



**FOREST LICENCE  
A19209**

Ministry of  
Forests, Lands and  
Natural Resource Operations

THIS LICENCE, dated for reference August 19, 2017.

BETWEEN:

HER MAJESTY THE QUEEN IN RIGHT  
OF THE PROVINCE OF BRITISH COLUMBIA,  
as represented by the REGIONAL EXECUTIVE DIRECTOR,  
MINISTRY OF FORESTS, LANDS AND  
NATURAL RESOURCE OPERATIONS  
SUITE 200, 10428 - 153 ST  
SURREY, BRITISH COLUMBIA  
V3R 1E1  
Phone: (604) 586-4400 Fax: (604) 586-4434  
(the "Regional Executive Director")

AND:

**NORTHWEST SQUAMISH FORESTRY LTD.**  
1124 ENTERPRISE WAY  
SQUAMISH, BRITISH COLUMBIA  
V8B 0E9  
Phone: (604) 892-3501 Fax: (604) 892-5076  
(the "Licensee")

WHEREAS:

- A. The Regional Executive Director offered the Licensee a replacement for Forest Licence No. A19209, dated April 3, 2017, pursuant to section 15 of the *Forest Act*.
- B. The Licensee accepted the replacement offer.
- C. The parties have entered into this Licence pursuant to section 15(1.1) of the *Forest Act*.

"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."

## **TABLE OF CONTENTS**

1.00	GRANT OF RIGHTS AND TERM .....	3
2.00	OTHER CONDITIONS AND REQUIREMENTS .....	3
3.00	TIMBER VOLUME CHARGED TO THE LICENCE .....	3
4.00	WASTE ASSESSMENTS FOR MERCHANTABLE TIMBER .....	4
5.00	CUTTING PERMITS .....	4
6.00	CONTRACTORS .....	7
7.00	COURT DETERMINED ABORIGINAL RIGHTS AND/OR TITLE .....	7
8.00	REPORTING .....	9
9.00	FINANCIAL AND DEPOSITS .....	9
10.00	REPRESENTATIONS .....	12
11.00	LIABILITY AND INDEMNITY .....	13
12.00	TERMINATION .....	13
13.00	WAIVER .....	14
14.00	NOTICE .....	14
15.00	MISCELLANEOUS .....	15
16.00	INTERPRETATION & DEFINITIONS .....	16



**THE PARTIES** agree as follows:

## **1.00 GRANT OF RIGHTS AND TERM**

- 1.01 The term of this Licence is 15 years beginning August 19, 2017.
- 1.02 Subject to this Licence, the Licensee:
  - (a) may harvest an allowable annual cut of 21,965 cubic metres per year of Crown timber during the term of this Licence from areas of Crown land within the Soo timber supply area which are specified in Cutting Permits and Road Permits associated with this Licence.
  - (b) has the right to enter and use Crown land within the Soo timber supply area to exercise rights and fulfil obligations under this Licence.
- 1.03 This Licence is replaceable under section 15 of the *Forest Act*.

## **2.00 OTHER CONDITIONS AND REQUIREMENTS**

- 2.01 The Licensee must not harvest timber if the timber is specified as reserved timber in a cutting permit, or under an applicable operational plan.
- 2.02 The Regional Executive Director or District Manager, in a notice given to the Licensee, may advise the Licensee that after the date specified in the notice the Licensee may only submit applications for cutting permits for areas of Crown land meeting the requirements set out in the notice.
- 2.03 The requirements referred to in paragraph 2.02 must in the opinion of the Regional Executive Director, be consistent with the rationale employed by the Chief Forester in making the most recent determination of the allowable annual cut for the timber supply area which may restrict the areas of land for which the Licensee may submit applications for cutting permits to any or all of the following:
  - (a) a part of the timber supply area;
  - (b) a type of terrain within the timber supply area; and
  - (c) a type of timber within the timber supply area.
- 2.04 Before giving notice under paragraph 2.02, the Regional Executive Director will consult with the Licensee and will consider its comments.

## **3.00 TIMBER VOLUME CHARGED TO THE LICENCE**

- 3.01 The definition of the volume of timber harvested in part 4, division 3.1 of the *Forest Act* applies to this Licence.
- 3.02 The determination of the volume of timber harvested will incorporate the volume of waste determined under part 4.00.

- 3.03 The Coast timber merchantability specifications in the Provincial Logging Residue and Waste Measurement Procedures Manual that was in effect on the date of issuance of the cutting permit or road permit shall govern.

#### **4.00 WASTE ASSESSMENTS FOR MERCHANTABLE TIMBER**

- 4.01 The Licensee must conduct a waste assessment of the volume of merchantable timber, whether standing or felled, that was authorized to be cut and removed under the Licence or associated Road Permits but, at the Licensee's discretion, was not cut and removed.
- 4.02 A waste assessment conducted under paragraph 4.01 must be in accordance with the Provincial Logging Residue and Waste Measurement Procedures Manual, as amended or replaced from time to time.
- 4.03 If the Licensee fails to comply with paragraph 4.01 the District Manager may, after the expiry of the term of a cutting permit, associated Road Permits or Licence, conduct a waste assessment of the volume of merchantable timber that could have been cut and removed under the Licence but, at the Licensee's discretion, is not cut and removed.
- 4.04 A waste assessment conducted under paragraph 4.03 must be in accordance with the Provincial Logging Residue and Waste Measurement Procedures Manual, as amended or replaced from time to time.
- 4.05 If the District Manager carries out a waste assessment under paragraph 4.03, the District Manager, in a notice given to the Licensee, may require the Licensee to pay the costs incurred by the District Manager in carrying out the assessment.

#### **5.00 CUTTING PERMITS**

- 5.01 Subject to paragraph 5.02, the Licensee may submit an application to the District Manager for a cutting permit or for an amendment to a cutting permit, meeting the requirements referred to in parts 1.00 and 2.00 and the Appraisal Manual in effect on the date of submission of the application for a cutting permit, an application to amend a cutting permit, or a road permit, to authorize the Licensee to operate upon one or more proximate areas of Crown land, that are:
- (a) exempted under the *Forest and Range Practices Act* from the requirement for a forest stewardship plan; or
  - (b) located within a forest development unit of an approved forest stewardship plan.
- 5.02 For those areas to be included in the application under paragraph 5.01, the Licensee must ensure that cruise and appraisal data submitted is gathered and compiled according to that Appraisal Manual.

- 5.03 An application under paragraph 5.01 must:
- (a) be in a form established by the District Manager;
  - (b) state a proposed term that does not exceed four years;
  - (c) include:
    - (i) a map to a scale acceptable to the District Manager showing the areas referred to in the application; and
    - (ii) the cruise data and appraisal data referred to in paragraph 5.02; and
    - (iii) a description acceptable to the District Manager of any timber that is reserved from cutting.
- 5.04 The areas of land shown on the map referred to in clause 5.03 (c) (i) must be:
- (a) the areas referred to in subparagraph 5.01 (a); or
  - (b) located within a forest development unit referred to in subparagraph 5.01 (b);
- allowing for any difference in scale between maps used in the forest stewardship plan, or exemption and the map referred to in clause 5.03 (c) (i).
- 5.05 Subject to paragraphs 5.06 through 5.09 inclusive and 5.04, upon receipt of an application under paragraph 5.01, the District Manager will issue a cutting permit to the Licensee if the District Manager is satisfied that:
- (a) the requirements of paragraphs 5.01, 5.02, 5.03, and 5.04 have been met; and
  - (b) the areas of land referred to in the application for the cutting permit meet the requirements referred to in part 2.00.
- 5.06 The District Manager may consult aboriginal group(s) who may be exercising or claiming to hold an aboriginal interest(s) or proven aboriginal right(s), including aboriginal title, or treaty right(s) if in the opinion of the District Manager, issuance of the cutting permit or an amendment to a cutting permit as submitted and/or operations under the cutting permit may result in:
- (a) an impact to an aboriginal interest(s) that may require consideration of accommodation; or
  - (b) an infringement of a proven aboriginal right(s), including aboriginal title, or treaty right(s) that may require justification.
- 5.07 The District Manager may impose conditions in a cutting permit to address an aboriginal interest(s), or proven aboriginal right, including aboriginal title, or a treaty right(s) if in the opinion of the District Manager, issuance of the cutting permit as submitted would result in:

- (a) an impact to an aboriginal interest(s) that would require consideration of accommodation; or
  - (b) an infringement of a proven aboriginal right(s), including aboriginal title, or treaty right(s) that would require justification.
- 5.08 The District Manager may refuse to issue a cutting permit or to amend a cutting permit if in the opinion of the District Manager issuance of the cutting permit or an amendment to a cutting permit would result in:
  - (a) an impact to an aboriginal interest(s) or treaty right(s) that could not be reasonably accommodated; or
  - (b) an impact to a proven aboriginal right(s), including aboriginal title, or a treaty right(s) that could not be justified.
- 5.09 If the District Manager:
  - (a) determines that a cutting permit may not be issued because the requirements of paragraph 5.05 have not been met;
  - (b) is carrying out consultations under paragraph 5.06; or
  - (c) refuses to issue a cutting permit under paragraph 5.08;

the District Manager will notify the Licensee within 45 days of the date on which the application for the cutting permit, or an amendment to the cutting permit, was received.
- 5.10 A cutting permit must:
  - (a) identify the boundaries of the areas of Crown land which, subject to this Licence, the Licensee is authorized to conduct operations;
  - (b) specify the term stated in the application;
  - (c) specify a timber mark to be used in conjunction with the timber removal carried on under the cutting permit;
  - (d) specify whether, for the purpose of determining the amount of stumpage payable in respect of timber removed under the cutting permit, the volume and quantity of timber is to be determined using information provided by:
    - (i) a scale of the timber; or
    - (ii) a cruise of the timber conducted before the timber is cut;
  - (e) specify any timber that is reserved from cutting; and
  - (f) include such other provisions, consistent with this Licence, as determined by the District Manager.
- 5.11 The District Manager may amend a cutting permit only with the consent of the Licensee.

- 5.12 The Licensee may only make application to the District Manager for a cutting permit extension at least 45 days before the expiry of the cutting permit and in a form acceptable to the District Manager.
- 5.13 A cutting permit is deemed to be part of this Licence.
- 5.14 All cutting permits in effect under the Forest Licence that is replaced by this Licence continue under this Licence for the duration of its respective term.

## **6.00 CONTRACTORS**

- 6.01 The Regional Executive Director, in a notice given to the Licensee, may require that a portion of the volume of timber harvested under this Licence during a calendar year be harvested by persons under contract with the Licensee, and, if a notice is given under this paragraph, it is deemed to be part of this Licence.
- 6.02 The Licensee must comply with a notice referred to in paragraph 6.01, unless the Minister relieves the Licensee in whole or in part from the requirements of this paragraph.
- 6.03 Compliance with a notice referred to in paragraph 6.01 will be calculated in accordance with the method prescribed under the *Forest Act* or the regulations made under that Act.
- 6.04 If in a calendar year the volume of timber harvested by persons under contract with the Licensee is less than a volume required in a notice referred to in paragraph 6.01, the Regional Executive Director, in a notice given to the Licensee, may require the Licensee to pay an amount determined in accordance with paragraph 6.05.
- 6.05 For the purpose of determining the amount payable under paragraph 6.04, the Regional Executive Director will multiply:
  - (a) the volume required in the notice, minus the volume harvested during the calendar year by persons under contract; by
  - (b) the average stumpage rate charged for timber in statements or invoices issued during the calendar year in respect of timber harvested under this Licence.

## **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 pursuant to 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 (a); or
- (c) grants an injunction pending a determination of whether activities or operations under or pursuant to 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, or refuse to issue a cutting permit or road permit to the Licensee so as to be consistent with the court determination.

7.02 Subject to this Licence, if:

- (a) under paragraph 7.01, the Regional Executive Director or District Manager has varied a cutting permit or road permit 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 permit to reflect as closely as possible, for the remainder of its term, the terms and conditions of the permit prior to the variation under paragraph 7.01.

7.03 Subject to this Licence, if:

- (a) under paragraph 7.01, the Regional Executive Director or District Manager has suspended a cutting permit or road permit 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 reinstate the permit for the remainder of its term.

7.04 Subject to this Licence, if:

- (a) under paragraph 7.01, the Regional Executive Director or District Manager has refused to issue to the Licensee a cutting permit or road permit;
- (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 issue the permit.

