent jurisdiction subsequently overturns, sets aside or dissolves the determination or injunction referred to in that paragraph; and
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the Regional Executive Director or District Manager, at the request of the Licensee, will vary the Licence to reflect as closely as possible, for the remainder of its term, the terms and conditions of the Licence prior to the variation under paragraph 7.01.

7.03 Subject to this Licence and the forestry legislation, if:

- (a) under paragraph 7.01, the Regional Executive Director or District Manager has suspended the Licence;
- (b) a court of competent jurisdiction subsequently overturns, sets aside or dissolves the determination or injunction referred to in that paragraph; and
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8.00 FINANCIAL AND DEPOSITS

8.01 In addition to any money payable in respect of this Licence under the forestry legislation, 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* at rates determined, re-determined and varied under section 105 of that Act in respect of timber removed under this Licence;
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- 9.01 Subject to paragraph 9.03, the Licensee will 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 the Licensee's operations, under or associated with this Licence; 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 under or associated with this Licence.
- 9.02 For greater certainty, the Licensee has no obligation to indemnify the Government under paragraph 9.01 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.
- 9.03 Amounts taken under part 8.00 from the deposit and any payments required under parts 5.00, 6.00 or 8.00, and payments required further to the indemnity referred to in paragraph 9.01 are in addition to and not in substitution for any other remedies available to the Government in respect of a default of the Licensee.

- 9.04 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.

10.00 TERMINATION

10.01 If this Licence expires or is cancelled or is otherwise terminated:

- (a) title to all improvements, including roads and bridges, fixed on Crown land in the licence area; and
- (b) all timber, including logs and special forest products, located on the licence area, will vest in the Crown, without right of compensation to the Licensee.

10.02 If the Licensee commits an act of bankruptcy, makes a general assignment for the benefit of its creditors or otherwise acknowledges its insolvency, the Licensee is deemed to have failed to perform an obligation under this Licence.

11.00 WAIVER

11.01 No waiver by the Crown of any default non-compliance by the Licensee in the strict and literal performance of or compliance with any provision of the Licence will be deemed to be a waiver of the strict and literal performance of or compliance with any other provision, condition or requirement of the Licence or to be a waiver of, or in any manner release the Licensee from compliance with any provision, condition or requirement in the future, nor will any delay or omission by the Crown in the exercising of any right hereunder in any manner with respect to non-compliance impair the exercise of any such rights in the future.

12.00 NOTICE

12.01 A notice given under this Licence must be in writing.

12.02 A notice given under this Licence may be:

- (a) delivered by hand;
- (b) sent by mail; or
- (c) sent by facsimile transmission;

to the address or facsimile number, as applicable, specified on the first page of this Licence, or to such other address or facsimile number as is specified in a notice given in accordance with this part.

12.03 If a notice is given under this Licence, it is deemed to have been given:

- (a) if it is given in accordance with subparagraph 12.02 (a) on the date it is delivered by hand;
- (b) if it is given in accordance with subparagraph 12.02 (b), subject to paragraph 12.04, on the eighth day after its deposit in a Canada Post Office at any place in Canada; and
- (c) if it is given in accordance with subparagraph 12.02 (c), subject to paragraph 12.05, on the date it is sent by facsimile transmission.

12.04 If, between the time a notice is mailed in accordance with subparagraph 12.02 (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.

12.05 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.

12.06 Either party may, from time to time, advise the other party by notice in writing, of any change of address of the party giving such notice and, from and after the giving of such notice, the address specified will, for purposes of this Licence, be considered to be the address of the party giving such notice.

13.00 MISCELLANEOUS

13.01 This Licence will inure to the benefit of, and be binding on, the parties and their respective heirs, executors, successors and permitted assigns.

13.02 The laws of British Columbia will govern the interpretation of this Licence and the performance of the Licensee's obligations under this Licence.

13.03 Any non-statutory power conferred or duty imposed on the Regional Executive Director or District Manager under this Licence may be exercised or fulfilled by any person authorized to do so by the Regional Executive Director or District Manager.

13.04 Any Schedules, Exhibit "A" map(s) or attachments referenced in, or attached to this Licence are an integral part of this agreement as if set out in the body of this agreement, and the Licensee will comply with all the terms in the Schedules.

- 13.05 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 regulations made under that Act, prevails, and the Licensee must immediately notify the District Manager of the conflict and follow any direction given by the District Manager with respect to the conflict, provided such direction is consistent with the *Workers Compensation Act* and the regulations under that Act.
- 13.06 Nothing in this Licence authorizes the Licensee to in any way restrict the Government's right of access to the Licence areas or a road permit or the right of any other authorized entrant, user or occupier of these areas.
- 13.07 This Licence is the entire agreement between the parties as to the matters set out in this Licence, and all previous promises, representations or agreements between the parties, whether oral or written, are deemed to have been replaced by this Licence.
- 13.08 Unless otherwise defined in this Licence, if a word or phrase used in this Licence is defined in the legislation described in paragraph 13.02, the definition in the legislation applies to this Licence, and where the word or phrase in the legislation is replaced by a new word or phrase, this Licence is deemed to have been amended accordingly.
- 13.09 Time is of the essence in this Licence.
- 13.10 If any provision in this Licence is found to be invalid or unenforceable by a court of law, the remainder of this Licence is separately valid and enforceable to the fullest extent permitted by law.
- 13.11 The Licensee acknowledges that any information released to the Licensee by the Regional Executive Director, District Manager or the Government about the nature of the Licence area or the quality or quantity of timber including the maximum volume in paragraph 1.03, is not to be relied upon. Execution of this Licence by the Licensee is an absolute release by the Licensee of the District Manager and the Crown from any claim that the Licensee may have in respect of the nature of the licence area or the quality or quantity of timber.

14.00 INTERPRETATION & DEFINITIONS

- 14.01 This Licence is divided into parts, paragraphs, subparagraphs, clauses and subparagraphs, illustrated as follows:
- 1.00 part;
 - 1.01 paragraph;
 - (a) subparagraph;
 - (i) clause;
 - (A) subparagraph;

and a reference to a subparagraph, clause or subparagraph 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.

14.02 In this Licence, unless the context otherwise requires,

“forestry legislation” means the statutes and regulations, to which the Licence is subject including: the *Forest Act*, the *Forest Practices Code of British Columbia Act*, *Forest and Range Practices Act* and the *Wildfire Act*.

IN WITNESS WHEREOF this Licence has been executed by the (District Manager) and the Licensee on the date written above.

SIGNED by the)
(District Manager))
on behalf of Her Majesty)
the Queen in Right of)
the Province of)
British Columbia)
in the presence of:)


Signature)

Lisa Douma)
Printed Name)

THE COMMON SEAL of)
the Licensee was affixed)
in the presence of:)


Signature)

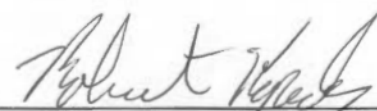
Tom Morris)
Printed Name)

(or)

SIGNED, by the Licensee)
in the presence of:)

Signature)

Printed Name)



Ralph Barkhouse, A/District Manager
Peace Natural Resource District

March 4/14
Dated

c/s

THE DISTRICT OF HUDSON'S HOPE

Licensee
Tom Morris, CAO
Printed Name and Title

JAN 30 2014
Dated

SCHEDULE "A"

1.00 OTHER CONDITIONS AND REQUIREMENTS

1.01 In addition to the terms set out in the body of this Licence, the Licensee will also comply with the following conditions:

- (a) the Licensee must contact the District or Regional Executive Director or designate before start up and completion of operations;
- (b) Final Harvesting Report: Within 60 days of the completion of harvesting operations, the Licensee must submit to the Regional Executive Director or District Manager a Post Harvest Report signed by a Licenced Forest Professional which specifies:
 - (i) the area in which the harvesting occurred;
 - (ii) an assessment of the post harvest free growing obligations within the licence area;
 - (iii) the amount of area harvested;
 - (iv) an update of Forest Cover Inventory; and
 - (v) the location and approximate size of all associate wildlife tree retention areas;
- (c) unless the Regional Executive Director or District Manager specifies otherwise in writing, the Licensee must take all reasonable steps to commence harvesting operations within a reasonable period of time following the commencement of the term and no later than **four (4) months** following the commencement of the term;
- (d) this Licence does not convey any right or title to any timber which has been cut prior to the effective date of the Licence and remains on the licence area, and the Licensee must not impede or obstruct the licensor from removing any such timber;

SCHEDULE “B”