## **8.00 REPORTING**

- 8.01 The Regional Executive Director or District Manager, in a notice given to the Licensee by April 1 of any year, may require the Licensee to submit a report containing such information as the Regional Executive Director or District Manager requires regarding the Licensee's performance of its obligations under or in respect of this Licence in the previous calendar year if the information is not included in any other reports which the Licensee must submit under the forestry legislation.
- 8.02 Upon receipt of a notice referred to in paragraph 8.01, the Licensee, on or before the date specified in the notice, must submit a report to the Regional Executive Director or District Manager containing the required information.
- 8.03 Subject to paragraph 8.04, the Regional Executive Director or District Manager may include the information contained in a report submitted under paragraph 8.02 in any reports prepared by the Ministry of Forests, Lands and Natural Resource Operations for public review.
- 8.04 Subject to the *Freedom of Information and Protection of Privacy Act*, the Regional Executive Director or District Manager will not disclose information provided in confidence by the Licensee in a report submitted under paragraph 8.02.

## **9.00 FINANCIAL AND DEPOSITS**

- 9.01 In addition to any money payable in respect of this Licence or a road permit, the Licensee must pay to the Province:
  - (a) upon receipt of a notice, statement or invoice issued on behalf of the Province; stumpage under part 7 of the *Forest Act* at rates determined, redetermined and varied under section 105 of that Act in respect of timber removed under a cutting permit or road permit; and
- 9.02 In addition to any money payable in respect of this agreement or a road permit, the Licensee must pay to the Province, upon receipt of a notice, statement or invoice issued on behalf of the Province, waste assessments under part 4 of this Licence calculated in accordance with the Provincial Logging Residue and Waste Measurement Procedures Manual.



- 9.03 During the term of this Licence, the Licensee must maintain with the Province a deposit in the amount prescribed under the *Forest Act* and the regulations made under that Act, in a form acceptable to the Minister, as security for the Licensee's performance of its obligations under or in respect of this Licence or a road permit.
- 9.04 If the Regional Executive Director or District 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 Province, in a form acceptable to the Minister, an amount sufficient to replenish the deposit.
- 9.05 If the Licensee fails:
- (a) to pay money that the Licensee is required to pay to the Province under:
    - (i) this Licence, a road permit associated with this Licence; or
    - (ii) the forestry legislation in respect of this Licence or a road permit associated with this Licence; or
  - (b) to otherwise perform its obligations under:
    - (i) this Licence or a road permit associated with this Licence; or
    - (ii) the forestry legislation in respect of this Licence or a road permit associated with this Licence;
- the Regional Executive Director or District Manager, after at least four weeks notice to the Licensee, may instruct the Ministry of Finance to 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 Regional Executive Director or District Manager in remedying the Licensee's failure to perform its obligations; or
  - (e) an amount equal to the Regional Executive Director's or District Manager's estimate of the costs which the Regional Executive Director or District 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.
- 9.06 A notice referred to in paragraph 9.05 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 Regional Executive Director or District Manager instructs be taken from the deposit.
- 9.07 Subject to paragraphs 9.09, 9.10 and 9.11, if:



- (a) the Ministry of Finance, under paragraph 9.05, takes from the deposit an amount equal to the Regional Executive Director's or District Manager's estimate of the costs which the Regional Executive Director or District Manager could reasonably expect to incur in remedying the Licensee's failure to perform its obligations; and
- (b) the costs incurred by the Regional Executive Director or District Manager in remedying the Licensee's failure to perform its obligations are less than the amount taken from the deposit;

the Province 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 Regional Executive Director or District Manager.

9.08 If:

- (a) the Ministry of Finance, under paragraph 9.05, takes from the deposit an amount equal to the Regional Executive Director's or District Manager's estimate of the costs which the Regional Executive Director or District Manager could reasonably expect to incur in remedying the Licensee's failure to perform its obligations; and
- (b) the costs incurred by the Regional Executive Director or District Manager in remedying the Licensee's failure to perform its obligations are greater than the amount taken from the deposit;

the Ministry of Finance may take from the deposit an additional amount equal to the difference between the costs incurred by the Regional Executive Director or District Manager and the amount originally taken from the deposit, and for that purpose a security included in the deposit may be realized.

9.09 If the Ministry of Finance, under paragraph 9.05, takes from the deposit an amount equal to the Regional Executive Director's or District Manager's estimate of the costs which the Regional Executive Director or District Manager could reasonably expect to incur in remedying the Licensee's failure to perform its obligations, the Regional Executive Director or District Manager is under no obligation to remedy the Licensee's failure.

9.10 If:

- (a) the Ministry of Finance, under paragraph 9.05, takes from the deposit an amount equal to the Regional Executive Director's or District Manager's estimate of the costs which the Regional Executive Director or District Manager could reasonably expect to incur in remedying the Licensee's failure to perform its obligations;
- (b) the Regional Executive Director or District Manager does not remedy the Licensee's failure to perform its obligations; and

- (c) the Regional Executive Director or District Manager gives a notice to the Licensee indicating that the Province will not be remedying the Licensee's failure to perform its obligations;

subject to paragraph 9.11, the Province may retain the amount taken from the deposit under paragraph 9.05.

9.11 If, after receiving a notice referred to in paragraph 9.10, the Licensee:

- (a) remedies the failure to perform its obligations; and
- (b) gives a notice to that effect to the Regional Executive Director or District Manager within three months of the date on which the notice referred to in paragraph 9.10 is given to the Licensee, or within such longer period as the Regional Executive Director may approve;

the Province will return to the Licensee an amount equal to the difference between the amount taken from the deposit and any costs incurred by the Regional Executive Director or District Manager in respect of the Licensee's failure to perform its obligations.

9.12 Subject to the *Forest Act* and the regulations made under that Act, the Province will return to the Licensee the deposit, less deductions made under paragraphs 9.05 and 9.08, when:

- (a) this Licence expires, or is surrendered; and
- (b) the Regional Executive Director is satisfied that the Licensee has fulfilled its obligations under this Licence.

## 10.00 REPRESENTATIONS

10.01 The Licensee represents and warrants to the Regional Executive Director that:

- (a) it has the ability to undertake and complete its obligations under the Licence; and
- (b) The licensee, excluding those holding the licence in their individual capacity or as a First Nation recorded in Indigenous and Northern Affairs Canada Registration System, must be registered to do business under the *Business Corporations Act*, and the licensee maintain such registration in good standing throughout the term of the licence; and
- (c) has the ability to carry out its obligations in a manner that is in material compliance with applicable safety and environmental laws and regulations; and
- (d) there is no legal reason why it cannot enter into the Licence;

- 10.02 All representations and warranties made in paragraph 10.01 are material and will conclusively be deemed to have been relied upon by the Crown, notwithstanding any prior or subsequent investigations by the Crown.

## **11.00 LIABILITY AND INDEMNITY**

- 11.01 The Licensee must indemnify the Province against and save it harmless from all claims, demands, suits, actions, causes of action, costs, expenses and losses faced, incurred or suffered by the Province 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 under or associated with this Licence or a road permit; or
  - (d) any other person who on behalf of or with the consent of the Licensee engages in any activity or carries out any operation under or associated with this Licence or a road permit.
- 11.02 For greater certainty, the Licensee has no obligation to indemnify the Province under paragraph 11.01 in respect of any act or omission of:
- (a) an employee, agent or contractor of the Province, in the course of carrying out his or her duties as employee; agent or contractor of the Province; or
  - (b) a person, other than the Licensee, to whom the Province has granted the right to use or occupy Crown land, in the course of exercising those rights.
- 11.03 Amounts taken under part 9.00 from the deposit and, any payments required under parts 4.00 or 9.00 and reductions in the allowable annual cut made under the *Forest Act* and regulations are in addition to and not in substitution for any other remedies available to the Province in respect of a default of the Licensee.
- 11.04 The Province 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.

## **12.00 TERMINATION**

- 12.01 If this Licence expires and is not replaced under section 15 of the *Forest Act*, or is surrendered, cancelled or otherwise terminated:

- (a) all cutting permits will immediately terminate;
  - (b) timber, including logs and special forest products, cut under the authority of this Licence and which are still located on Crown land, vest in the Crown, without right of compensation to the Licensee;
  - (c) unless otherwise agreed to between the District Manager and the Licensee prior to the surrender, cancellation or termination of this Licence, title to all improvements, including roads and bridges, constructed by the Licensee on Crown land under the authority of this Licence vest in the Crown, without right of compensation to the Licensee; and
  - (d) subject to subparagraph (b) and (c), the Licensee may continue to enter and use Crown lands for a period of one month after the expiry or termination of this Licence for the purpose of removing the Licensee's property.
- 12.02 The Licensee will not take away any improvements or remove any timber referred to in subparagraph 12.01 (b), unless authorized to do so by the Regional Executive Director .
- 12.03 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.

### **13.00 WAIVER**

- 13.01 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.

### **14.00 NOTICE**

- 14.01 A notice given under this Licence must be in writing.
- 14.02 A notice given under this Licence may be:
- (a) delivered by hand,
  - (b) sent by mail,
  - (c) email address, or

(d) subject to paragraph 14.05, sent by facsimile transmission, to the address, email address or facsimile number, as applicable, specified on the first page of this Licence, or to such other address, email address or facsimile number as is specified in a notice given in accordance with this part.

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

- (a) if it is given in accordance with subparagraph 14.02 (a) on the date it is delivered by hand;
- (b) if it is given in accordance with subparagraph 14.02 (b), subject to paragraph 14.04, 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 14.02 (c), subject to paragraph 14.05, on the date it is sent by email;
- (d) if it is given in accordance with subparagraph 14.02 (d), subject to paragraph 14.05, on the date it is sent by facsimile transmission.

14.04 If, between the time a notice is mailed in accordance with subparagraph 14.02 (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.

14.05 If a notice is sent by email or facsimile transmission, the party sending the notice must take reasonable steps to ensure that the transmission has been successfully completed.

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

## **15.00 MISCELLANEOUS**

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

15.02 The laws of British Columbia will govern the interpretation of this Licence and the performance of the Licensees' obligations under this Licence.

15.03 Any power conferred or duty imposed on the Regional Executive Director under this Licence may be exercised or fulfilled by a person authorized to do so by the Regional Executive Director.

- 15.04 The Schedules, if any, attached to this Licence are deemed to be part of this Licence.
- 15.05 Nothing in this Licence authorizes the Licensee to in any way restrict the Province's right of access to the areas defined in a cutting permit or a road permit or the right of any other authorized entrant, user or occupier of these areas.
- 15.06 The Licensee must ensure that its employees, agents and contractors comply with the forestry legislation when engaging in or carrying out activities or operations under or associated with the Licence.
- 15.07 This document contains the entire agreement and no additional terms are to be implied.

## **16.00 INTERPRETATION & DEFINITIONS**

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

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

and a reference to a subparagraph, clause or subclause is to be construed as a reference to a subparagraph, clause or subclause of the paragraph, subparagraph or clause, as the case may be, in which the reference occurs.

- 16.02 In this Licence, unless the context otherwise requires:

“aboriginal interest” means a potential aboriginal right and/or aboriginal title that has not been proven through a court process;

“allowable annual cut” (AAC) means the allowable annual cut referred to in paragraph 1.02;

“Appraisal Manual” means the policies and procedures approved by the Minister from time to time under section 105 of the *Forest Act* for the forest region in which the timber supply area is located;

“cutting permit” means a cutting permit, as amended, issued under this Licence or an amendment for a cutting permit as the context requires;

“District Manager” means:

- (a) a District Manager appointed under the *Ministry of Forests and Range Act*, for a forest district in which all or part of the timber supply area is situated; and
- (b) any person authorized by the District Manager to exercise a power or fulfill a duty under this Licence;

“*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” includes, but is not restricted to:

- (a) the *Forest Act*;
- (b) the *Forest Practices Code of British Columbia Act*;
- (c) the *Forest and Range Practices Act*;
- (d) the *Wildfire Act* R.S.B.C. 2004 c.31;

and the regulations under those Acts as amended from time to time;

“*Forest Practices Code of British Columbia Act*” means the *Forest Practices Code of British Columbia Act*, R.S.B.C. 1996, c. 159, as amended from time to time, or the successor to this Act, if it is repealed;

“forest stewardship plan” means a forest stewardship plan referred to in the *Forest and Range Practices Act*, that is prepared or approved by the Minister in respect of the Licence;

“harvest” means:

- (a) cut;
- (b) remove;
- (c) cut and remove;

“merchantable timber” as the same meaning as described in the Provincial Logging Residue and Waste Measurements Procedures Manual, as amended or replaced from time to time;

“Minister” means the Minister responsible for administering the *Forest Act*;

“person” includes a corporation and a partnership;

“Regional Executive Director” means a person appointed under the Public Service Act and delegated by the minister under section 1.1 (1) (a) or 1.1 (3) of the *Forest Act* to act in his or her capacity under section 15 of the *Forest Act*.