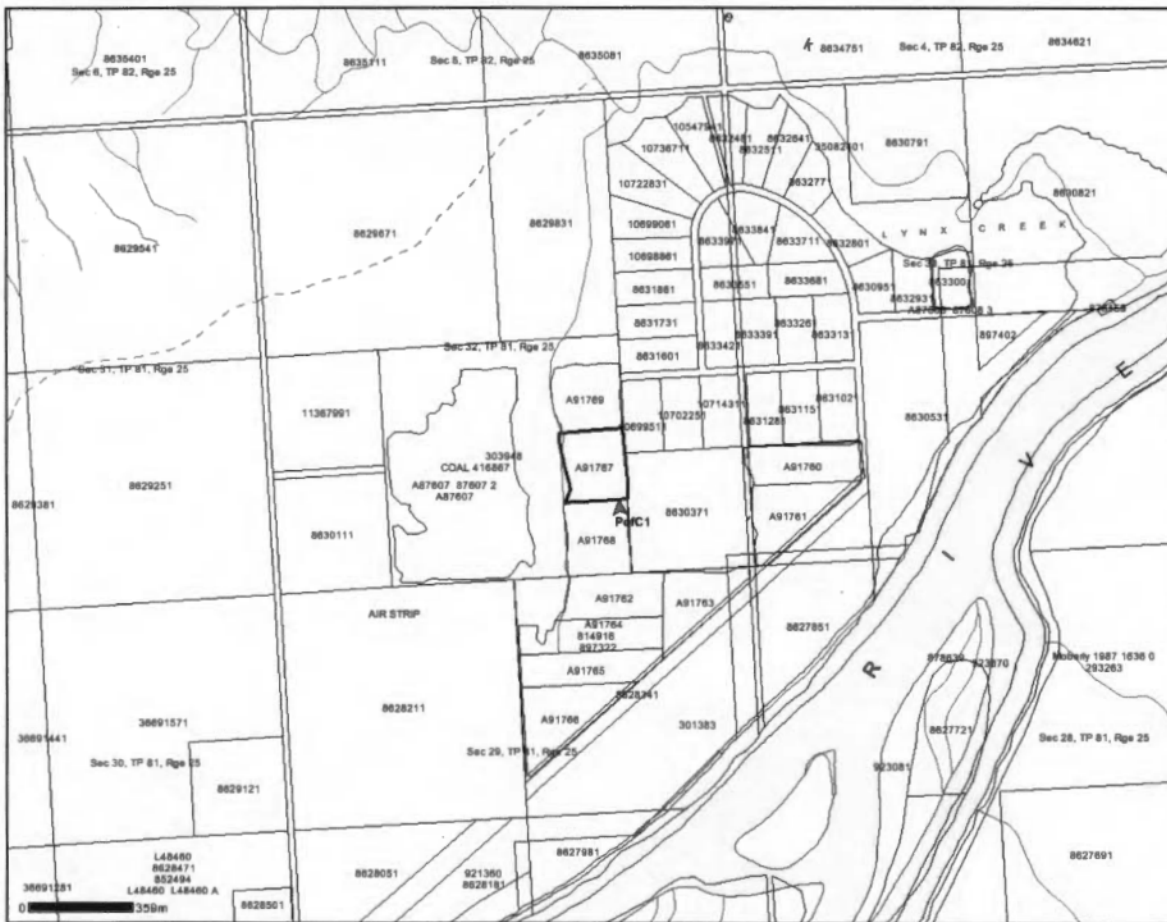
1.00 RESERVED TIMBER

1.01 Subject to the forestry legislation, there is no timber reserved under this Licence.



MAP OF : A91767 (shown in bold black)

FOREST REGION : RNI FOREST DISTRICT : DPC	TSA : LAND DISTRICT : PEACE RIVER DISTRICT	PULPWOOD AGREEMENT :	MGT UNIT TYPE : TIMBER SUPPLY AREA MGT UNIT NO : 41
ESF SUBMISSION ID : 1245002 BCGS MAPSHEET NO : 94A.001	SCALE : 1:20000 at A Size Area (Ha): 5.011	UTM : 10 NAD : NAD83	DRAWN BY : FTA DATE : Jan 20, 2014



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

(5.0113 Ha)
PolC1 UTM10 570382, 6213351



FORESTRY LICENCE TO CUT

A91768



THIS LICENCE, dated for reference January 23, 2014

BETWEEN:

HER MAJESTY THE QUEEN IN RIGHT
OF THE PROVINCE OF BRITISH COLUMBIA,
as represented by the DISTRICT MANAGER
MINISTRY OF FORESTS, LANDS AND
NATURAL RESOURCE OPERATIONS
9000 17 STREET
DAWSON CREEK, BRITISH COLUMBIA
V1G 4A4
Phone: (250) 784-1200 Fax: (250) 784-0143
(the District Manager)

AND:

DISTRICT OF HUDSON'S HOPE
PO BOX 330
HUDSON'S HOPE, BRITISH COLUMBIA
V0C 1V0
(the "Licensee")

WHEREAS:

THE PARTIES agree as follows:

1.00 GRANT OF RIGHTS AND TERM

- 1.01 The term of this Licence begins on **January 23, 2014** and expires on the earlier of **January 22, 2015** or when the Regional Executive Director or District Manager gives notice to the Licensee that all contractual and legislative obligations associated with this Licence have been completed.

"The Table of Contents and headings in this Licence are included for convenience only and do not form a part of this Licence and in no way define, limit, alter or enlarge the scope or meaning of any provision of this Licence."

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- 1.02 Subject to this Licence and the forestry legislation, the Licensee is authorized to harvest the Crown timber from the areas of land shown on the attached Exhibit "A" map(s) ("the licence area").
- 1.03 During the term of this Licence, the maximum volume of timber harvested under this Licence from the licence area is **285 m³**.
- 1.04 The volume of timber harvested under this Licence that exceeds the maximum harvestable volume of timber specified in paragraph 1.03 will be subject to the penalties specified in section 75.21 of the *Forest Act*, section 2 of the Cut Control Regulation, and may also be subject to penalties available under the *Forest and Range Practices Act*.
- 1.05 Subject to this Licence, the Licensee has the right to enter and use Crown land to exercise rights and fulfill obligations under this Licence.
- 1.06 This Licence is not replaceable under the *Forest Act*.
- 1.07 Extensions may be granted to the term of this Licence.

2.00 TIMBER HARVEST LIMITATIONS

- 2.01 Timber harvesting must be conducted in accordance with the forestry legislation and the conditions and requirements specified in Schedule "A".
- 2.02 In addition to timber specified in the forestry legislation as reserved, the Licensee must not cut, damage, or destroy timber if the timber is specified as reserved in Schedule "B".

3.00 TIMBER MARK

- 3.01 The timber mark for timber harvested under this Licence is:

9 1
7 6 8

- 3.02 All timber cut from the licence area must be marked in accordance with the *Forest Act* and the Timber Marking and Transportation Regulation.

4.00 SCALE BASED STUMPAGE

- 4.01 The Licensee must ensure that:
 - (a) all timber removed from the licence area is scaled; and
 - (b) the scale of the timber is conducted properly in accordance with the requirements of the *Forest Act* and the regulations made under that Act.

5.00 TIMBER VOLUME CHARGED TO THE LICENCE

5.01 Timber of the following grades will be used to calculate and determine the “volume of timber harvested” as defined in section 75.1 of the *Forest Act*:

- (a) all species and grades except for grades 6 and Z.

6.00 WASTE ASSESSMENT

- 6.01 The quantity and quality of merchantable Crown timber that could have been harvested under this Licence but at the Licensee’s discretion was not harvested, will be determined in accordance with the provisions of the Provincial Logging Residue and Waste Measurement Procedures Manual, as amended or replaced from time to time.
- 6.02 The Regional Executive Director or District Manager, in a notice given to the Licensee, may require the Licensee to pay in respect of the volume of timber determined under paragraph 6.01, a monetary assessment for all waste.
- 6.03 The amount of money that the Licensee must pay under a waste assessment will be determined in accordance with the provisions of the Provincial Logging Residue and Waste Measurement Procedures Manual as they are at the time the quantity and quality of merchantable Crown timber is determined under paragraph 6.01.
- 6.04 For the purpose of conducting the assessment of the volume of timber that was not harvested as described in paragraph 6.01 the Regional Executive Director or District Manager may conduct an assessment in accordance with the current Provincial Logging Residue and Waste Measurement Procedures Manual after the expiry of the term of this Licence or the Licence otherwise being terminated, whichever occurs first.

7.00 COURT DETERMINED ABORIGINAL RIGHTS AND/OR TITLE

- 7.01 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 and/or title, or treaty right;
 - (b) grants an injunction further to a determination referred to in subparagraph 7.01 (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 and/or title, or treaty right,

the Regional Executive Director or District Manager in a notice given to the Licensee, may vary or suspend, this Licence in whole or in part, so as to be consistent with the court determination.

7.02 Subject to this Licence and the forestry legislation, if:

- (a) under paragraph 7.01, the Regional Executive Director or District Manager has varied the Licence issued to the Licensee;
- (b) a court of competent jurisdiction subsequently overturns, sets aside or dissolves the determination or injunction referred to in that paragraph; and
- (c) it is practical to do so;

the Regional Executive Director or District Manager, at the request of the Licensee, will vary the Licence to reflect as closely as possible, for the remainder of its term, the terms and conditions of the Licence prior to the variation under paragraph 7.01.

7.03 Subject to this Licence and the forestry legislation, if:

- (a) under paragraph 7.01, the Regional Executive Director or District Manager has suspended the Licence;
- (b) a court of competent jurisdiction subsequently overturns, sets aside or dissolves the determination or injunction referred to in that paragraph; and
- (c) it is practical to do so;

the Regional Executive Director or District Manager, at the request of the Licensee, will reinstate the Licence for the remainder of its term.

8.00 FINANCIAL AND DEPOSITS

8.01 In addition to any money payable in respect of this Licence under the forestry legislation, 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* at rates determined, re-determined and varied under section 105 of that Act in respect of timber removed under this Licence;
- (b) any payment required as a result of a waste assessment under part 6.00 of this Licence.

8.02 The Licensee will provide the Crown with **\$500.00** to be held on deposit (the “deposit”) to be used in accordance with the regulations.

- 8.03 If the Licensee fails to perform an obligation under this Licence, the Regional Executive Director or District Manager, after at least two weeks notice, may take from the deposit an amount equal to the reasonable costs to perform the obligation and may perform the obligation on the Licensee's behalf.
- 8.04 If the Regional Executive Director or District Manager takes from the deposit under paragraph 8.03, the Licensee must pay to the Government on demand an amount sufficient to replenish the deposit or this Licence may be terminated by the Regional Executive Director or District Manager.
- 8.05 In accordance with the Advertising, deposits, Disposition and Extensions Regulation, the deposit may be refunded to the Licensee.

9.00 LIABILITY & INDEMNITY

- 9.01 Subject to paragraph 9.03, the Licensee will 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 the Licensee's operations, under or associated with this Licence; 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 under or associated with this Licence.
- 9.02 For greater certainty, the Licensee has no obligation to indemnify the Government under paragraph 9.01 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.
- 9.03 Amounts taken under part 8.00 from the deposit and any payments required under parts 5.00, 6.00 or 8.00, and payments required further to the indemnity referred to in paragraph 9.01 are in addition to and not in substitution for any other remedies available to the Government in respect of a default of the Licensee.

- 9.04 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.

10.00 TERMINATION

10.01 If this Licence expires or is cancelled or is otherwise terminated:

- (a) title to all improvements, including roads and bridges, fixed on Crown land in the licence area; and
- (b) all timber, including logs and special forest products, located on the licence area, will vest in the Crown, without right of compensation to the Licensee.

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11.00 WAIVER

11.01 No waiver by the Crown of any default non-compliance by the Licensee in the strict and literal performance of or compliance with any provision of the Licence will be deemed to be a waiver of the strict and literal performance of or compliance with any other provision, condition or requirement of the Licence or to be a waiver of, or in any manner release the Licensee from compliance with any provision, condition or requirement in the future, nor will any delay or omission by the Crown in the exercising of any right hereunder in any manner with respect to non-compliance impair the exercise of any such rights in the future.

12.00 NOTICE

12.01 A notice given under this Licence must be in writing.

12.02 A notice given under this Licence may be:

- (a) delivered by hand;
- (b) sent by mail; or
- (c) sent by facsimile transmission;

to the address or facsimile number, as applicable, specified on the first page of this Licence, or to such other address or facsimile number as is specified in a notice given in accordance with this part.

12.03 If a notice is given under this Licence, it is deemed to have been given:

- (a) if it is given in accordance with subparagraph 12.02 (a) on the date it is delivered by hand;
- (b) if it is given in accordance with subparagraph 12.02 (b), subject to paragraph 12.04, on the eighth day after its deposit in a Canada Post Office at any place in Canada; and
- (c) if it is given in accordance with subparagraph 12.02 (c), subject to paragraph 12.05, on the date it is sent by facsimile transmission.

12.04 If, between the time a notice is mailed in accordance with subparagraph 12.02 (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.

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13.03 Any non-statutory power conferred or duty imposed on the Regional Executive Director or District Manager under this Licence may be exercised or fulfilled by any person authorized to do so by the Regional Executive Director or District Manager.

13.04 Any Schedules, Exhibit "A" map(s) or attachments referenced in, or attached to this Licence are an integral part of this agreement as if set out in the body of this agreement, and the Licensee will comply with all the terms in the Schedules.

- 13.05 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 regulations made under that Act, prevails, and the Licensee must immediately notify the District Manager of the conflict and follow any direction given by the District Manager with respect to the conflict, provided such direction is consistent with the *Workers Compensation Act* and the regulations under that Act.
- 13.06 Nothing in this Licence authorizes the Licensee to in any way restrict the Government's right of access to the Licence areas or a road permit or the right of any other authorized entrant, user or occupier of these areas.
- 13.07 This Licence is the entire agreement between the parties as to the matters set out in this Licence, and all previous promises, representations or agreements between the parties, whether oral or written, are deemed to have been replaced by this Licence.
- 13.08 Unless otherwise defined in this Licence, if a word or phrase used in this Licence is defined in the legislation described in paragraph 13.02, the definition in the legislation applies to this Licence, and where the word or phrase in the legislation is replaced by a new word or phrase, this Licence is deemed to have been amended accordingly.
- 13.09 Time is of the essence in this Licence.
- 13.10 If any provision in this Licence is found to be invalid or unenforceable by a court of law, the remainder of this Licence is separately valid and enforceable to the fullest extent permitted by law.
- 13.11 The Licensee acknowledges that any information released to the Licensee by the Regional Executive Director, District Manager or the Government about the nature of the Licence area or the quality or quantity of timber including the maximum volume in paragraph 1.03, is not to be relied upon. Execution of this Licence by the Licensee is an absolute release by the Licensee of the District Manager and the Crown from any claim that the Licensee may have in respect of the nature of the licence area or the quality or quantity of timber.

14.00 INTERPRETATION & DEFINITIONS

- 14.01 This Licence is divided into parts, paragraphs, subparagraphs, clauses and subparagraphs, illustrated as follows:
- 1.00 part;
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 - (a) subparagraph;
 - (i) clause;
 - (A) subparagraph;

and a reference to a subparagraph, clause or subparagraph 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.

14.02 In this Licence, unless the context otherwise requires,

“forestry legislation” means the statutes and regulations, to which the Licence is subject including: the *Forest Act*, the *Forest Practices Code of British Columbia Act*, *Forest and Range Practices Act* and the *Wildfire Act*.

IN WITNESS WHEREOF this Licence has been executed by the (District Manager) and the Licensee on the date written above.

SIGNED by the)
(District Manager))
on behalf of Her Majesty)
the Queen in Right of)
the Province of)
British Columbia)
in the presence of:)

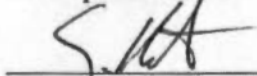


Signature)

Lisa Douma)

Printed Name)

THE COMMON SEAL of)
the Licensee was affixed)
in the presence of:)



Signature)

Tom Matius)


Printed Name)

(or)

SIGNED, by the Licensee)
in the presence of:)

Signature)

Printed Name)


Ralph Barkhouse, A/District Manager
Peace Natural Resource District

March 4/14

Dated

c/s

THE DISTRICT OF HUDSON'S HOPE

Licensee

Tom Matius, CAO

Printed Name and Title

JAN 30 2014

Dated

SCHEDULE "A"

1.00 OTHER CONDITIONS AND REQUIREMENTS

1.01 In addition to the terms set out in the body of this Licence, the Licensee will also comply with the following conditions:

- (a) the Licensee must contact the District or Regional Executive Director or designate before start up and completion of operations;
- (b) Final Harvesting Report: Within 60 days of the completion of harvesting operations, the Licensee must submit to the Regional Executive Director or District Manager a Post Harvest Report signed by a Licenced Forest Professional which specifies:
 - (i) the area in which the harvesting occurred;
 - (ii) an assessment of the post harvest free growing obligations within the licence area;
 - (iii) the amount of area harvested;
 - (iv) an update of Forest Cover Inventory; and
 - (v) the location and approximate size of all associate wildlife tree retention areas;
- (c) unless the Regional Executive Director or District Manager specifies otherwise in writing, the Licensee must take all reasonable steps to commence harvesting operations within a reasonable period of time following the commencement of the term and no later than **four (4) months** following the commencement of the term;
- (d) this Licence does not convey any right or title to any timber which has been cut prior to the effective date of the Licence and remains on the licence area, and the Licensee must not impede or obstruct the licensor from removing any such timber;

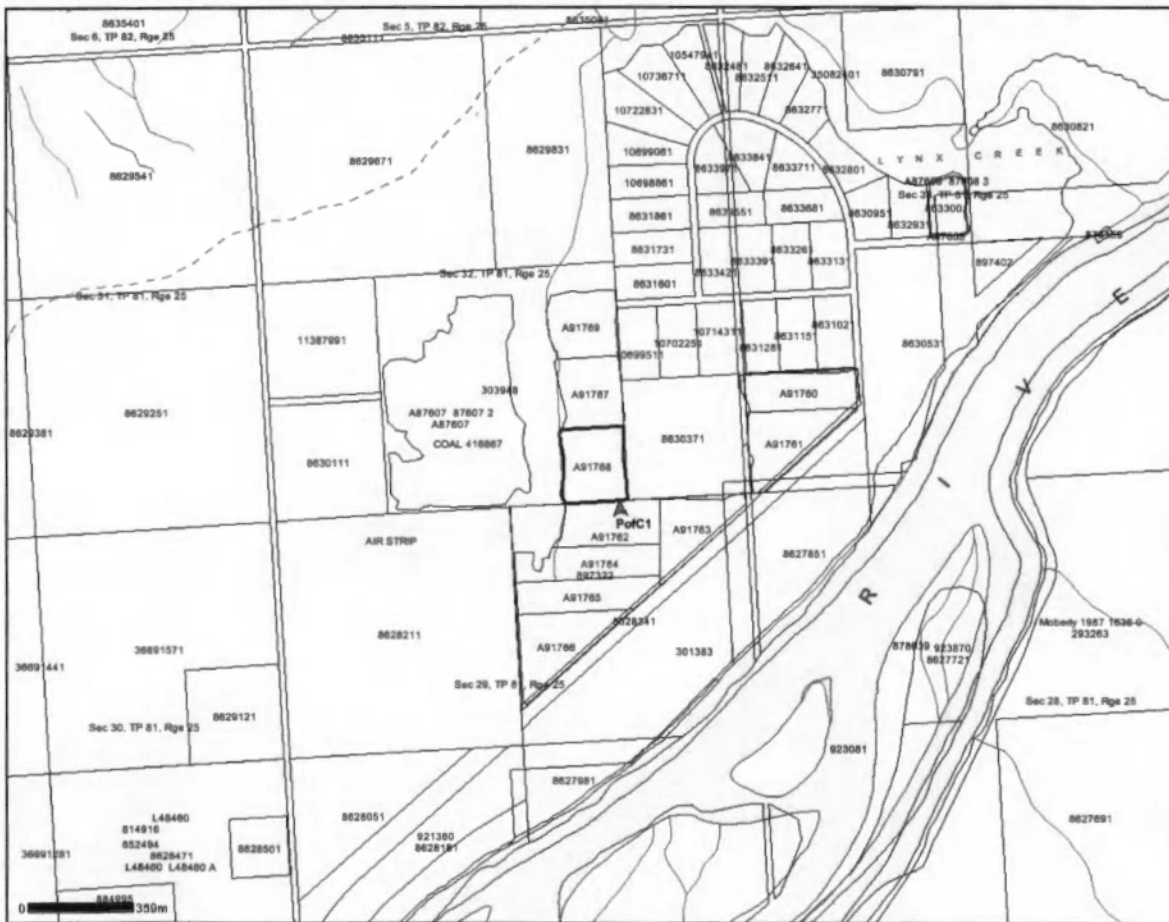
SCHEDULE “B”

1.00 RESERVED TIMBER

1.01 Subject to the forestry legislation, there is no timber reserved under this Licence.



MAP OF : A91768 (shown in bold black)			
FOREST REGION : RNI FOREST DISTRICT : DPC	TSA : LAND DISTRICT : PEACE RIVER DISTRICT	PULPWOOD AGREEMENT :	MGT UNIT TYPE : TIMBER SUPPLY AREA MGT UNIT NO : 41
ESF SUBMISSION ID : 1245003 BCGS MAPSHEET NO : 94A.001	SCALE : 1:20000 at A Size Area (Ha): 5.372	UTM : 10 NAD : NAD83	DRAWN BY : FTA DATE : Jan 20, 2014



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
(5.3724 Ha) PofC1 UTM10 570386, 6213101	



FORESTRY LICENCE TO CUT

A91769



THIS LICENCE, dated for reference January 23, 2014

BETWEEN:

HER MAJESTY THE QUEEN IN RIGHT
OF THE PROVINCE OF BRITISH COLUMBIA,
as represented by the DISTRICT MANAGER
MINISTRY OF FORESTS, LANDS AND
NATURAL RESOURCE OPERATIONS
9000 17 STREET
DAWSON CREEK, BRITISH COLUMBIA
V1G 4A4
Phone: (250) 784-1200 Fax: (250) 784-0143
(the District Manager)

AND:

DISTRICT OF HUDSON'S HOPE
PO BOX 330
HUDSON'S HOPE, BRITISH COLUMBIA
V0C 1V0
(the "Licensee")

WHEREAS:

THE PARTIES agree as follows:

1.00 GRANT OF RIGHTS AND TERM

- 1.01 The term of this Licence begins on **January 23, 2014** and expires on the earlier of **January 22, 2015** or when the Regional Executive Director or District Manager gives notice to the Licensee that all contractual and legislative obligations associated with this Licence have been completed.