“road permit” means a road permit granted to the Licensee under the *Forest Act*; and

“timber supply area” means the timber supply area identified in paragraph 1.02;

- 16.03 Unless otherwise provided in paragraph 16.02, if a word or phrase used in this Licence is defined in the *Forest Act*, the *Forest and Range Practices Act* or the *Forest Practices Code of British Columbia Act*, the definition in the Act applies to this Licence, and where the word or phrase in the Act is replaced by a new word or phrase, this Licence is deemed to have been amended accordingly.
- 16.04 If a provision of the *Forest Act* or the *Forest Practices Code of British Columbia Act* or the *Forest and Range Practices Act* referred to in this Licence is renumbered, the reference in this Licence is to be construed as a reference to the provision as renumbered.
- 16.05 In this Licence, unless the context otherwise requires:
- (a) the singular includes the plural and the plural includes the singular; and
  - (b) the masculine, the feminine and the neuter are interchangeable.



IN WITNESS WHEREOF this Licence has been executed by the Regional Executive Director and the Licensee.

SIGNED by the )  
Regional Executive Director )  
on behalf of Her Majesty )  
the Queen in Right of )  
the Province of )  
British Columbia )  
in the presence of: )

M. Hamod )  
Signature )

WENDY HAMOD )  
Name in capital letters )

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

                     )  
Signature )

                     )  
Name in capital letters )

(or)

SIGNED by the Licensee )  
in the presence of: )

Jeff Fisher )  
Signature )

Jeff Fisher )  
Name in capital letters )

For:

Allan Johnsrude, Regional Executive Director  
South Coast Forest Region

June 30, 2017

Dated

c/s

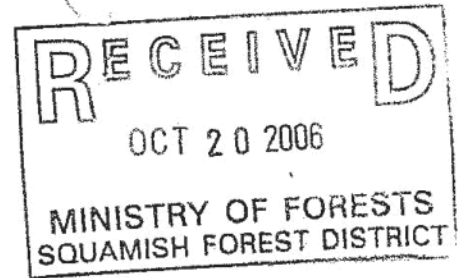
Joshua Joseph

Licensee

Joshua Joseph, Director NWSF  
Printed Name and Title

June 27, 2017

Dated



File: 19510-25/A78094

OCT 13 2006

Chief Bill Williams  
SN Forestry Operations Ltd.  
320 Seymour Boulevard  
North Vancouver, British Columbia  
V7J 2J3

Dear Chief Bill Williams:

The purpose of this letter is to convey the enclosed original executed non-replaceable Forest Licence A78094 (the Licence) for your records. The Licence provides SN Forestry Operations Ltd. (the Licensee) with the right to apply to harvest 18,000 cubic meters of timber over the 5 year licence term from the areas of Crown land within the Soo Timber Supply Area.

As regional manager, I am exercising the discretion afforded to me under Paragraph 2.02 of the Licence document to restrict the areas of land for which the Licensee may submit application for cutting permits. This letter restricts that area to that identified on the attached map.

I understand that the Squamish Forest District and the Licensee have agreed to this operating area designation. The District Manager of the Squamish Forest District may, after consulting with and considering the comments of the Licensee as well as pertinent area stakeholders including First Nations, alter the area for which applications for cutting permits may be submitted.

Please ensure that all operations conducted under this Licence are in accordance with all pertinent legislation including the *Forest Act*, the *Forest and Range Practices Act* (FRPA), and the regulations made under those Acts. Please contact Dave Southam, Tenures Officer, Squamish Forest District at (604) 898-2141 with any questions you may have about operational planning requirements under the Licence.

Upon harvest commencement a security for silvicultural liabilities may also be required. Section 29.1 and 30 of the FRPA identify means of arranging for other parties to manage the reforestation obligations associated with the Licence, subject to government approval.

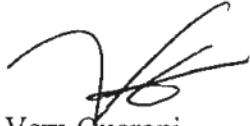
Page 1 of 2

Chief Bill Williams

Please contact Greg Gage, Tenures Forester, Coast Forest Region at (250) 751-7268 with any questions or concerns you may have regarding the licence award process.

I wish you success in your future operations.

Yours truly,



Vern Quaroni  
Regional Manager  
Coast Forest Region

Attachments: Original executed Licence A78094  
Map of operating area

pc: Dave Hails, District Manager, Squamish Forest District  
Dave Southam, Tenures Officer, Squamish Forest District  
Greg Gage, Tenures Forester, Coast Forest Region

# PROPOSED NO REPLACEABLE FOREST LICENCE

A78094

VANCOUVER LAND TITLE DISTRICT  
NEW WESTMINSTER LAND DISTRICT  
LOWER MAINLAND LAND MANAGEMENT REGION

L 510

L 509

15TU836 RW 0271285 BC HYDRO

D. 511

GARIBALDI

ESTATES

L 512

4103

1-0068753401

L 513

L 514

A72279

M

A

M

Q

U

A

W

Rapids

Rapids

Rapids

2406038

Squamish Forest District  
2005-11-22



## FOREST LICENCE

A78094



THIS LICENCE, dated for reference Oct 13/06

BETWEEN:

THE REGIONAL MANAGER, on behalf of  
HER MAJESTY THE QUEEN IN RIGHT  
OF THE PROVINCE OF BRITISH COLUMBIA,  
Coast Forest Region  
2100 Labieux Road  
Nanaimo, British Columbia  
V9T 6E9

(the "Regional Manager")

AND:

SN Forestry Operations Ltd.  
320 Seymour Boulevard  
North Vancouver, British Columbia  
V7J 2J3

(the "Licensee")

WHEREAS:

- A. The Parties have entered into this Licence pursuant to Section 47.3 of the *Forest Act*.

"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."

### TABLE OF CONTENTS

1.00	GRANT OF RIGHTS AND TERM .....	3
2.00	TIMBER HARVEST LIMITATIONS .....	3
3.00	TIMBER VOLUME CHARGED TO THE LICENCE .....	4
4.00	WASTE ASSESSMENT .....	5
5.00	CRUISE AND APPRAISAL INFORMATION .....	5
6.00	CUTTING PERMITS .....	6
7.00	LEGISLATIVE FRAMEWORK .....	8
8.00	COURT DETERMINED ABORIGINAL RIGHTS AND/OR TITLE .....	8
9.00	REPORTING .....	9
10.00	FINANCIAL AND DEPOSITS .....	10
11.00	REPRESENTATIONS .....	13
12.00	LIABILITY AND INDEMNITY .....	14
13.00	TERMINATION .....	14
14.00	WAIVER .....	15
15.00	NOTICE .....	15
16.00	MISCELLANEOUS .....	16
17.00	INTERPRETATION & DEFINITIONS .....	17

THE PARTIES agree as follows:

## 1.00 GRANT OF RIGHTS AND TERM

- 1.01 The term of this Licence is five years, beginning  
OCT 13, 2006.
- 1.02 Subject to this Licence, the Licensee:
- (a) may harvest an allowable annual cut of 3,600 m<sup>3</sup> of Crown timber during the term of this Licence from the areas of crown land within the Soo Timber Supply Area specified in cutting permits and Road Permits associated with this Licence, and
  - (b) has the right to enter and use Crown land within the Soo Timber Supply Area to exercise rights and fulfill obligations under this Licence
- 1.03 The maximum volume that may be harvested under this Licence is 18,000 m<sup>3</sup>.
- 1.04 This Licence is not replaceable under the *Forest Act*.
- 1.05 The Squamish Nation and the Government have entered into an agreement dated for reference March 31, 2004 respecting treaty-related measures, interim measures or economic measures (the "Interim Agreement"). This licence is entered into with SN Forestry Operations Ltd. to implement or further the Interim Agreement, between the Squamish Nation and the Government, and it is a condition of this licence that the Squamish Nation comply with the Interim Agreement.
- 1.06 In accordance with the Interim Agreement and without limiting the actions that may be taken by the Minister or the Government, the Minister, or person authorized by the Minister, may suspend or cancel this licence if the Minister, or person authorized by the Minister determines that the Squamish Nation is not in compliance with the Interim Agreement.
- 1.07 The Licensee is a person that has been appointed by the Squamish Nation as its representative.

## 2.00 TIMBER HARVEST LIMITATIONS

- 2.01 The Licensee must not harvest timber if the timber is specified as reserved timber in a cutting permit, or 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.

- 2.02 The Regional Manager or District Manager, in a notice given to the Licensee, may advise the Licensee that after the date specified in the notice the Licensee may only submit applications for cutting permits for areas of Crown land meeting the requirements set out in the notice.
- 2.03 The requirements referred to in paragraph 2.02 may restrict the areas of land for which the Licensee may submit applications for cutting permit to any or all of the following:
- (a) a part of the Timber Supply Area; and
  - (b) a type of terrain within the Timber Supply Area; and
  - (c) a type of timber within the Timber Supply Area
- 2.04 Before giving notice under paragraph 2.02, the Regional Manager or District Manager will consult with the Licensee and will consider their comments.

### **3.00 TIMBER VOLUME CHARGED TO THE LICENCE**

- 3.01 The following volumes included in statements issued on behalf of the government to the Licensee will be included as “volume of timber harvested” for cut control purposes:
- (a) the volume of timber cut under the licence and under road permits associated with the Licence, that meets the cut control specifications;
  - (a) the volume of timber estimated to be wasted or damaged under part 4.00 and under road permits associated with the licence;
  - (b) the volume of timber cut, damaged or destroyed without authorization by the Licensee;
  - (c) the volume of timber which may be credited by the Regional Manager or District Manager in respect of the Licence; and,
  - (d) the excess volume of timber, if any, carried forward under Section 75.7 of the *Forest Act* from the immediately preceding cut control period.
- 3.02 The cut control specifications for this Licence are the same as the coastal timber merchantability specifications found in the most current Provincial Logging Residue and Waste Procedures Manual, as amended or replaced from time to time.



#### **4.00 WASTE ASSESSMENT**

- 4.01 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 *Provincial Logging Residue and waste Measurements Procedures Manual*, as amended or replaced from time to time.
- 4.02 The Regional Manager 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 4.01, a monetary assessment for all waste.
- 4.03 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 Measurements Procedures Manual* as they are at the time the quantity and quality of merchantable Crown timber is determined under paragraph 4.01.
- 4.04 For the purpose of conducting the assessment of the volume of timber that was not harvested as described in paragraph 4.01:
  - (a) the Licensee must conduct an assessment in accordance with the current waste assessment manual after the Licensee has declared that primary logging has been completed for each cut block, or
  - (b) the Regional Manager or District Manager may conduct an assessment in accordance with the current waste assessment manual after the expiry of the term of a cutting permit or Licence or the Licence and/or cutting permit otherwise being terminated, whichever occurs first.

#### **5.00 CRUISE AND APPRAISAL INFORMATION**

- 5.01 The Licensee must ensure that cruise data submitted under this Licence is:
  - (a) compiled in accordance with the current *Cruise Compilation Design Manual*, and
  - (b) based on cruises carried out in accordance with the current *Provincial Cruising Manual* prepared by the Ministry of Forests.
- 5.02 The Licensee must ensure that appraisal data submitted under this Licence:
  - (a) is compiled in accordance with, and
  - (b) includes all data required under,the policies and procedures approved by the Minister from time to time under Section 105 of the *Forest Act* for the forest region in which the Timber Supply Area is located.

## 6.00 CUTTING PERMITS

- 6.01 Subject to paragraphs 6.02 and 6.03, the Licensee may submit an application to the District Manager for a cutting permit to authorize the Licensee to operate upon one or more proximate areas of Crown land, meeting the requirements referred to in part 1.00 and 2.00 that are either:
- (a) identified on an approved forest development plan, or
  - (b) exempted under the *Forest Practices Code of British Columbia Act* from the requirement of a forest development plan, or exempted under the *Forest and Range Practices Act* from the requirement for a forest stewardship plan, or
  - (c) located within a forest development unit of an approved forest stewardship plan.
- 6.02 Before submitting an application for a cutting permit, the Licensee must compile:
- (a) cruise data, and
  - (b) appraisal data,
- in accordance with the requirements of part 5.00, for the areas to be included in the application.
- 6.03 An application for a cutting permit submitted under paragraph 6.01 must:
- (a) be in a form acceptable to the District Manager,
  - (b) include:
    - (i) a map to a scale acceptable to the District Manager showing the areas referred to in the application, and
    - (ii) the cruise data and appraisal data referred to in paragraph 6.02, and
    - (iii) a description acceptable to the District Manager of any timber that is reserved from cutting.
- 6.04 The areas of land shown on the map referred to in clause 6.03(b)(i) must be:
- (a) the cutblocks referred to in subparagraph 6.01(a),
  - (b) the areas referred to in subparagraph 6.01(b), or
  - (c) located within a forest development unit referred to in subparagraph 6.01(c)
- allowing for any difference in scale between maps used in the forest development plan, forest stewardship plan, or exemption and the map referred to in clause 6.03(b)(i).

- 6.05 Subject to paragraphs 6.06 through 6.09 inclusive and 6.04, upon receipt of an application for a cutting permit submitted under paragraph 6.01, the District Manager will issue a cutting permit to the Licensee if the District Manager is satisfied that:
- (a) the requirements of paragraphs 6.02, 6.03 and 6.04 have been met,
  - (b) the areas of land referred to in the application for the cutting permit meet the requirements referred to in part 2.00, and
  - (c) the cruise data and appraisal data referred in subparagraph 6.03(b) meet the requirements of part 5.00.
- 6.06 The District Manager may consult an aboriginal group(s) who may be exercising or claiming to hold an aboriginal interest(s) or proven aboriginal right, including aboriginal title, or a treaty right(s) that may be affected by activities or operations under or associated with a cutting permit.
- 6.07 The District Manager may impose conditions in a cutting permit to address an aboriginal interest(s), or proven aboriginal right, including aboriginal title, or a treaty right(s).
- 6.08 The District Manager may refuse to issue a cutting permit if, in the opinion of the District Manager, issuance of the cutting permit would result in an unjustifiable infringement of an aboriginal interest(s) or proven aboriginal right, including aboriginal title, or a treaty right(s).
- 6.09 If the District Manager:
- (a) determines that a cutting permit may not be issued because the requirements of paragraph 6.05 have not been met,
  - (b) is carrying out consultations under paragraph 6.06, or
  - (c) refuses to issue a cutting permit under paragraph 6.08,
- the District Manager will notify the Licensee within 45 days of the date on which the application for the cutting permit was submitted.
- 6.10 A cutting permit must:
- (a) identify the boundaries of the areas of Crown land which, subject to this Licence and the forestry legislation, the Licensee is authorized to conduct operations,
  - (b) specify a term which does not exceed four years,
  - (c) specify a timber mark to be used in conjunction with the timber removal carried on under the cutting permit,
  - (d) specify whether, for the purpose of determining the amount of stumpage payable in respect of timber removed under the cutting permit, the volume or quantity of timber is to be determined using information provided by:

- (i) a scale of the timber, or
    - (ii) a cruise of the timber conducted before the timber is cut, and
  - (e) include such other provisions, consistent with this Licence, as the District Manager considers necessary or appropriate.
- 6.11 The District Manager may amend a cutting permit only with the consent of the Licensee.
- 6.12 The Licensee is required to make application to the District Manager for a cutting permit extension at least 45 days before the expiry of the cutting permit and in a form as required by the District Manager.
- 6.13 A cutting permit is deemed to be part of this Licence.

## **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 Licensee must ensure that its employees, agents and contractors comply with the forestry legislation when engaging in or carrying out activities or operations under or associated with the Licence.
- 7.03 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 COURT DETERMINED ABORIGINAL RIGHTS AND/OR TITLE**

- 8.01 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 (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 Manager or District Manager, in a notice given to the Licensee, may vary or suspend, this Licence in whole or in part, or refuse to issue a cutting permit or road permit or Special Use Permit issued to the Licensee so as to be consistent with the court determination.
- 8.02 Subject to this Licence and the forestry legislation, if:

- (a) under paragraph 8.01, the Regional Manager or District Manager has varied a cutting permit, road permit or Special Use Permit 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 permit to reflect as closely as possible, for the remainder of its term, the terms and conditions of the permit prior to the variation under paragraph 8.01.

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

- (a) under paragraph 8.01, the Regional Manager or District Manager has suspended a cutting permit, road permit or Special Use Permit 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 reinstate the permit for the remainder of its term.

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

- (a) under paragraph 8.01, the Regional Manager or District Manager has refused to issue to the Licensee a cutting permit, road permit or special use permit,
- (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 issue the permit.

## 9.00 REPORTING

- 9.01 The Regional Manager or District Manager, in a notice given to the Licensee by April 1 of any year, may require the Licensee to submit a report containing such information as the Regional Manager or District Manager requires regarding the Licensee's performance of its obligations under or in respect of this Licence in the previous calendar year if the information is not included in any other reports which the Licensee must submit under the forestry legislation.

- 9.02 Upon receipt of a notice referred to in paragraph 9.01, the Licensee, on or before the date specified in the notice, must submit a report to the Regional Manager or District Manager containing the required information.
- 9.03 Subject to paragraph 9.04, the Regional Manager or District Manager may include the information contained in a report submitted under paragraph 9.02 in any reports prepared by the Ministry of Forests for public review.
- 9.04 Subject to the *Freedom of Information and Protection of Privacy Act*, the Regional Manager or District Manager will not disclose information provided in confidence by the Licensee in a report submitted under paragraph 9.02.

## 10.00 FINANCIAL AND DEPOSITS

- 10.01 In addition to any money payable in respect of this Licence or a road permit 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, redetermined and varied under Section 105 of that Act in respect of timber removed under a cutting permit or road permit,
  - (b) any payment required as a result of a waste assessment under part 4.00,
- 10.02 During the term of this Licence, the Licensee must maintain with the Government a deposit in the amount prescribed under the *Forest Act* and the regulations made under that Act, in a form acceptable to the Minister, as security for the Licensee's performance of its obligations under or in respect of this Licence or a road permit.
- 10.03 If the Regional Manager or District 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) this Licence or a road permit, or
    - (ii) the forestry legislation in respect of this Licence or a road permit, or
  - (b) to otherwise perform its obligations under
    - (i) this Licence or a road permit, or

- (ii) the forestry legislation in respect of this Licence or a road permit,

the Regional Manager or District Manager, after at least four weeks notice to the Licensee, may take from the deposit,

- (a) an amount equal to the money which the Licensee failed to pay,
- (b) an amount sufficient to cover all costs incurred by the Regional Manager or District Manager in remedying the Licensee's failure to perform its obligations, or
- (c) an amount equal to the Regional Manager's or District Manager's estimate of the costs which the Regional Manager or District 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 Regional Manager or District Manager intends to take from the deposit.

10.06 Subject to paragraphs 10.08, 10.09 and 10.10, if:

- (a) the Regional Manager or District Manager, under paragraph 10.04, takes from the deposit an amount equal to the Regional Manager's or District Manager's estimate of the costs which the Regional Manager or District Manager could reasonably expect to incur in remedying the Licensee's failure to perform its obligations, and
- (b) the costs incurred by the Regional Manager or District 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 Regional Manager or District Manager.

10.07 If:

- (a) the Regional Manager or District Manager, under paragraph 10.04, takes from the deposit an amount equal to the Regional Manager's or District Manager's estimate of the costs which the Regional Manager or District Manager could reasonably expect to incur in remedying the Licensee's failure to perform its obligations, and
- (b) the costs incurred by the Regional Manager or District Manager in remedying the Licensee's failure to perform its obligations are greater than the amount taken from the deposit,

the Regional Manager or District Manager may take from the deposit an additional amount equal to the difference between the costs incurred by the Regional Manager or District 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 Regional Manager or District Manager, under paragraph 10.04, takes from the deposit an amount equal to the Regional Manager's or District Manager's estimate of the costs which the Regional Manager or District Manager could reasonably expect to incur in remedying the Licensee's failure to perform its obligations, the Regional Manager or District Manager is under no obligation to remedy the Licensee's failure.

10.09 If:

- (a) the Regional Manager or District Manager, under paragraph 10.04, takes from the deposit an amount equal to the Regional Manager's or District Manager's estimate of the costs which the Regional Manager or District Manager could reasonably expect to incur in remedying the Licensee's failure to perform its obligations,
- (b) the Regional Manager or District Manager does not remedy the Licensee's failure to perform its obligations, and
- (c) the Regional Manager or District Manager gives a notice to the Licensee indicating that the Government will not be remedying the Licensee's failure to perform its obligations,

subject to paragraph 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 Regional Manager or District 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 Regional 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 Regional Manager or District Manager in respect of the Licensee's failure to perform its obligations.

10.11 If the Regional Manager or District Manager considers that:

- (a) any activity or operation that may be engaged in or carried out under this 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 Regional Manager or District 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 Regional Manager or District 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 Regional Manager or District 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 Regional Manager or District 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) this Licence expires, or is surrendered, and
  - (ii) the Regional Manager is satisfied that the Licensee has fulfilled its obligations under this Licence, and
- (b) a special deposit, less deductions made under paragraph 10.12, when the Regional 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 REPRESENTATIONS**

11.01 The Licensee represents and warrants to the Regional Manager that:

- (a) it has the ability to undertake and complete its obligations under the Licence, and,
- (b) there is no legal or other reason why it cannot enter into the Licence.
- (c) the Licensee is a legal entity appointed by Squamish Nation as its representative.

## **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 operations, under or associated with this Licence or a road permit, or
  - (d) any other person who on behalf of or with the consent of the Licensee engages in any activity or carries out any operation, including but not restricted to operations under or associated with this Licence or a road permit.
- 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 from the deposit or a special deposit and, any payments required under parts 4.00 or 10.00 and reductions in the allowable annual cut made under the *Forest Act* and regulations are in addition to and not in substitution for any other remedies available to the Government in respect of a default of the Licensee.
- 12.04 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.

## **13.00 TERMINATION**

- 13.01 If this Licence expires or is surrendered, cancelled or otherwise terminated:
- (a) all cutting permits will immediately terminate, and

- (b) timber, including logs and special forest products, cut under the authority of this Licence and which are still located on Crown land, will vest in the Crown, without right of compensation to the licensee, and
  - (c) unless otherwise agreed to between the district manager and the licensee prior to the surrender, cancellation or termination of this licence, title to all improvements, including roads and bridges, constructed by the licensee on Crown land under the authority of this licence will vest in the Crown, without right of compensation to the licensee, and
  - (d) the licensee may continue to enter and use Schedule B Land for a period of one month after the expiry or termination of this licence for the purpose of removing the licensee's property.
- 13.02 The Licensee will not take away any improvements or remove any timber referred to in subparagraph 13.01(b), unless authorized to do so by the Regional Manager.
- 13.03 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.

#### **14.00 WAIVER**

- 14.01 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.

#### **15.00 NOTICE**

- 15.01 A notice given under this Licence must be in writing.
- 15.02 A notice given under this Licence may be:
- (a) delivered by hand,
  - (b) sent by mail, or
  - (c) subject to paragraph 15.05, 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.

- 15.03 If a notice is given under this Licence, it is deemed to have been given:
- (a) if it is given in accordance with subparagraph 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, and
  - (c) if it is given in accordance with subparagraph 15.02(c), subject to paragraph 15.05, on the date it is sent by facsimile transmission.
- 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 MISCELLANEOUS

- 16.01 This Licence will inure to the benefit of, and be binding on, the Parties and their respective heirs, executors, successors and permitted assigns.
- 16.02 The laws of British Columbia will govern the interpretation of this licence and the performance of the Licensees' obligations under this licence.
- 16.03 Any power conferred or duty imposed on the Regional Manager under this Licence may be exercised or fulfilled by a person authorized to do so by the Regional Manager.
- 16.04 The Licensee must comply with the requirements of all legislation applicable to activities or operations under or associated with this Agreement, including but not restricted to the *Workers Compensation Act*, *Health Act*, and *Employment Standards Act*, and the regulations made under those Acts.
- 16.05 The Schedules to this licence are deemed to be part of this licence.