"The Table of Contents and headings in this Licence are included for convenience only and do not form a part of this Licence and in no way define, limit, alter or enlarge the scope or meaning of any provision of this Licence."

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- 1.02 Subject to this Licence and the forestry legislation, the Licensee is authorized to harvest the Crown timber from the areas of land shown on the attached Exhibit "A" map(s) ("the licence area").
- 1.03 During the term of this Licence, the maximum volume of timber harvested under this Licence from the licence area is **285 m³**.
- 1.04 The volume of timber harvested under this Licence that exceeds the maximum harvestable volume of timber specified in paragraph 1.03 will be subject to the penalties specified in section 75.21 of the *Forest Act*, section 2 of the Cut Control Regulation, and may also be subject to penalties available under the *Forest and Range Practices Act*.
- 1.05 Subject to this Licence, the Licensee has the right to enter and use Crown land to exercise rights and fulfill obligations under this Licence.
- 1.06 This Licence is not replaceable under the *Forest Act*.
- 1.07 Extensions may be granted to the term of this Licence.

2.00 TIMBER HARVEST LIMITATIONS

- 2.01 Timber harvesting must be conducted in accordance with the forestry legislation and the conditions and requirements specified in Schedule "A".
- 2.02 In addition to timber specified in the forestry legislation as reserved, the Licensee must not cut, damage, or destroy timber if the timber is specified as reserved in Schedule "B".

3.00 TIMBER MARK

- 3.01 The timber mark for timber harvested under this Licence is:

9 1
7 6 9

- 3.02 All timber cut from the licence area must be marked in accordance with the *Forest Act* and the Timber Marking and Transportation Regulation.

4.00 SCALE BASED STUMPAGE

- 4.01 The Licensee must ensure that:
 - (a) all timber removed from the licence area is scaled; and
 - (b) the scale of the timber is conducted properly in accordance with the requirements of the *Forest Act* and the regulations made under that Act.

5.00 TIMBER VOLUME CHARGED TO THE LICENCE

5.01 Timber of the following grades will be used to calculate and determine the “volume of timber harvested” as defined in section 75.1 of the *Forest Act*:

- (a) all species and grades except for grades 6 and Z.

6.00 WASTE ASSESSMENT

- 6.01 The quantity and quality of merchantable Crown timber that could have been harvested under this Licence but at the Licensee’s discretion was not harvested, will be determined in accordance with the provisions of the Provincial Logging Residue and Waste Measurement Procedures Manual, as amended or replaced from time to time.
- 6.02 The Regional Executive Director or District Manager, in a notice given to the Licensee, may require the Licensee to pay in respect of the volume of timber determined under paragraph 6.01, a monetary assessment for all waste.
- 6.03 The amount of money that the Licensee must pay under a waste assessment will be determined in accordance with the provisions of the Provincial Logging Residue and Waste Measurement Procedures Manual as they are at the time the quantity and quality of merchantable Crown timber is determined under paragraph 6.01.
- 6.04 For the purpose of conducting the assessment of the volume of timber that was not harvested as described in paragraph 6.01 the Regional Executive Director or District Manager may conduct an assessment in accordance with the current Provincial Logging Residue and Waste Measurement Procedures Manual after the expiry of the term of this Licence or the Licence otherwise being terminated, whichever occurs first.

7.00 COURT DETERMINED ABORIGINAL RIGHTS AND/OR TITLE

- 7.01 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 and/or title, or treaty right;
 - (b) grants an injunction further to a determination referred to in subparagraph 7.01 (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 and/or title, or treaty right,

the Regional Executive Director or District Manager in a notice given to the Licensee, may vary or suspend, this Licence in whole or in part, so as to be consistent with the court determination.

7.02 Subject to this Licence and the forestry legislation, if:

- (a) under paragraph 7.01, the Regional Executive Director or District Manager has varied the Licence issued to the Licensee;
- (b) a court of competent jurisdiction subsequently overturns, sets aside or dissolves the determination or injunction referred to in that paragraph; and
- (c) it is practical to do so;

the Regional Executive Director or District Manager, at the request of the Licensee, will vary the Licence to reflect as closely as possible, for the remainder of its term, the terms and conditions of the Licence prior to the variation under paragraph 7.01.

7.03 Subject to this Licence and the forestry legislation, if:

- (a) under paragraph 7.01, the Regional Executive Director or District Manager has suspended the Licence;
- (b) a court of competent jurisdiction subsequently overturns, sets aside or dissolves the determination or injunction referred to in that paragraph; and
- (c) it is practical to do so;

the Regional Executive Director or District Manager, at the request of the Licensee, will reinstate the Licence for the remainder of its term.

8.00 FINANCIAL AND DEPOSITS

8.01 In addition to any money payable in respect of this Licence under the forestry legislation, 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* at rates determined, re-determined and varied under section 105 of that Act in respect of timber removed under this Licence;
- (b) any payment required as a result of a waste assessment under part 6.00 of this Licence.

8.02 The Licensee will provide the Crown with \$500.00 to be held on deposit (the "deposit") to be used in accordance with the regulations.

- 8.03 If the Licensee fails to perform an obligation under this Licence, the Regional Executive Director or District Manager, after at least two weeks notice, may take from the deposit an amount equal to the reasonable costs to perform the obligation and may perform the obligation on the Licensee's behalf.
- 8.04 If the Regional Executive Director or District Manager takes from the deposit under paragraph 8.03, the Licensee must pay to the Government on demand an amount sufficient to replenish the deposit or this Licence may be terminated by the Regional Executive Director or District Manager.
- 8.05 In accordance with the Advertising, deposits, Disposition and Extensions Regulation, the deposit may be refunded to the Licensee.

9.00 LIABILITY & INDEMNITY

- 9.01 Subject to paragraph 9.03, the Licensee will 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 the Licensee's operations, under or associated with this Licence; 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 under or associated with this Licence.
- 9.02 For greater certainty, the Licensee has no obligation to indemnify the Government under paragraph 9.01 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.
- 9.03 Amounts taken under part 8.00 from the deposit and any payments required under parts 5.00, 6.00 or 8.00, and payments required further to the indemnity referred to in paragraph 9.01 are in addition to and not in substitution for any other remedies available to the Government in respect of a default of the Licensee.

- 9.04 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.

10.00 TERMINATION

- 10.01 If this Licence expires or is cancelled or is otherwise terminated:

- (a) title to all improvements, including roads and bridges, fixed on Crown land in the licence area; and
- (b) all timber, including logs and special forest products, located on the licence area, will vest in the Crown, without right of compensation to the Licensee.

- 10.02 If the Licensee commits an act of bankruptcy, makes a general assignment for the benefit of its creditors or otherwise acknowledges its insolvency, the Licensee is deemed to have failed to perform an obligation under this Licence.

11.00 WAIVER

- 11.01 No waiver by the Crown of any default non-compliance by the Licensee in the strict and literal performance of or compliance with any provision of the Licence will be deemed to be a waiver of the strict and literal performance of or compliance with any other provision, condition or requirement of the Licence or to be a waiver of, or in any manner release the Licensee from compliance with any provision, condition or requirement in the future, nor will any delay or omission by the Crown in the exercising of any right hereunder in any manner with respect to non-compliance impair the exercise of any such rights in the future.

12.00 NOTICE

- 12.01 A notice given under this Licence must be in writing.

- 12.02 A notice given under this Licence may be:

- (a) delivered by hand;
- (b) sent by mail; or
- (c) sent by facsimile transmission;

to the address or facsimile number, as applicable, specified on the first page of this Licence, or to such other address or facsimile number as is specified in a notice given in accordance with this part.

12.03 If a notice is given under this Licence, it is deemed to have been given:

- (a) if it is given in accordance with subparagraph 12.02 (a) on the date it is delivered by hand;
- (b) if it is given in accordance with subparagraph 12.02 (b), subject to paragraph 12.04, on the eighth day after its deposit in a Canada Post Office at any place in Canada; and
- (c) if it is given in accordance with subparagraph 12.02 (c), subject to paragraph 12.05, on the date it is sent by facsimile transmission.

12.04 If, between the time a notice is mailed in accordance with subparagraph 12.02 (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.

12.05 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.

12.06 Either party may, from time to time, advise the other party by notice in writing, of any change of address of the party giving such notice and, from and after the giving of such notice, the address specified will, for purposes of this Licence, be considered to be the address of the party giving such notice.

13.00 MISCELLANEOUS

13.01 This Licence will inure to the benefit of, and be binding on, the parties and their respective heirs, executors, successors and permitted assigns.

13.02 The laws of British Columbia will govern the interpretation of this Licence and the performance of the Licensee's obligations under this Licence.

13.03 Any non-statutory power conferred or duty imposed on the Regional Executive Director or District Manager under this Licence may be exercised or fulfilled by any person authorized to do so by the Regional Executive Director or District Manager.

13.04 Any Schedules, Exhibit "A" map(s) or attachments referenced in, or attached to this Licence are an integral part of this agreement as if set out in the body of this agreement, and the Licensee will comply with all the terms in the Schedules.

- 13.05 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 regulations made under that Act, prevails, and the Licensee must immediately notify the District Manager of the conflict and follow any direction given by the District Manager with respect to the conflict, provided such direction is consistent with the *Workers Compensation Act* and the regulations under that Act.
- 13.06 Nothing in this Licence authorizes the Licensee to in any way restrict the Government's right of access to the Licence areas or a road permit or the right of any other authorized entrant, user or occupier of these areas.
- 13.07 This Licence is the entire agreement between the parties as to the matters set out in this Licence, and all previous promises, representations or agreements between the parties, whether oral or written, are deemed to have been replaced by this Licence.
- 13.08 Unless otherwise defined in this Licence, if a word or phrase used in this Licence is defined in the legislation described in paragraph 13.02, the definition in the legislation applies to this Licence, and where the word or phrase in the legislation is replaced by a new word or phrase, this Licence is deemed to have been amended accordingly.
- 13.09 Time is of the essence in this Licence.
- 13.10 If any provision in this Licence is found to be invalid or unenforceable by a court of law, the remainder of this Licence is separately valid and enforceable to the fullest extent permitted by law.
- 13.11 The Licensee acknowledges that any information released to the Licensee by the Regional Executive Director, District Manager or the Government about the nature of the Licence area or the quality or quantity of timber including the maximum volume in paragraph 1.03, is not to be relied upon. Execution of this Licence by the Licensee is an absolute release by the Licensee of the District Manager and the Crown from any claim that the Licensee may have in respect of the nature of the licence area or the quality or quantity of timber.