- 16.06 Nothing in this Licence authorizes the Licensee to in any way restrict the Government's right of access to the areas defined in a cutting permit or a road permit or the right of any other authorized entrant, user or occupier of these areas.
- 16.07 Subject to this licence and all applicable legislation, including but not restricted to the forestry legislation, the minister will ensure that the obligations under this licence of the Ministry employees referred to in this licence are fulfilled.
- 16.08 The licensee must:
- (a) comply with the forestry legislation, and
  - (b) ensure that its employees, agents and contractors comply with the forestry legislation when engaging in or carrying out activities or operations under or associated with the licence.

## 17.00 INTERPRETATION & DEFINITIONS

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

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

and a reference to a subparagraph, clause or subclause is to be construed as a reference to a subparagraph, clause or subclause of the paragraph, subparagraph or clause, as the case may be, in which the reference occurs.

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

"aboriginal interest" means a potential aboriginal right and/or aboriginal title that has not been proven through a court process.

"allowable annual cut" means the allowable annual cut referred to in paragraph 1.02.

"cutting permit" means a cutting permit issued under this Licence,

"deposit" means the Deposit referred to in paragraph 10.02,

"District Manager" means:

- (i) a District Manager appointed under the *Ministry of Forests Act*, for a forest district in which all or part of the Timber Supply Area is situated, and
- (ii) any person authorized by the District Manager to exercise a power or fulfil a duty under this Licence,

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

"Forest Development Plan" means a Forest Development Plan referred to in the *Forest Practices Code of British Columbia Act* that is approved by the District Manager in respect of this Licence,

"*Forest Practices Code of British Columbia Act*" means the *Forest Practices Code of British Columbia Act*, R.S.B.C. 1996, c. 159, as amended from time to time, or the successor to this Act, if it is repealed,

"forestry legislation" means, but is not restricted to,

- (a) the *Forest Act*,
- (b) the *Forest Practices Code of British Columbia Act*
- (c) the *Forest and Range Practices Act*

and the regulations under those Acts.

"Forest Stewardship Plan" means a Forest Stewardship Plan referred to in the *Forest and Range Practices Act*, that is prepared or approved by the Minister in respect of the Licence,

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

"harvest" means;

- i) cut ;
- ii) remove, and;
- iii) cut and remove.

"merchantable crown timber" means timber that meets or exceeds the timber merchantability specifications described in the *Provincial Logging Residue and Waste Measurements Procedures Manual*, as amended or replaced from time to time.

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

"person" includes a corporation and a partnership,

"primary logging" includes felling timber and yarding or forwarding the timber to central landings or road sides, but not including the removal of the timber from these landings or road sides.

"Regional Manager" means a Regional Manager appointed under the *Ministry of Forests Act*, for the forest region in which all or part of the Timber Supply Area is situated and who is identified on page one of this Licence,

"Road Permit" means a Road Permit entered into under the *Forest Act* which provides access to timber Removed, or to be Removed, under this Licence,

"special deposit" means a Special Deposit referred to in paragraph 10.11,

"Timber Supply Area" means the Timber Supply Area identified in paragraph 1.02,

"waste" means Merchantable Crown Timber that could have been cut and removed under this Licence but that the licensee does not cut and remove, and as defined in the *Provincial Logging Residue and Waste Measurements Procedures Manual*, as amended from time to time.

"Waste Assessment Manual" means the "Provincial Logging Residue and Waste Measurements Procedures Manual, as amended or replaced from time to time.

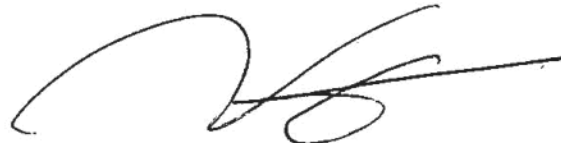
- 17.03 Unless otherwise provided in paragraph 17.02, if a word or phrase used in this Licence is defined in the *Forest Act*, the *Forest and Range Practices Act* or the *Forest Practices Code of British Columbia Act*, the definition in the Act applies to this Licence, and where the word or phrase in the Act is replaced by a new word or phrase, this Licence is deemed to have been amended accordingly.
- 17.04 If a provision of the *Forest Act* or the *Forest Practices Code of British Columbia Act* or the *Forest and Range Practices Act* referred to in this Licence is renumbered, the reference in this Licence is to be construed as a reference to the provision as renumbered.
- 17.05 In this Licence, unless the context otherwise requires:
- (a) the singular includes the plural and the plural includes the singular, and
  - (b) the masculine, the feminine and the neuter are interchangeable.

IN WITNESS WHEREOF this Agreement has been executed by the Regional Manager and the Licence Holder on the date first written above.

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

S. Humar  
Signature

Sangita Humar  
Printed Name



Oct 13/06

Vern Quaroni  
Regional Manager  
Coast Forest Region

.....  
Date

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

.....  
Signature )

.....  
Printed Name )  
(or)

c/s

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

Aaron Bruce  
Signature )

Aaron Bruce  
Printed Name )

Chief Bill Williams  
Licensee Signature

Chief Bill Williams  
Printed Name and Title





File: 19720-25/W1930

April 17, 2015

**BY EMAIL LISA\_WILCOX@SQUAMISH.NET**

Chief Bill Williams  
Squamish Nation  
415 West Esplanade  
North Vancouver, BC  
V7M 1A6

Dear Chief Williams:

Attached is the fully executed replacement licence document for Woodlot Licence W1930. **Effective September 22, 2015**, the attached licence will cancel and replace any earlier versions of Woodlot Licence W1930.

Please read your licence document and be prepared to comply with all conditions set out in the licence.

Yours truly,

Digitally signed by  
dave.southam@gov.bc.ca  
Date: 2015.04.17 15:12:34  
-07'00'

Dave Southam, R.P.F.  
District Manager  
Sea to Sky Natural Resource District

Attachment: Woodlot Licence W1930

pc: Jeff Fisher, Sqomish Forestry LP (by email jeff.sqomish@shaw.ca)



## FORESTRY LICENCE TO CUT

A82551



THIS LICENCE, dated for reference May 7, 2008

**BETWEEN:**

**HER MAJESTY THE QUEEN IN RIGHT  
OF THE PROVINCE OF BRITISH COLUMBIA, as represented by  
the REGIONAL MANAGER, MINISTRY OF FORESTS AND  
RANGE**

2100 Labieux Road  
Nanaimo, British Columbia  
V9P 1S1  
Phone: 250.751.7001 Fax: 250.751.7190  
(the "Regional Manager")

**AND:**

**SN Forestry Operations Limited Partnership**

320 Seymour Blvd.,  
North Vancouver, British Columbia  
V7J 2J3  
Phone: 604.980.4553 Fax: 604.980.9601  
(the "Licensee")

**WHEREAS:**

- A. The Parties have entered into this Forestry Licence to Cut under section 47.3(1)(a) of the *Forest Act*.
- B. Pursuant to section 47.3(1)(a) of the Forest Act, this Licence is entered into with the SN Forestry Operations Limited Partnership to further the Squamish Nation's Short Term Forest Agreement and Interim Agreement on Forest and Range Opportunities, dated for reference March 31, 2005 and July 25, 2006 respectively ("the Agreements"), between the Squamish First Nation and the Government, and it is a condition of this Licence that the Squamish First Nation comply with the Agreements.

"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."

## **TABLE OF CONTENTS**

1.00	GRANT OF RIGHTS AND TERM.....	3
2.00	OTHER CONDITIONS AND REQUIREMENTS.....	3
3.00	TIMBER VOLUME CHARGED TO THE LICENCE .....	3
4.00	WASTE ASSESSMENT.....	4
5.00	CRUISE AND APPRAISAL INFORMATION .....	5
6.00	CUTTING PERMITS.....	5
7.00	COURT DETERMINED ABORIGINAL RIGHTS AND/OR TITLE.....	8
8.00	REPORTING.....	9
9.00	FINANCIAL AND DEPOSITS .....	10
10.00	RELEASE .....	13
11.00	REPRESENTATIONS .....	13
12.00	LIABILITY AND INDEMNITY .....	14
13.00	TERMINATION .....	14
14.00	WAIVER .....	16
15.00	NOTICE .....	16
16.00	MISCELLANEOUS.....	17
17.00	INTERPRETATION & DEFINITIONS .....	18
	SCHEDULE "A" OTHER CONDITIONS AND REQUIREMENTS .....	23

THE PARTIES agree as follows:

## 1.00 GRANT OF RIGHTS AND TERM

- 1.01 The term of the Licence begins on May 7, 2008 and expires on the earlier of May 6, 2013 or the Regional Manager giving notice to the Licensee that all contractual and legislative obligations associated with the Licence have been completed.
- 1.02 Subject to the Licence, the Licensee:
- (a) may harvest 592,800 m<sup>3</sup> of Crown timber from the areas of Crown land within Tree Farm Licence (TFL) 38 which are specified in cutting permits and road permits,
  - (b) for this purpose has the right to enter and use Crown land within the harvest area for the purpose of exercising rights and fulfilling obligations under this licence.
- 1.03 This Licence is not replaceable under the *Forest Act*.
- 1.04 This Licence is a major Licence under the *Forest Act*.

## 2.00 OTHER CONDITIONS AND REQUIREMENTS

- 2.01 The Licensee must comply with the conditions and requirements set out in Schedule "A" to this Licence.
- 2.02 The Licensee must not fell standing timber, or must not buck or remove felled or dead and down timber, as the case may be, specified as reserved timber in cutting permits.
- 2.03 The Licensee must not harvest timber if the timber is specified as reserved timber in a cutting permit, or under an applicable operational plan or the forestry legislation.

## 3.00 TIMBER VOLUME CHARGED TO THE LICENCE

- 3.01 The following volumes included in statements issued on behalf of the government to the Licensee will be included as "volume of timber harvested" for cut control purposes:
- (a) the volume of timber cut under the licence and under road permits associated with the licence, that meets the cut control specifications;
  - (b) the volume of timber estimated to be wasted or damaged under part 4.00 and under road permits associated with the licence;

- (c) the volume of timber cut, damaged or destroyed without authorization by the Licensee;
  - (d) the volume of timber which may be credited by the Regional Manager or district manager in respect of the licence; and,
- 3.02 The cut control specifications for this Licence are the same as the coastal timber merchantability specifications found in the most current *Provincial Logging Residue and Waste Measurements Procedures Manual*, as amended or replaced from time to time.

#### **4.00 WASTE ASSESSMENT**

- 4.01 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 Measurements Procedures Manual*, as amended or replaced from time to time.
- 4.02 The Regional Manager 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 4.01, a monetary assessment for all waste.
- 4.03 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 Measurements Procedures Manual* as they are at the time the quantity and quality of merchantable Crown timber is determined under 4.01.
- 4.04 For the purpose of conducting the assessment of the volume of timber that was not harvested as described in paragraph 4.01:
- (a) the Licensee must conduct an assessment in accordance with the current *Provincial Logging Residue and Waste Measurement Procedures Manual* as amended or replaced from time to time after the Licensee has declared that primary logging has been completed for each cut block, or
  - (b) the Regional Manager or District Manager may conduct an assessment in accordance with the current *Provincial Logging Residue and Waste Measurement Procedures Manual* as amended or replaced from time to time after the expiry of the term of a cutting permit or Licence or the Licence and/or cutting permit otherwise being terminated, whichever occurs first.

## **5.00 CRUISE AND APPRAISAL INFORMATION**

5.01 The Licensee must ensure that cruise data submitted under this Licence are:

- (a) compiled in accordance with the current Cruise Compilation Design Manual, and
- (b) based on cruises carried out in accordance with the current Provincial Cruising Manual prepared by the Ministry of Forests.

5.02 The Licensee must ensure that appraisal data submitted under this Licence are:

- (a) compiled in accordance with, and
- (b) include all data required under,

the policies and procedures approved by the Minister from time to time under Section 105 of the *Forest Act* for the forest region in which the harvest area is located.

## **6.00 CUTTING PERMITS**

6.01 Subject to Paragraphs 6.02 and 6.03, the Licensee may submit an application to the District Manager for a cutting permit to authorize the Licensee to harvest timber from one or more proximate areas within the harvest area, which are located within a forest development unit of a forest stewardship plan.