14.00 INTERPRETATION & DEFINITIONS

- 14.01 This Licence is divided into parts, paragraphs, subparagraphs, clauses and subparagraphs, illustrated as follows:
- 1.00 part;
 - 1.01 paragraph;
 - (a) subparagraph;
 - (i) clause;
 - (A) subparagraph;

and a reference to a subparagraph, clause or subparagraph 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.

14.02 In this Licence, unless the context otherwise requires,

“forestry legislation” means the statutes and regulations, to which the Licence is subject including: the *Forest Act*, the *Forest Practices Code of British Columbia Act*, *Forest and Range Practices Act* and the *Wildfire Act*.


IN WITNESS WHEREOF this Licence has been executed by the (District Manager) and the Licensee on the date written above.

SIGNED by the)
(District Manager))
on behalf of Her Majesty)
the Queen in Right of)
the Province of)
British Columbia)
in the presence of:)

Signature

Lisa Douma
Printed Name

THE COMMON SEAL of)
the Licensee was affixed)
in the presence of:)


Signature


Tom Matus
Printed Name

(or)

SIGNED, by the Licensee)
in the presence of:)

Signature _____

Printed Name _____)


Ralph Barkhouse, A/District Manager
Peace Natural Resource District

March 4/14 Dated

c/s

THE DISTRICT OF HUDSON'S HOPE

Licensee

TOM MORRIS, CAO
Printed Name and Title

JAN 30 2014

Dated

SCHEDULE "A"

1.00 OTHER CONDITIONS AND REQUIREMENTS

- 1.01 In addition to the terms set out in the body of this Licence, the Licensee will also comply with the following conditions:
- (a) the Licensee must contact the District or Regional Executive Director or designate before start up and completion of operations;
 - (b) Final Harvesting Report: Within 60 days of the completion of harvesting operations, the Licensee must submit to the Regional Executive Director or District Manager a Post Harvest Report signed by a Licenced Forest Professional which specifies:
 - (i) the area in which the harvesting occurred;
 - (ii) an assessment of the post harvest free growing obligations within the licence area;
 - (iii) the amount of area harvested;
 - (iv) an update of Forest Cover Inventory; and
 - (v) the location and approximate size of all associate wildlife tree retention areas;
 - (c) unless the Regional Executive Director or District Manager specifies otherwise in writing, the Licensee must take all reasonable steps to commence harvesting operations within a reasonable period of time following the commencement of the term and no later than **four (4) months** following the commencement of the term;
 - (d) this Licence does not convey any right or title to any timber which has been cut prior to the effective date of the Licence and remains on the licence area, and the Licensee must not impede or obstruct the licensor from removing any such timber;

SCHEDULE "B"

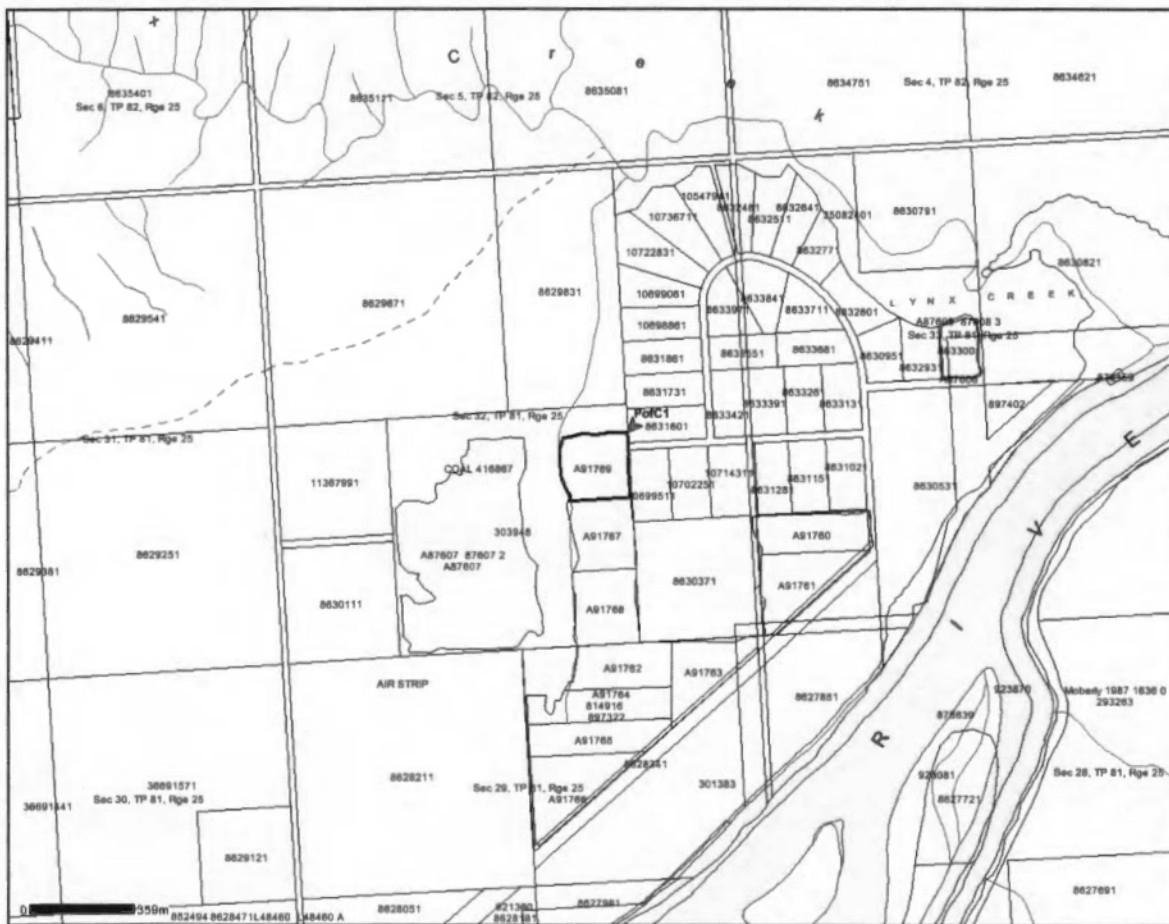
1.00 RESERVED TIMBER

1.01 Subject to the forestry legislation, there is no timber reserved under this Licence.



MAP OF : A91769 (shown in bold black)

FOREST REGION : RNI FOREST DISTRICT : DPC	TSA : LAND DISTRICT : PEACE RIVER DISTRICT	PULPWOOD AGREEMENT :	MGT UNIT TYPE : TIMBER SUPPLY AREA MGT UNIT NO : 41
ESF SUBMISSION ID : 1245005 BCGS MAPSHEET NO : 94A.001	SCALE : 1:20000 at A Size Area (Ha): 5.006	UTM : 10 NAD : NAD83	DRAWN BY : FTA DATE : Jan 20, 2014



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

(5.0063 Ha)
PofC1 UTM10 570402, 6213813



Distribution: DPC, DM Binder , Licensee
Document name: w:\sections\tmb\LComplete.tmb.doc sjh
CONTACT: Susan Hetenyi, RC, DCFD, 784-1207
Date typed: 06 March 2003 Date revised: 23 June 2005

File: 19545-60/L46913

June 23, 2005

Doug Rennie
Ministry of Transportation
300 – 10003 110th Avenue
Fort St. John, British Columbia
V1J 6M7

Dear Doug Rennie:

Enclosed is a completed copy of Licence to Cut Timber, Number L46913. This Licence to Cut applies to NW ¼, Sec 28, Twp 81, Rge 25, W6M (Rieske Pit), Peace River District. Before carrying out operations on this area, please read your licence and be prepared to comply with all conditions set out therein.



Please note that timber may not be delivered to a millyard until you are in receipt of the rate letter from the Northern Interior Regional Office and an approved Scale Site Designation letter from the District Scaling Supervisor.

A sign must be posted and maintained at the point of exit from the licence to cut area, clearly displaying the timber mark.

Yours truly,

D. L. (Danny) Way
District Manager
Peace Forest District

Enclosure

**Ministry of
Forests**

Peace Forest District

Mailing Address:
9000 17th Street
Dawson Creek BC
V1G 4A4

Tel: (250) 784-1200
Fax: (250) 784-0143

Location:
Dawson Creek BC



**Occupant Licence to Cut
L46913**

Specific Terms



THIS LICENCE, dated June 23, 2005

BETWEEN:

THE DISTRICT MANAGER, on behalf of
HER MAJESTY THE QUEEN IN RIGHT
OF THE PROVINCE OF BRITISH COLUMBIA,
(the "Ministry Manager")

AND:

Ministry of Transportation
300 – 10003 110th Avenue
Fort St. John, British Columbia
V1J 6M7
(the "Licensee")

WHEREAS:

- A. The Licensee has the Right of Occupation as the lawful occupier of certain areas of land pursuant to *Lands Act* – Section 12 Map Reserve 888044 and the area of land includes the Harvest Area.
- B. The Licensee does not have the right to Remove the Crown timber from the Harvest Areas otherwise than under this Licence.
- C. The Parties have entered into this Licence pursuant to section 47.4 of the *Forest Act*.

THE PARTIES agree as follows:

1.) INTERPRETATION

- 1.1) The Licence is comprised of the following components, all of which have been reviewed and agreed to by the Parties:
 - (a) these Specific Terms including any Schedules and Exhibits, and
 - (b) the General Terms and Conditions for an Occupant Licence to Cut.If there is a conflict between any of these components, the order of precedence is (b) and then (a).

- 1.2) The Licence is the entire contract between the Parties as to the matters set out in the Licence, and all previous promises, representations, contracts or agreements between the Parties, whether oral or written, are deemed to have been replaced by the Licence. Except as otherwise set out in the Licence, any changes to the Licence must be agreed to by the Parties in writing and be signed by the Ministry Manager or designate.
- 1.3) Unless otherwise defined in the General Terms, if a word or phrase used in the Licence is defined in the *Forest Act* or the *Forest and Range Practices Act*, the definition in the Act applies to the Licence, and where the word or phrase in the Act is replaced by a new word or phrase, the Licence is deemed to have been amended accordingly.

2.) GRANT OF RIGHTS AND TERM

- 2.1) Subject to the Licence, the Licensee may enter into the Harvest Area and may during the Term of the Licence, cut and Remove, from the Harvest Area, the Crown timber found within the Harvest Area.
- 2.2) The term of this Licence begins on **June 23, 2005**, and ends on the earlier of
 - (a) the day upon which the Licensee's Right of Occupation expires or is surrendered, cancelled or otherwise terminated,
 - (b) **June 22, 2010**, or
 - (c) the Ministry Manager giving notice to the Licensee that all contractual and legislative obligations associated with the Licence have been completed.
- 2.3) The Licensee's rights under this Licence are suspended and of no force or effect during any period during which the Right of Occupation is suspended.
- 2.4) Unless the Ministry Manager specifies otherwise in writing, the Licensee must ensure that all reasonable steps are taken to:
 - (a) advise the Ministry Manager in writing and in a form acceptable to the Ministry Manager, of the date that the Licensee's Activities will commence at least five days before commencement, and
 - (b) notify the Ministry Manager in writing in a form acceptable to the Ministry Manager, when all obligations under this Licence are complete.

3.) FINANCE

- 3.1) In addition to any money payable in respect of the Licence under the Forestry Legislation, the Licensee must pay, to the government, stumpage under Part 7 of the Forest Act in respect of timber Removed under the Licence, at rates determined, redetermined and varied under section 105 of that Act. Payments must be made, to the government, immediately upon receipt of a notice, statement or invoice issued on behalf of the government.

4.) TIMBER MARK

- 4.1) The timber mark(s) for the Licence is/are:

L 4 6
9 1 3

5.) HARVESTING OF TIMBER

- 5.1) For the purposes of Part 6.00 of the General Terms, the dangerous tree felling area extends fifty (50) metres beyond the boundary of the Harvest Area.

6.) DETAILS FOR NOTIFICATION

- 6.1) For the purposes of notification in accordance with Part 15.00 of the General Terms, the Parties contact information will be as follows:

For the Ministry Manager:

9000 – 17 Street

Dawson Creek, BC V1G 4A4

Fax Number: (250) 784-0143

Contact person: Mike Watts

For the Licensee:

300 – 10003 110th Avenue

Fort St. John, British Columbia

V1J 6M7

Fax Number: (250) 787-3279

Contact person: Doug Rennie

7.) REPRESENTATIONS

- 7.1) In addition to the representations found in Part 2.00 of the General Terms, the Licensee hereby confirms that it has made the following additional representations:

(a) None

8.) SPECIAL CONDITIONS AND REQUIREMENTS

- 8.1) The Licensee must comply with the following special conditions and terms:
- (a) The Licensee must inform the Ministry Manager, in writing and in a form acceptable to the Ministry Manager, of the date that the Licensee intends to begin timber Harvesting or road construction at least three (3) days prior to the date that the Licensee intends to begin either of those activities.
 - (b) The Licensee must inform the Ministry Manager, in writing and in a form acceptable to the Ministry Manager, that timber Harvesting or road construction has been completed within five (5) days of the date that the Licensee has completed either of those activities.
 - (c) In the event that the two paragraphs above and legislated obligations conflict, the Licensee must immediately contact the Ministry Manager to resolve the conflict.
- 8.2) **DIRECTION FOR CONTROLLING BEETLE INFESTATION**
The Licensee must comply with any direction of the District Manager for the purpose of controlling beetle infestation.
- 8.3) **MARKED-TO-CUT OR MARKED BOUNDARY**
All trees designated for harvest under this permit must be either individually marked-to-cut, or encircled within an external boundary to the satisfaction of the Forest Officer/Official.
- 8.4) **BEETLE CONDITIONS AND REQUIREMENTS**
- (a) Harvesting must be completed prior to the estimated yearly flight period of the specific beetle, unless otherwise authorized in writing by the District Manager or his designate.
 - (b) No hauling of wood is to be done during the flight period of the specific beetle, unless authorized in writing by the District Manager or his designate.
 - (c) Processing must be carried out prior to the flight of the specific beetle, unless in writing by the District Manager or his designate. Where this is not possible, due to large volumes of infested wood, then a milling plan must be submitted to the District Manager or his designate by February 1st of the harvest year stating how wood will be sorted such that the most severely infested gets milled first.

- (d) The District Manager or his designate must be notified of beetle infested wood and the location of the processing plant receiving the wood. If this location changes the District Manager or his designate must be notified at least ten (10) days in advance of the shipment.

8.5) **PROCESSED AT LANDING OR ROADSIDE**

Trees are to be processed at the landing or at roadside work areas.

8.6) **NO LONG-BUTTING**

All live beetle infested timber ten (10) centimetres in diameter or greater, must be skidded and removed. No long-butting of infested timber or bucking for grade will be allowed on the permit area, landing or roadside processing area.

IN WITNESS WHEREOF the Licence has been executed by the Ministry Manager and
the Licensee on the date set out below.

SIGNED by the Ministry)
Manager on behalf of Her)
Majesty the Queen in)
Right of the Province of)
British Columbia in the)
presence of:)

Susan Hetenyi)
Print Witness Name:)

Susan Hetenyi)

[Signature])
D.L. (Danny) Way, District Manager)

June 23/05)
Date)

THE COMMON SEAL of)
the Licensee was affixed in)
the presence of:)

c/s

.....
Date

.....)
Print Witness Name:)

.....)
or)
SIGNED by the Licensee)
in the presence of:)

[Signature])

Print Witness Name:)

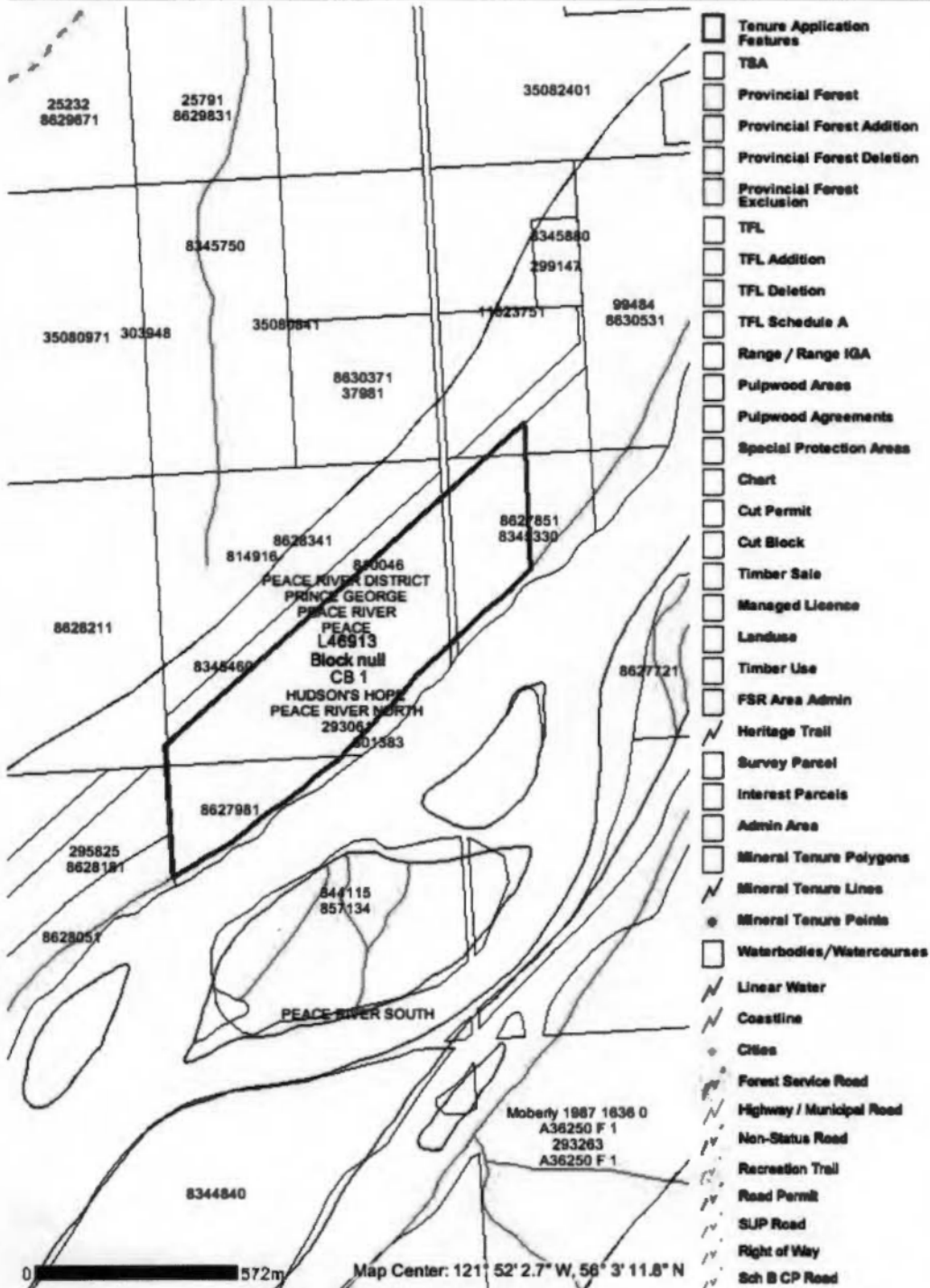
Bruce Craig)

[Signature])
for: Ministry of Transportation)

June 23/05)
Date)

FTA304 - Exhibit A - Tenure Map

FILE:	L46913	Submitted By:	MINISTRY OF TRANSPORTATION AND
FILE Type:	B05 - Occupant Licence To Cut	Submission Date:	2005-06-08
Submission Area:	43.6257	Submitted To:	DPC - Peace Forest District
Scale:	1:15000	Revised By:	
DATUM:	NAD 83	Revision Date:	
UTM Zone:	NOT AVAILABLE	Cascades:	E
Description:	Over existing gravel reserve		
BCGS Reference Maps:	094A001		



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MINISTRY OF FOREST



General Terms and Conditions For Occupant Licence to Cut



These are the General Terms and Conditions for an Occupant Licence to Cut. Licensee explicit Specific Terms must be signed by the Government and a Licensee and attached to these General Terms and Conditions in order to form a complete Occupant Licence to Cut.