6.02 Before submitting an application for a cutting permit, the Licensee must compile:

- (a) cruise data, and
- (b) appraisal data,

in accordance with the requirements of Part 5.00 for the areas to be included in the application.

6.03 An application for a cutting permit submitted under Paragraph 6.01 must:

- (a) be in a form acceptable to the District Manager,
- (b) include:
  - (i) a map to a scale acceptable to the District Manager showing the area(s) referred to in the application, and

- (ii) the cruise data and appraisal data referred to in Paragraph 6.02, and
  - (c) a description acceptable to the District Manager of any timber that is reserved from cutting, and
  - (d) must indicate a term not exceeding 4 years.
- 6.04 The areas of land shown on the map referred to in Clause 6.03(b)(i) must be located within the area referred to in Subparagraph 6.01.
- 6.05 Subject to Paragraphs 6.06 through 6.09 inclusive, upon receipt of an application for a cutting permit submitted under Paragraph 6.01 the District Manager will issue a cutting permit to the Licensee if the District Manager is satisfied that:
- (a) the requirements of Paragraphs 6.02, 6.03 and 6.04 have been met,
  - (b) the cruise data and appraisal data referred in Subparagraph 6.03 (b) meet the requirements of Part 5.00, and
  - (c) the areas of land referred to in the application for the cutting permit meet the requirements referred to in part 1.00 and 2.00.
- 6.06 The District Manager may consult an aboriginal group(s) who may be exercising or claiming to hold an aboriginal interest(s) or proven aboriginal right, including aboriginal title, or a treaty right(s) that may be affected by activities or operations under or associated with a cutting permit..
- 6.07 The District Manager may impose conditions in a cutting permit to address an aboriginal interest(s), or proven aboriginal right, including aboriginal title, or a treaty right(s).
- 6.08 The District Manager may refuse to issue a cutting permit if, in the opinion of the District Manager, issuance of the cutting permit would result in an unjustifiable infringement of an aboriginal interest(s) or proven aboriginal right, including aboriginal title, or a treaty right(s).
- 6.09 If the District Manager:
- (a) determines that a cutting permit may not be issued because the requirements of Paragraph 6.05 have not been met,
  - (b) is carrying out consultations under Paragraph 6.06, or

- (c) refuses to issue a cutting permit under Paragraph 6.08,

the District Manager will notify the Licensee within 45 days of the date on which the application for the cutting permit was received.

6.10 A cutting permit must:

- (a) identify the boundaries of the areas of Crown land where, subject to this Licence, the Licensee is authorized to harvest timber,
- (b) specify a term which does not exceed four years,
- (c) specify a timber mark to be used in conjunction with the timber Removal carried on under the cutting permit,,
- (d) specify whether, for the purpose of determining the amount of stumpage payable in respect of timber available for cutting and Removal under the cutting permit, the volume or quantity of timber is to be determined using information provided by:
  - (i) a scale of the timber, or
  - (ii) a cruise of the timber conducted before the timber is cut, and
- (e) include such other provisions, consistent with this Licence, as the District Manager considers necessary or appropriate.

6.11 The District Manager may amend a cutting permit only with the consent of the Licensee.

6.12 The Licensee is required to make application to the District Manager for a cutting permit extension at least 45 days before the expiry of the cutting permit and in a form as required by the District Manager.

6.13 A cutting permit is deemed to be part of this Licence.

6.14 The Regional Manager, in a notice given to the Licensee, may advise the Licensee that after the date specified in the notice the Licensee may only submit applications for cutting permits for areas of Crown land meeting the requirements set out in the notice.

6.15 The requirements referred to in paragraph 6.14 may restrict the areas of land for which the Licensee may submit applications for cutting permit to any or all of the following:

- (a) a part of the Tree Farm Licence Area; and
- (b) a type of terrain within the Tree Farm Licence Area; and
- (c) a type of timber within the Tree Farm Licence Area.



- 6.16 Before giving notice under paragraph 6.14 the Regional Manager will consult with the Licensee and will consider their comments.

## **7.00 COURT DETERMINED ABORIGINAL RIGHTS AND/OR TITLE**

- 7.01 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 Regional Manager or District Manager, in a notice given to the Licensee, may vary or suspend the Licence, cutting permit, road permit or other permit given to the Licensee in whole or in part, or refuse to issue the Licence, cutting permit, road permit or other permit given to the Licensee, to be consistent with the court determination.

- 7.02 Subject to the forestry legislation, if:
- (a) the Regional Manager or District Manager has varied the Licence, cutting permit, road permit or other permit given to the Licensee under Paragraph 7.01,
  - (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 Regional Manager or District Manager, at the request of the Licensee, may vary the Licence, cutting permit, road permit or other permit given to the Licensee 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 7.01.

- 7.03 Subject to forestry legislation, if:

- (a) the Regional Manager or District Manager has suspended the Licence, cutting permit, road permit or other permit given to the Licensee under Paragraph 7.01,
- (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 Regional Manager or District Manager, at the request of the Licensee, may reinstate the Licence, cutting permit, road permit or other permit for the remainder of its term.

7.04 Subject to forestry legislation, if:

- (a) the Regional Manager or District Manager has refused to issue the Licence, cutting permit, road permit or other permit given to the Licensee under Paragraph 7.01,
- (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 Regional Manager or District Manager, at the request of the Licensee, may issue the Licence, cutting permit, road permit or other permit to the Licensee.

## 8.00 REPORTING

8.01 The Regional Manager or District 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 Regional Manager or District 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 Removed under the Licence,

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

- 8.02 Upon receipt of a notice referred to in Paragraph 8.01, the Licensee, on or before the date specified in the notice, must submit a report to the Regional Manager or District Manager containing the required information.
- 8.03 Subject to Paragraph 8.04, the Regional Manager or District Manager may include the information contained in a report submitted under Paragraph 9.02 in any reports prepared by the Ministry of Forests for public review.
- 8.04 Subject to the *Freedom of Information and Protection of Privacy Act*, the Regional Manager or District Manager will not disclose information provided in confidence by the Licensee in a report submitted under Paragraph 8.02.

## **9.00 FINANCIAL AND DEPOSITS**

- 9.01 In addition to any money payable in respect of the Licence or a road permit 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* in respect of timber Removed under the Licence or a road permit, or a monetary assessment for timber that could have been Removed but was not Removed as determined under Paragraph 3.01 at rates determined, re-determined and varied under Section 105 of that Act,
  - (b) any payment required as a result of a Waste assessment made in accordance with the forestry legislation, the Provincial Logging Residue and Waste Measurement Procedures Manual” as amended or replaced from time to time and the Licence.
- 9.02 During the term of the Licence, the Licensee must maintain with the government a deposit in the amount prescribed under the *Forest Act* or the regulations made under that Act, in a form acceptable to the Minister, as security for the Licensee’s performance of its obligations under or in respect of the Licence or a road permit. The Regional Manager or District Manager may use this deposit in accordance with this part.
- 9.03 If the Regional Manager or District 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.
- 9.04 If the Licensee fails:

- (a) to pay money that the Licensee is required to pay to the Government under:
  - (i) the Licence or a road permit, or
  - (ii) the forestry legislation in respect of the Licence or a road permit, or
- (b) to otherwise perform its obligations under:
  - (i) the Licence or a road permit, or
  - (ii) the forestry legislation in respect of the Licence or a road permit,

the Regional Manager or District Manager, after at least four weeks notice to the Licensee, may take from the deposit,

- (a) an amount equal to the money which the Licensee failed to pay,
- (b) an amount sufficient to cover all costs incurred by the Regional Manager or District Manager in remedying the Licensee's failure to perform its obligations, or
- (c) an amount equal to the Regional Manager or District Manager's estimate of the costs which the Regional Manager or District 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.

9.05 A notice referred to in Paragraph 9.04 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 Regional Manager or District Manager intends to take from the deposit.

9.06 Subject to Paragraphs 9.08, 9.09 and 9.10, if:

- (a) the Regional Manager or District Manager, under Paragraph 9.04, takes from the deposit an amount equal to the Regional Manager or District Manager's estimate of the costs which the Regional Manager or District Manager could reasonably expect to incur in remedying the Licensee's failure to perform its obligations ("the Regional Manager or District Manager exercises the right of withdrawal"), and

- (b) the costs incurred by the Regional Manager or District 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 Regional Manager or District Manager.

9.07 If:

- (a) the Regional Manager or District Manager exercises the right of withdrawal, and
- (b) the costs incurred by the Regional Manager or District Manager in remedying the Licensee's failure to perform its obligations are greater than the amount taken from the deposit,

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

9.08 If, the Regional Manager or District Manager exercises the right of withdrawal, the Regional Manager or District Manager is under no obligation to remedy the Licensee's failure.

9.09 If:

- (a) the Regional Manager or District Manager exercises the right of withdrawal,
- (b) the Regional Manager or District Manager does not remedy the Licensee's failure to perform its obligations, and
- (c) the Regional Manager or District Manager gives a notice to the Licensee indicating that the Government will not be remedying the Licensee's failure to perform its obligations,

subject to Paragraph 9.10, the Government may retain the amount taken from the deposit under Paragraph 9.04.

9.10 If, after receiving a notice referred to in Paragraph 9.09, the Licensee:

- (a) remedies the failure to perform its obligations, and

- (b) gives a notice to that effect to the Regional Manager or District Manager within three months of the date on which the notice referred to in Paragraph 9.09 is given to the Licensee, or within such longer period as the Regional Manager or District 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 Regional Manager or District Manager in respect of the Licensee's failure to perform its obligations.

- 9.11 Subject to the Forest Act and the regulations made under that Act, the Government will return to the Licensee the deposit, less deductions made under paragraphs 9.04 and 9.07, when:

- (i) this licence expires, or is surrendered, and
- (ii) the Regional Manager is satisfied that the Licensee has fulfilled its obligations under this licence.

## **10.00 RELEASE**

- 10.01 The Licensee acknowledges that any information released to the Licensee by the Regional Manager or District Manager or the Government about the nature of the harvest area, or the quality or quantity of timber, is an estimation only and not binding upon the Regional Manager or District 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 Regional Manager or District 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.

## **11.00 REPRESENTATIONS**

- 11.01 The Licensee represents and warrants to the Regional Manager or District Manager that the Licensee:
  - (a) 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.
  - (c) the Licensee is a legal entity appointed by Squamish First Nation as its representative.

## **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 cutting or Removal of timber, under or associated with the Licence or a road permit, or
- (d) any other person who on behalf of or with the consent of the Licensee engages in any activity or carries out any operation, including but not restricted to the cutting or Removal of timber, under or associated with the Licence or a road permit.

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 9.00 from the deposit and any payments required under Part 9.00, are in addition to and not in substitution for any other remedies available to the Government in respect of a default of the Licensee.

12.04 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 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.

## **13.00 TERMINATION**

13.01 If the Licence expires or is canceled or otherwise terminated, title to all:

- (a) improvements, including roads and bridges, constructed under the authority of the Licence, and
  - (b) timber, including logs and special forest products, cut under the authority of this Licence and which are still located on Crown land, will vest in the Crown, without right of compensation to the licensee, and
  - (c) unless otherwise agreed to between the district manager and the licensee prior to the surrender, cancellation or termination of this licence, title to all improvements, including roads and bridges, constructed by the licensee on Crown land under the authority of this licence will vest in the Crown, without right of compensation to the licensee, and
  - (d) the licensee may continue to enter and use Crown Land for a period of one month after the expiry or termination of this licence for the purpose of removing the licensee's property.,
- 13.02 The Licensee will not take away any improvements or remove any timber referred to in Paragraph 13.01(b), unless authorized to do so by the Regional Manager or District Manager.
- 13.03 If the licensee commits an act of bankruptcy, makes a general assignment of its creditors or otherwise acknowledges its insolvency the licensee is deemed to have failed to perform an obligation under this licence.
- 13.04 If a road permit expires or is canceled or otherwise terminated, all improvements, including roads and bridges, constructed by the Licensee under the authority of the road permit will vest in the Government, without right of compensation to the Licensee, unless otherwise specified in the road permit.
- 13.05 The Licensee must not take away any improvements vesting in the Government under Paragraph 13.04, unless authorized to do so by the Regional Manager or District Manager.
- 13.07 If the Licence expires or is cancelled or otherwise terminated, the Regional Manager or District Manager may hire such men and equipment as are necessary to perform the Licensee's obligations under the Licence, and may recover the costs of doing so from the Licensee. Such termination will be in addition to and without prejudice to any other rights in the Licence, or remedies at law or in equity that the Regional Manager or District Manager may have for the default of the Licensee or for the recovery of money from the Licensee.
- 13.08 Within seven days after completion of the Licensee's operations pursuant to the Licence, or the termination or expiration of the Licence, the Licensee will take away all of its equipment and supplies from the harvest



area, making good any damage caused by such removal. Any equipment or supplies not taken away by the Licensee within seven days may be taken away or consumed by the Regional Manager or District Manager at the Licensee's expense.