1.00 INTERPRETATION

1.01 In the Licence, unless the context otherwise requires:

"Deposit" means the Deposit referred to in Paragraph 10.02 of these General Terms,

"*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,

"*Forest and Range Practices Act*" means the *Forest and Range Practices Act*, S.B.C. 2002, c. 69 as amended from time to time, or the successor to this Act, if it is repealed,

"Forestry Legislation" means the statutes and regulations, to which the Licence is subject to as set out in Paragraph 7.02 of these General Terms,

"General Terms" means this document which contains the standard terms and conditions of the Licence,

"Government" means the Government of the Province of British Columbia,

"Harvest Area" means the area allocated for the Licensee's Activities pursuant to the Licence and which for greater detail is outlined on the map found in Exhibit "A" to the Specific Terms,

"Licence" means the Occupant Licence to Cut which is composed of all the components described in Paragraph 1.1 of the Specific Terms,

"Licensee's Activities" means the work on the timber within the Harvest area, to be undertaken by the Licensee as described in Paragraph 2.1 of the Specific Terms,

"Merchantability Specifications" means those merchantability specifications set out in the Waste Assessment Manual,

"Minister" means the minister responsible for administering the *Forest Act*,

"Ministry Manager" means:

- (a) a District Manager appointed under the Ministry of Forests Act, for a forest district in which all or part of the Harvest Area is situated and who enters into this Licence on behalf of the Government,
- (b) a Regional Manager appointed under the Ministry of Forests Act, for a forest region in which all or part of the Harvest Area is situated who enters into this Licence on behalf of the Government, or

- (c) any person authorized, by the person who entered into the Licence, to exercise a power or fulfill a duty under the Licence,

"Parties" means the Licensee and the Ministry Manager and "Party" means either one of them,

"person" includes an individual and a corporation,

"Remove" means the removal of timber from the Harvest Area and "Removed" and "Removing" have the corresponding meanings,

"Right of Occupation" means the rights described in Recital A of the Specific Terms that give the Licensee the right to occupy the land which includes the Harvest Area,

"Site Plan" means a Site Plan referred to in the *Forest and Range Practices Act* that is prepared by the Ministry Manager in respect of the Licence,

"Special Deposit" means a Special Deposit referred to in Paragraph 10.11 of these General Terms,

"Specific Terms" means the terms and conditions specific to the Licence which has been signed by the Parties,

"Term" means the duration of this Licence as set out in Paragraph 2.2 of the Specific Terms,

"waste" means timber, whether standing or felled, that could have been Removed under the Licence but was not Removed, and which meets or exceeds the Merchantability Specifications as determined in accordance with Part 4.00 of these General Terms, and

"Waste Assessment Manual" means the "Logging Residue and Waste Measurement Procedures Manual" as amended from time to time.

- 1.02 If a provision of the Forestry Legislation referred to in the Licence is renumbered, the reference in the Licence is to be construed as a reference to the provision as renumbered.
- 1.03 In the 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.
- 1.04 The Specific Terms and the General Terms of the Licence are divided into Parts, Paragraphs, Subparagraphs, Clauses and Subclauses, illustrated as follows:

	In Specific Terms	In General Terms
PART	1.)	1.00
Paragraph	1.1)	1.01
Subparagraph	(a)	(a)
Clause	(i)	(i)
Subclause	(A)	(A)

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.

2.00 REPRESENTATIONS

- 2.01 The Licensee represents and warrants to the Ministry Manager that:
- (a) it has the ability to undertake and complete its obligations under the Licence within the Term, and
 - (b) there is no legal or other reason why it cannot enter into the Licence.

3.00 RELEASE

- 3.01 The Licensee acknowledges that any information released to the Licensee by the Ministry Manager or the Government about the nature of the Harvest Area or the quality or quantity of timber, was an estimation only and not binding upon the Ministry Manager, and that the Licensee informed itself about such matters prior to executing the Licence. Execution of the Licence by the Licensee is an absolute release by the Licensee of the Ministry Manager and the Government from any claim that the Licensee may have in respect of the nature of the Harvest Area or the quality or quantity of timber.

4.00 MERCHANTABILITY SPECIFICATIONS AND WASTE ASSESMENT

- 4.01 Subject to Paragraph 4.05, if the Licensee has the right to Remove timber located within the Harvest Area and the Licensee does not Remove the timber that could have been Removed by the Licensee, then the waste left by the Licensee may be identified in an assessment under Paragraph 4.03 of these General Terms and this volume of timber will be treated as Removed for the purposes of the assessment of stumpage under Part 3.0 of the Specific Terms.
- 4.02 Subject to Paragraph 4.05, if the Licensee does not have the right to Remove the timber, but does have the obligation to cut and pile the timber at road side, the Licensee must cut and pile the timber in such a fashion as to maximize the amount of timber piled at roadside that meets or exceeds the Merchantability Specifications. Any timber that meets the Merchantability Specifications and which is not cut or piled at road side may be identified in an assessment under Paragraph 4.03.
- 4.03 For the purpose of determining the volume of timber that was not Removed or not cut and decked in accordance with Paragraph 2.1 of the Specific Terms, the Ministry Manager may conduct an assessment in accordance with the Waste Assessment Manual:
- (a) after the Licensee has declared that its operations on the Harvest Area have been completed, or

- (b) after the expiry of the Licence term or the Licence otherwise being terminated, whichever occurs first.
- 4.04 The Government, in a notice given to the Licensee, may require the Licensee to pay a monetary amount determined in accordance with the Waste Assessment Manual as set out in Paragraph 4.03 for the volume of timber determined as not Removed or cut and decked in accordance with Paragraph 2.1 of the Specific Terms..
- 4.05 The Licensee must not fell standing timber, or must not buck or Remove felled or dead and down timber, as the case may be, if:
 - (a) the timber is specified as reserved timber in the Specific Terms, or
 - (b) under an applicable operational plan or the Forestry Legislation, the Licensee must not fell, buck or Remove the timber, for silviculture, biodiversity or other forest management reasons.

5.00 TIMBER MARK

- 5.01 If the Licensee has the right to Remove the timber and if directed to do so by the Ministry Manager, the Licensee must erect signs at all exits from the Harvest Area, clearly showing the timber mark(s) referred to in Paragraph 4.1 of the Specific Terms.
- 5.02 All timber must be marked in the prescribed manner prior to being Removed from the Harvest Area.

6.00 DANGEROUS TREES

- 6.01 The dangerous tree felling area is an area outside the boundaries of the Harvest Area as described in Paragraph 5.1 of the Specific Terms.
- 6.02 The Licensee may fell trees in the dangerous tree felling area if the person conducting tree felling or rigging tail hold/anchor trees determines that the tree is a dangerous tree according to Workers Compensation Board regulations.
- 6.03 If the Licensee has the authority to Remove timber under this Licence, then the Licensee must Remove a tree felled under Paragraph 6.02 unless directed otherwise by the Ministry Manager.
- 6.04 If Removal is required under Paragraph 6.03, then the Licensee will Remove the felled dangerous tree(s) in accordance with the Merchantability Specifications.

7.00 LEGISLATIVE FRAMEWORK

- 7.01 The laws of British Columbia will govern the interpretation of the Licence and the performance of the Parties' obligations under the Licence.

- 7.02 The Licence is subject to:
- (a) the *Forest Act* and the regulations made under that Act, and
 - (b) the *Forest and Range Practices Act*, and
 - (c) the regulations and standards made under those Acts.
- 7.03 The Licensee must
- (a) comply with the Forestry Legislation, and
 - (b) ensure that its employees, agents and contractors comply with the Forestry Legislation, regulations and standards when engaging in or carrying out activities or operations under or associated with the Licence.
- 7.04 Nothing in the Licence is to be construed as authorizing the Licensee to engage in any activities or carry out any operations otherwise than in compliance with the requirements of the Forestry Legislation.

8.00 ABORIGINAL RIGHTS, ABORIGINAL TITLE, TREATY RIGHTS

- 8.01 Notwithstanding any other provision of the Licence, if a court of competent jurisdiction
- (a) determines that activities or operations under or associated with the Licence will unjustifiably infringe an aboriginal right and/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 the Licence will unjustifiably infringe an aboriginal right and/or title, or a treaty right,
- the Ministry Manager, in a notice given to the Licensee, may vary or suspend the Licence, in whole or in Part, or refuse to issue the Licence or permit given to the Licensee, to be consistent with the court determination.
- 8.02 Subject to the Forestry Legislation, if
- (a) the Ministry Manager has, pursuant to Paragraph 8.01, varied the Licence or permit given to the Licensee,
 - (b) a court of competent jurisdiction subsequently overturns, sets aside or dissolves the determination or injunction referred to in Paragraph 8.01, and
 - (c) it is practical to do so,
- the Ministry Manager, at the request of the Licensee, may vary the 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 prior to the variation under Paragraph 8.01.
- 8.03 Subject to the Forestry Legislation, if

- (a) the Ministry Manager has suspended the Licence or permit given to the Licensee under Paragraph 8.01,
- (b) a court of competent jurisdiction subsequently overturns, sets aside or dissolves the determination or injunction referred to in that Paragraph, and
- (c) it is practical to do so,

the Ministry Manager, at the request of the Licensee, may reinstate the Licence or permit for the remainder of its term.

8.04 Subject to Forestry Legislation, if

- (a) the Ministry Manager has refused to issue the Licence or permit given to the Licensee under Paragraph 8.01,
- (b) a court of competent jurisdiction subsequently overturns, sets aside or dissolves the determination or injunction referred to in that Paragraph, and
- (c) it is practical to do so,

the Ministry Manager, at the request of the Licensee, may issue the Licence or permit.

9.00 ROADS

- 9.01 If the Licensee is given authorization to construct a junction with a Forest Service Road, the Licensee shall ensure that the junction is constructed such that it provides minimum sight distance, has sufficient junction angle and suitable road grade and surface for the expected traffic, and that culverts are installed, as required, to maintain drainage patterns.