#### **14.00 WAIVER**

- 14.01 No waiver by the Regional Manager or District Manager 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 Regional Manager or District Manager 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.

#### **15.00 NOTICE**

- 15.01 A notice given under the Licence must be in writing.
- 15.02 A notice given under the Licence may be:
- (a) delivered by hand,
  - (b) sent by mail, or
  - (c) subject to paragraph 15.05, 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.
- 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, and
  - (c) if it is given in accordance with subparagraph 15.02(c), subject to paragraph 15.05, on the date it is sent by facsimile transmission..
- 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 MISCELLANEOUS**

- 16.01 This Licence will enure to the benefit of, and be binding on, the parties and their respective heirs, executors, successors and permitted assigns.
- 16.02 The laws of British Columbia will govern the interpretation of this Licence and the performance of the Licensees' obligations under this Licence.
- 16.03 Any power conferred or duty imposed on the Regional Manager or District Manager under the Licence may be exercised or fulfilled by any person authorized to do so by the Regional Manager or District Manager.
- 16.04 The Schedules to this Licence are deemed to be part of this Licence.
- 16.05 Nothing in this licence authorizes the Licensee to in any way restrict the Government's right of access to the areas defined in a cutting permit or a road permit or the right of any other authorized entrant, user or occupier of these areas.
- 16.06 Subject to this licence and all applicable legislation, including but not restricted to the forestry legislation, the minister will ensure that the obligations under this licence of the Ministry employees referred to in this licence are fulfilled.
- 16.07 The licensee must:
- (a) comply with the forestry legislation, and
  - (b) ensure that its employees, agents and contractors comply with the forestry legislation when engaging in or carrying out activities or operations under or associated with the Licence.

- 16.08 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 Regional Manager or District Manager of the conflict and follow any direction given by the Regional Manager or District Manager with respect to the conflict, provided such direction is consistent with the *Workers Compensation Act* and the regulations under that Act.
- 16.09 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.
- 16.10 Time is of the essence in the Licence.
- 16.11 Nothing in the Licence is to be construed as authorizing the Licensee to cut or remove timber or engage in or carry out any other forest practices until all applicable or requested cutting permits, road permits, logging plans and operational plans (including site plans) for both the harvest area and any corresponding roads have been prepared by the Licensee and approved by the Regional Manager or District Manager.
- 16.12 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.

## 17.00 INTERPRETATION & DEFINITIONS

- 17.01 This Licence is divided into parts, paragraphs, subparagraphs, clauses and subclauses, illustrated as follows:
- 1.00 part,
    - 1.01 paragraph,
      - (a) subparagraph,
        - (i) clause,
          - (A) subclause,
- and a reference to a subparagraph, clause or subclause is to be construed as a reference to a subparagraph, clause or subclause of the paragraph, subparagraph or clause, as the case may be, in which the reference occurs.
- 17.02 In this Licence and any cutting permits issued pursuant to the Licence, unless the context otherwise requires:
- "aboriginal interest" means a potential aboriginal right and/or aboriginal title that has not been proven through a court process.
- "cutting permit" means a cutting permit issued under this licence,

"cut control specifications" means the specifications for timber, that defines the timber to be charged against the Licence as "volume of timber harvested", as defined in part 3.00.

"deposit" means the deposit referred to in Paragraph 9.02,

"District Manager" means:

- (i) a District Manager appointed under the *Ministry of Forests Act*, for a forest district in which all or part of the timber supply area is situated, and
- (ii) any person authorized by the District Manager to exercise a power or fulfil a duty under this Licence,

"*Forest Act*" means the *Forest Act*, RSBC 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 Ranges Practices Act*, SBC 2002, c. 69 as amended from time to time, or the successor to this Act, if it is repealed,

"forest development plan" means a forest development plan referred to in the *Forest Practices Code of British Columbia Act* that is approved by the District Manager in respect of this Licence,

"forestry legislation" the statutes and regulations, to which the Licence is subject including;

- (a) the *Forest Act*,
- (b) the *Forest Practices Code of BC Act*, and
- (c) the *Forest and Range Practices Act*.

"*Forest Practices Code of British Columbia Act*" means the *Forest Practices Code of British Columbia Act*, R.S.B.C. 1996, c. 159, as amended from time to time, or the successor to this Act, if it is repealed,

"forest stewardship plan" means a forest stewardship plan referred to in the *Forest and Range Practices Act*, that is prepared or approved by the Minister in respect of the Licence,

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

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

"parties" means the Licensee and the Regional Manager and "Party" means either one of them,

"person" includes a corporation and a partnership,

"primary logging" includes felling timber and yarding or forwarding the timber to central landings or road sides, but not including the removal of the timber from these landings or road sides.

"remove" means the removal of timber from the Licence area and "removed" and "removing" have the corresponding meanings,

"Regional Manager" means

- (a) a Regional Manager appointed under the *Ministry of Forests Act*, for the forest region in which all or part of the timber supply area is situated and who is identified on page one of this Licence, and
- (b) any person authorized by the Regional Manager to exercise a power or fulfil a duty under this Licence.

"road permit" means a road permit entered into under the *Forest Act*, which provides access to timber to be harvested, under the Licence and which must be prepared by the Licensee and approved by the Regional Manager or District Manager,

"site plan" means a site plan referred to in the *Forest and Range Practices Act* that is prepared the Licensee in respect of the Licence,

"waste" means merchantable Crown timber that could have been cut and removed under this licence but that the Licensee does not cut and remove, and as defined in the Provincial Logging Residue and Waste Measurement Procedures Manual, as amended from time to time.

- 17.03 Unless otherwise provided in paragraph 17.02, if a word or phrase used in this Licence is defined in the *Forest Act*, the *Forest and Range Practices Act* or the *Forest Practices Code of British Columbia Act*, the definition in the Act applies to this Licence, and where the word or phrase in the Act is replaced by a new word or phrase, this Licence is deemed to have been amended accordingly.
- 17.04 If a provision of the *Forest Act* or the *Forest Practices Code of British Columbia Act* or the *Forest and Range Practices Act* referred to in this Licence is renumbered, the reference in this Licence is to be construed as a reference to the provision as renumbered.
- 17.05 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.

17.06 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, whether part of a tendering process or otherwise, are deemed to have been replaced by the Licence. Except as set out in the Licence, any changes to the Licence must be agreed to by the Parties in writing and be signed by the Regional Manager or District Manager or designate.

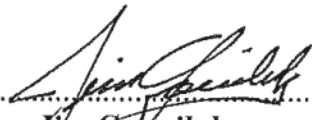
IN WITNESS WHEREOF the Licence has been executed by the Regional Manager and the Licensee on the date first written above.

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

.....S. Kumar.....)

SANGITA KUMAR..)

Name in Capital Letters

..........  
Jim Gowriluk,  
Regional Manager  
Coast Forest Region

.....May 7, 2008.....

Date

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

c/s

.....  
Name in Capital Letters


(or)

SIGNED by the Licensee )  
in the presence of:

..........

Chief Bill Williams.....)

Name in Capital Letters

..........

Chief Gibby Jacob, President.....

Name and Title in Capital Letters

(SN Forestry Operations Limited Partnership)

.....2/21/08.....

Date

## **SCHEDULE "A"**

### **OTHER CONDITIONS AND REQUIREMENTS**

#### **1.00 SPECIAL CONDITIONS**

- 1.01 In addition to any special conditions set out in a cutting permit or road permit, the Licensee must comply with the following special conditions and terms as set by the Regional Manager or District Manager:
- (a) This licence is entered into with the Licensee to implement or further the Agreement described in Recital B and the Licensee agrees to comply with the Agreement, or the Minister, Regional Manager or District Manager or person authorized by the Minister may suspend or cancel this Licence.
  - (b) The rights granted under the Licence are subject to other rights of use and occupation, and the Licensee must not interfere with exercise of those rights.
  - (c) 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 remaining on the harvest area, and the Licensee must not impede or obstruct the Regional Manager or District Manager from Removing any such timber.





File: 19700-25/TFL 38  
Reference: 250701

November 1, 2019

**VIA EMAIL: [gmcdade@ratcliff.com](mailto:gmcdade@ratcliff.com)**

Greggory McDade  
Northwest Squamish Forestry Limited Partnership  
c/o Ratcliff and Co.  
Suite 500 – 221 W. Esplanade  
North Vancouver, British Columbia  
V7M 3J3

Dear Greggory McDade:

This is a letter of notification in accordance with Section 36 (1.2) of the *Forest Act* regarding my intention to offer a replacement for Tree Farm Licence (TFL) 38 on or before December 1, 2020.

Ministry staff will be conducting First Nations consultation on the decision to offer a replacement for TFL 38 prior to me making a replacement offer.

If you have any questions or concerns, please do not hesitate to contact Bob Konkin, Senior Timber Tenures Forester, Forest Tenures Branch at (778) 974-2448, or [bob.konkin@gov.bc.ca](mailto:bob.konkin@gov.bc.ca).

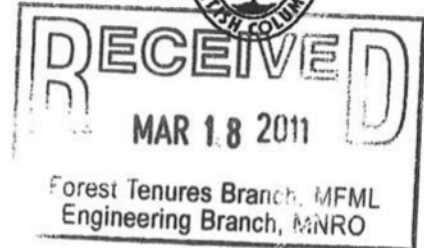
Sincerely,

Chris Stagg, RPF  
Assistant Deputy Minister

pc: Allan Johnsrude, Regional Executive Director, South Coast Region  
Dave Southam, District Manager, Sea to Sky Natural Resource District  
Doug Stewart, Director, Forest Tenures Branch  
Bob Konkin, Senior Timber Tenures Forester, Forest Tenures Branch



**TREE FARM LICENCE 38  
SQUAMISH TREE FARM LICENCE**



THIS LICENCE, dated for reference **June 2, 2011**.

**BETWEEN:**

**HER MAJESTY THE QUEEN IN RIGHT  
OF THE PROVINCE OF BRITISH COLUMBIA,  
as represented by the MINISTER OF FORESTS, MINES  
and LANDS  
PO BOX 9049 STN PROV GOVT  
VICTORIA, BRITISH COLUMBIA  
V8W 9E2  
Fax: (250)387-1040  
(the "Minister")**

**AND:**

**NORTHWEST SQUAMISH FORESTRY LIMITED  
PARTNERSHIP C/O RATCLIFF & CO.  
SUITE 500 - 221 W. ESPLANADE  
NORTH VANCOUVER, B.C. V7M 3J3  
Phone: 604-815-4555 Fax: 604-815-4551  
(the "Licensee")**

**WHEREAS:**

- A. Under Section 36 of the *Forest Act*, the Minister offers a replacement Licence to the Licensee.
- B. The Licensee accepts the offer.
- C. The Licensee agrees to manage the Licence area according to this Licence and the management plan in effect under this Licence.

**THEREFORE:**

Under Section 36 of the *Forest Act*, this Licence replaces Tree Farm Licence 38, dated June 2, 2001.

“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.”