10.00 FINANCIAL AND DEPOSITS

- 10.01 In addition to any money payable in respect of the Licence under the Forestry Legislation or in accordance with this Licence, the Licensee must pay to the government, immediately upon receipt of a notice, statement or invoice issued on behalf of the government, any payment required as a result of a waste assessment made in accordance with the Forestry Legislation, the Waste Assessment Manual and the Licence.
- 10.02 The Ministry Manager may require the Licensee to maintain with the government a Deposit in an amount determined by the Ministry Manager, in a form acceptable to the Ministry Manager and the Ministry Manager may use this Deposit,
- (a) to act as a security for the Licensee's performance of its obligations under or in respect of this Licence, and
 - (b) to indemnify the Crown against
 - (i) any damages or losses the Crown might suffer, or

- (ii) any liability, which the Crown might incur, as a consequence of any act or omission of the Licensee in respect of any activity engaged in or operation carried out under or in respect of this Licence.

10.03 If the Ministry Manager gives the Licensee a notice that an amount has been taken under this Part from the Deposit, the Licensee, within four 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.

10.04 If the Licensee fails

- (a) to pay money that the Licensee is required to pay to the Government under
 - (i) the Licence, or
 - (ii) the Forestry Legislation in respect of the Licence, or

- (b) to otherwise perform its obligations under
 - (i) the Licence, or
 - (ii) the Forestry Legislation in respect of the Licence,

the Ministry Manager, after at least four 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 Ministry Manager in remedying the Licensee's failure to perform its obligations, or
- (e) an amount equal to the Ministry Manager's estimate of the costs which the Ministry 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.

10.05 A notice referred to in Paragraph 10.04 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 Ministry Manager intends to take from the Deposit.

10.06 Subject to paragraphs 10.08, 10.09 and 10.10, if

- (a) the Ministry Manager, under Paragraph 10.04, takes from the Deposit an amount equal to the Ministry Manager's estimate of the costs which the Ministry Manager could reasonably expect to incur in remedying the Licensee's failure to perform its obligations ("the Ministry Manager exercises the right of withdrawal"), and
- (b) the costs incurred by the Ministry 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 Ministry Manager.

10.07 If

- (a) the Ministry Manager exercises the right of withdrawal, and
 - (b) the costs incurred by the Ministry Manager in remedying the Licensee's failure to perform its obligations are greater than the amount taken from the Deposit,
- the Ministry Manager may take from the Deposit an additional amount equal to the difference between the costs incurred by the Ministry Manager and the amount originally taken from the Deposit, and for that purpose a security included in the Deposit may be realized.

10.08 If, the Ministry Manager exercises the right of withdrawal, the Ministry Manager is under no obligation to remedy the Licensee's failure.

10.09 If the Ministry Manager

- (a) exercises the right of withdrawal,
 - (b) does not remedy the Licensee's failure to perform its obligations, and
 - (c) 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 10.10, the Government may retain the amount taken from the Deposit under Paragraph 10.04.

10.10 If, after receiving a notice referred to in Paragraph 10.09, the Licensee

- (a) remedies the failure to perform its obligations, and
 - (b) gives a notice to that effect to the Ministry Manager within three months of the date on which the notice referred to in Paragraph 10.09 is given to the Licensee, or within such longer period as the Ministry 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 Ministry Manager in respect of the Licensee's failure to perform its obligations.

10.11 If the Ministry Manager considers that

- (a) any activity or operation that may be engaged in or carried out under the Licence is likely to cause damage to persons or property, and
 - (b) the Deposit is insufficient to indemnify the Government for any liability which the Government might incur as a consequence of the activity or operation,
- the Ministry Manager may require the Licensee to maintain with the Government a Special Deposit, in a form acceptable to the Minister, in the amount determined by the Ministry Manager, and the Licensee must comply.

10.12 If the Licensee fails to

- (a) remedy any damage resulting from an activity or operation referred to in Paragraph 10.11, or
- (b) compensate any person who suffers a loss as a result of an activity or operation referred to in Paragraph 10.11,

the Ministry Manager, after at least four weeks notice to the Licensee, may take an amount from the Special Deposit sufficient to indemnify the Government for any liability which is or may be incurred by the Government as a consequence of a failure referred to in subparagraph (a) or (b).

10.13 A notice referred to in Paragraph 10.12 must specify

- (a) the nature of the Licensee's failure, and
- (b) the amount the Ministry Manager intends to take from the Special Deposit.

10.14 Subject to the Forest Act and the regulations made under that Act, the Government will return to the Licensee

- (a) the Deposit, less deductions made under paragraphs 10.04 and 10.07, when
 - (i) the Licence expires, and
 - (ii) the Ministry Manager is satisfied that the Licensee has fulfilled its obligations under or in respect of the Licence, and
- (b) a Special Deposit, less deductions made under Paragraph 10.12, when the Ministry Manager is satisfied that the Government is no longer at risk of being held liable as a consequence of an activity or operation referred to in Paragraph 10.11.

11.00 REPORTING

11.01 The Ministry Manager, or the applicable Regional Manager in a notice given to the Licensee, may require the Licensee to submit a report containing such information as the Ministry Manager requires regarding

- (a) the Licensee's performance of its obligations under or in respect of the Licence, and
- (b) the processing or other use or disposition of the timber cut and/or Removed under the Licence,

if the information is not included in any other reports which the Licensee must submit under the Forestry Legislation.

11.02 Upon receipt of a notice referred to in Paragraph 11.01, the Licensee, on or before the date specified in the notice, must submit a report to the Ministry Manager containing the required information.

- 11.03 Subject to Paragraph 11.04, the Ministry Manager may include the information contained in a report submitted under Paragraph 11.02 in any reports prepared by the Ministry of Forests for public review.
- 11.04 Subject to the *Freedom of Information and Protection of Privacy Act*, the Ministry Manager will not disclose information provided in confidence by the Licensee in a report submitted under Paragraph 11.02.

12.00 LIABILITY AND INDEMNITY

- 12.01 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 the Licensee's Activities, under or associated with the Licence, 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 the Licensee's Activities, under or associated with the Licence.
- 12.02 For greater certainty, the Licensee has no obligation to indemnify the Government under Paragraph 12.01 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.
- 12.03 Amounts taken under Part 10.00 of these General Terms from the Deposit or a Special Deposit, and any payments required under Part 4.00 of these General Terms or Part 3.0 of the Specific Terms, are in addition to and not in substitution for any other remedies available to the Government in respect of a default of the Licensee.

13.00 LIMITATION OF LIABILITY

- 13.01 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 the Licence, including but not restricted to an act or omission of a person disrupting, stopping or otherwise interfering with the Licensee's operations under the Licence by road blocks or other means.

14.00 TERMINATION

- 14.01 If the Licence expires or is canceled or otherwise terminated, title to all timber, including logs and special forest products, cut under the authority of the Licence and still located on the Harvest Area will vest in the Government, without right of compensation to the Licensee.
- 14.02 The Licensee must not remove the timber referred to in Paragraph 14.01, unless authorized to do so by the Ministry Manager.
- 14.03 The Licensee must not commit an act of bankruptcy, make a general assignment for the benefit of its creditors or otherwise acknowledge its insolvency. If the Licensee does any of these things, then the Ministry Manager may cancel this Licence by written notice.
- 14.04 If the Licence expires or is cancelled or otherwise terminated, the Ministry Manager may take such steps as are necessary to perform the Licensee's obligations under the Licence, and may recover the costs of doing so from the Licensee. Such actions will be in addition to and without prejudice to any other rights in the Licence, or remedies at law or in equity that the Ministry Manager may have for the default of the Licensee or for the recovery of money from the Licensee.

15.00 NOTICE

- 15.01 A notice given under the Licence must be in writing and must be delivered in accordance with this Part to the address set out in Part 6.0 of the Specific Terms.
- 15.02 A notice given under the Licence may be
 - (a) delivered by hand,
 - (b) sent by mail; or
 - (c) sent by facsimile in accordance with this Part.
- 15.03 If a notice is given under the Licence, it is deemed to have been given
 - (a) if it is given in accordance with subparagraph 15.02(a), on the date it is delivered by hand,
 - (b) if it is given in accordance with subparagraph 15.02(b), subject to Paragraph 15.04, on the eighth day after its Deposit in a Canada Post Office at any place in Canada.
- 15.04 If, between the time a notice is mailed in accordance with subparagraph 15.02(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.

- 15.05 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.
- 15.06 Either party may, from time to time, advise the other party by notice in writing, of any change of address of the party giving such notice and, from and after the giving of such notice, the address specified will, for purposes of this Licence, be considered to be the address of the party giving such notice.

16.00 WAIVER

- 16.01 No waiver by the Ministry Manager of any default by the Licensee in the strict and literal performance of or compliance with any provision of the Licence will be deemed to be a waiver of the strict and literal performance of or compliance with any other provision, condition or requirement of the Licence or to be a waiver of, or in any manner release the Licensee from compliance with any provision, condition or requirement in the future, nor shall any delay or omission by the Ministry Manager to exercise any right hereunder in any manner impair the exercise of any such right thereafter.

17.00 MISCELLANEOUS

- 17.01 This Licence can not be assigned or any anyway transferred to another party except as set out in the Forest Act and with the written permission of the Ministry Manager.
- 17.02 This Licence will enure to the benefit of, and be binding on, the parties and their respective heirs, executors, successors and permitted assigns.
- 17.03 Any power conferred or duty imposed on the Ministry Manager under the Licence may be exercised or fulfilled by any person authorized to do so by the Ministry Manager.
- 17.04 Time is of the essence in the Licence.
- 17.05 If there is a conflict between the *Workers Compensation Act* or a regulation under that Act, and a provision of the Licence, the *Workers Compensation Act*, or the regulation made under that Act, prevails, and the Licensee must immediately notify the Ministry Manager of the conflict and follow any direction given by the Ministry Manager with respect to the conflict, provided such direction is consistent with the *Workers Compensation Act* and the regulations under that Act.
- 17.06 Nothing in the Licence authorizes the Licensee to in any way restrict the Government's access to the Harvest Area, or the right-of-way of any other authorized entrant, user or occupier of these lands.
- 17.07 If any provision in the Licence is found to be invalid or unenforceable by a court of law, the remainder of the Licence is separately valid and enforceable to the fullest extent permitted by law.

17.08 This Licence is not replaceable under the Forest Act.