## TABLE OF CONTENTS

1.00	GRANT OF RIGHTS AND TERM .....	3
2.00	TIMBER DISPOSITION .....	3
3.00	AREA SELECTION PROCESS .....	5
4.00	OTHER CONDITIONS AND REQUIREMENTS .....	6
5.00	TIMBER VOLUME CHARGED TO THE LICENCE .....	6
6.00	WASTE ASSESSMENTS FOR MERCHANTABLE CROWN TIMBER.....	6
7.00	MANAGEMENT PLAN.....	7
8.00	CUTTING PERMITS .....	7
9.00	ACCESS AND ACCOMMODATION .....	10
10.00	CONTRACTORS.....	11
11.00	COURT DETERMINED ABORIGINAL RIGHTS AND/OR TITLE .....	12
12.00	REPORTING .....	13
13.00	FINANCIAL AND DEPOSITS .....	14
14.00	CONDITIONS IMPOSED UPON ACCEPTANCE OR APPROVAL .....	17
15.00	LIABILITY AND INDEMNITY .....	17
16.00	TERMINATION .....	18
17.00	WAIVER.....	19
18.00	NOTICE .....	19
19.00	MISCELLANEOUS .....	20
20.00	INTERPRETATION & DEFINITIONS .....	21
	SCHEDULE A LAND .....	27
	SCHEDULE B LAND .....	28

**THE PARTIES agree as follows:**

**1.00 GRANT OF RIGHTS AND TERM**

- 1.01 The term of this Licence is 25 years, beginning on June 2, 2011.
- 1.02 Subject to this Licence, the Minister grants the Licensee:
- (a) the exclusive right to harvest all types of Crown timber, other than deciduous types, from Schedule "B" Land;
  - (b) the exclusive right to harvest all timber authorized under a timber Licence, from Schedule "A" Land subject to a timber Licence;
  - (c) the right to manage Schedule "A" Land subject to a timber Licence and Schedule "B" Land according to:
    - (i) this Licence;
    - (ii) the management plan in effect under this Licence; and
    - (iii) operational plans approved in respect of this Licence.
- 1.03 Subject to this Licence, the Licensee may also harvest timber from the Licence area that is not of a type specified in Paragraph 1.02.

**2.00 TIMBER DISPOSITION**

- 2.01 Each year during the term of this Licence:
- (a) 13,118 m<sup>3</sup> of the allowable annual cut, from the types of timber specified under Subparagraph 1.02(a), may be disposed of by the Timber Sales Manager within areas agreed to under Paragraph 3.01 or specified under Paragraph 3.02;
  - (b) 29,106 m<sup>3</sup> of the allowable annual cut from the types of timber specified under Subparagraph 1.02(a) and 1.02(b), may be disposed of by the Timber Sales Manager within areas agreed to under Paragraph 3.01 or specified under Paragraph 3.02
  - (c) 98,823 m<sup>3</sup> of the allowable annual cut from types of timber specified under Subparagraph 1.02(a) and 1.02(b) may be disposed of by the Regional Manager or District Manager within areas agreed to under Paragraph 3.01 and specified under Paragraph 3.02, in accordance with the section 47.3 of the *Forest Act* under a forest licence or forestry licence to cut, section 47.6(2) of the *Forest Act* or Division 2 of Part 3 of the *Forest Act*; and
  - (d) 0 m<sup>3</sup> of the allowable annual cut may be disposed of pursuant to Section 47.8 of the *Forest Act*.

- 2.02 Each year during the term of this Licence, the District Manager may dispose of a volume of the timber specified under Subparagraph 1.02(a), not exceeding one half of one percent (0.5%) of the portion of the allowable annual cut the Chief Forester determines is attributable to Schedule "B" Land, under free use permits from areas agreed under Paragraph 3.01 or specified under Paragraph 3.02.
- 2.03 In addition to any timber disposed of under Paragraphs 2.01 and 2.02, each year during the term of this Licence, the Regional Manager or District Manager may dispose of timber other than that specified in Subparagraph 1.02(a) under forestry Licences to cut issued pursuant to a pulpwood agreement, provided:
- (a) the timber is;
    - (i) within a pulpwood area designated by the Minister; and
    - (ii) within areas of Schedule "B" Land agreed to under Paragraph 3.01 or specified under Paragraph 3.02; and
  - (b) the volume of timber disposed of does not exceed an amount equal to the portion of the allowable annual cut which the Chief Forester determines is attributable to timber of the type referred to in the applicable pulpwood agreement, having regard to the factors and information considered by the Chief Forester in his or her most recent determination of the allowable annual cut.
- 2.04 In addition to any timber disposed of under this part, the Regional Manager, District Manager or Timber Sales Manager may dispose of any timber that is not specified in Subparagraph 1.02(a) if the timber is within areas agreed to under Paragraph 3.01 or specified under Paragraph 3.02.
- 2.05 Subject to Part 3, the Minister in a notice given to the Licensee may delete an area from Schedule "B" Land to enable the Regional Manager or District Manager to issue a woodlot Licence over the area, if the Chief Forester determines that the portion of the allowable annual cut attributable to the area does not exceed the volume of timber referred to in Paragraph 2.01, having regard to the factors and information considered by the Chief Forester in his or her most recent determination of the allowable annual cut.
- 2.06 Before deleting an area under Paragraph 2.05, the Minister will consult the Licensee and consider any recommendations made by the Licensee.
- 2.07 Where the Minister deletes an area under Paragraph 2.05, the volume of timber referred to in Paragraph 2.01 is deemed to be reduced by an amount equal to the portion of the allowable annual cut that the Chief Forester determines is attributable to the deleted area, having regard to the factors and information considered by the Chief Forester in his or her most recent determination of the allowable annual cut.

### 3.00 AREA SELECTION PROCESS

3.01 Subject to Paragraph 3.02 the District Manager or Timber Sales Manager and the Licensee will agree upon areas for the purposes of Part 2.00, or for an allowable annual cut reduction under Section 69 of the *Forest Act*, having regard to:

- (a) the type and quality of timber and the type of terrain on the area of Schedule "B" Land under consideration compared to the Schedule "B" Land as a whole;
- (b) the timber referred to in Paragraph 2.03;
- (c) the management plan in effect under this Licence and the forest development plan or forest stewardship plan approved in respect of this Licence;
- (d) any potential interference with the operations of the Licensee under this Licence;
- (e) rights being exercised on the Licence area by persons other than that Licence holder including trappers, guide outfitters, range tenure holders, and other Licenced resource users; and
- (f) an aboriginal group claiming an aboriginal interest in, or having a proven aboriginal right, including aboriginal title, or a treaty right in the area.

3.02 If under Paragraph 3.01 the District Manager or the Timber Sales Manager and the Licensee are unable to agree upon areas for the purposes of Part 2.00 or for an allowable annual cut reduction under Section 69 of the *Forest Act*, the District Manager or the Timber Sales Manager or the Licensee may refer the matter to the Regional Manager, in which case the Regional Manager, subject to Paragraph 3.03, and having regard to:

- (a) the factors referred to in Paragraph 3.01; and
- (b) the recommendations of the District Manager or the Timber Sales Manager and the Licensee;

will specify areas for these purposes.

3.03 The Regional Manager will only specify an area under Paragraph 3.02, when satisfied it will not:

- (a) compromise the management plan in effect under this Licence or a forest development plan or forest stewardship plan approved in respect of this Licence; or
- (b) unreasonably interfere with the Licensee's operations under this Licence.

#### **4.00 OTHER CONDITIONS AND REQUIREMENTS**

- 4.01 Subject to Paragraph 4.02, the Licensee will not enter, use or occupy Schedule "A" Land subject to a timber Licence or Schedule "B" Land except under and in accordance with a cutting permit, road permit associated with this Licence, special use permit or another legal authority authorizing such use or occupation.
- 4.02 Paragraph 4.01 does not apply to temporary occupation for the purpose of:
- (a) carrying out silviculture;
  - (b) collecting inventory information;
  - (c) carrying out engineering layouts and surveys;
  - (d) carrying out protection and forest health activities; or
  - (e) fulfilling other obligations or conducting other activities incidental to the operations of the Licensee under or associated with this Licence.
- 4.03 The Licensee will not harvest timber from Schedule "A" or "B" Lands, except under a road permit associated with this Licence or a cutting permit issued to the Licensee or as otherwise authorized under the forestry legislation.
- 4.04 The Licensee must not harvest timber if the timber is specified as reserved timber in a cutting permit, or under an applicable operational plan.
- 4.05 If an area of Schedule "A" Land is:
- (a) subject to a timber Licence that expires; or
  - (b) deleted from a timber Licence;
- then the area is deemed to be deleted from Schedule "A" Land and added to Schedule "B" Land.

#### **5.00 TIMBER VOLUME CHARGED TO THE LICENCE**

- 5.01 The definition of the volume of timber harvested in Part 4, Division 3.1 of the *Forest Act* applies to this Licence.
- 5.02 The determination of the volume of timber harvested will incorporate the volume of waste determined under Part 6.00.
- 5.03 The Coast Timber Merchantability Specifications in the Provincial Logging Residue and Waste Measurement Procedures Manual that was in effect on the date of issuance of the cutting permit or road permit shall govern.

#### **6.00 WASTE ASSESSMENTS FOR MERCHANTABLE CROWN TIMBER**

- 6.01 The Licensee must conduct a waste assessment of the volume of merchantable Crown timber, whether standing or felled, that was



- authorized to be cut and removed under the Licence but, at the Licensee's discretion, was not cut and removed.
- 6.02 A waste assessment conducted under Paragraph 6.01 must be in accordance with the Provincial Logging Residue and Waste Measurement Procedures Manual, as amended or replaced from time to time.
- 6.03 A waste assessment made under Paragraph 6.01 must be:
- (a) done within 60 days after primary logging on the area has been completed for each cut block, allowing for ground to be sufficiently free of snow to permit an adequate assessment to be carried out; or
  - (b) if primary logging on the area is not completed before the expiry of the cutting permit, within 60 days after the expiry of the cutting permit, allowing the ground to be sufficiently free of snow to permit for an adequate assessment to be carried out.
- 6.04 If the Licensee fails to comply with Paragraph 6.01 the District Manager may, after the expiry of the term of a cutting permit or Licence, conduct a waste assessment of the volume of merchantable Crown timber that could have been cut and removed under the Licence but, at the Licensee's discretion, was not cut and removed.
- 6.05 A waste assessment conducted under Paragraph 6.04 must be in accordance with the Provincial Logging Residue and Waste Measurement Procedures Manual, as amended or replaced from time to time.
- 6.06 If the District Manager carries out a waste assessment under Paragraph 6.04, the District Manager, in a notice given to the Licensee, may require the Licensee to pay the costs incurred by the District Manager in carrying out the assessment.

## **7.00 MANAGEMENT PLAN**

- 7.01 The Licensee must comply with a management plan approved in accordance with the *Forest Act*.

## **8.00 CUTTING PERMITS**

- 8.01 Subject to Part 1 and Paragraph 8.02, the Licensee may submit an application to the District Manager for a cutting permit to authorize the Licensee to harvest one or more proximate areas of Schedule "A" or "B" Lands for the portion of the allowable annual cut available to the Licensee that are:
- (a) identified on an approved forest development plan; or
  - (b) exempted under the *Forest Practices Code of British Columbia Act* from the requirement of a forest development plan, or exempted under



- the *Forest and Range Practices Act* from the requirement for a forest stewardship plan; or
  - (c) located within a forest development unit of an approved forest stewardship plan.
- 8.02 For those areas of Schedule "B" Land or in timber Licences under Schedule "A" Land to be included in the application under Paragraph 8.01, the Licensee must ensure that cruise and appraisal data submitted is gathered and compiled according to the appraisal manual.
- 8.03 An application for a cutting permit submitted under Paragraph 8.01 must:
- (a) be in a form established by the District Manager;
  - (b) state the proposed term that does not exceed four years;
  - (c) include;
    - (i) a map to a scale acceptable to the District Manager showing the areas referred to in the application; and
    - (ii) the cruise data and appraisal data referred to in Paragraph 8.02; and
 a description acceptable to the District Manager of any timber that is reserved from cutting, removal or cutting and removal.
- 8.04 The areas of land shown on the map referred to in clause 8.03(c)(i) must be:
- (a) the areas referred to in Subparagraph 8.01(a); or
  - (b) areas referred to in Subparagraph 8.01(b); or
  - (c) located within a forest development unit referred to in Subparagraph 8.01(c);
- allowing for difference in scale between maps used in the forest development plan, forest stewardship plan, or exemption and the map referred to in clause 8.03(c)(i).
- 8.05 Subject to Paragraphs 8.06 through 8.09 inclusive and 8.04, upon receipt of an application under Paragraph 8.01, the District Manager will issue a cutting permit to the Licensee if:
- (a) there is a management plan in effect under this Licence;
  - (b) the District Manager is satisfied that;
    - (i) the requirements of Paragraphs 8.01, 8.02, 8.03 and 8.04 have been met;
    - (ii) activities and operations under the cutting permit will be consistent with this Licence and the management plan referred to in Subparagraph 8.05(a).

- 8.06 The District Manager may consult aboriginal group(s) who exercise, or claim to hold an aboriginal interest(s) or proven aboriginal right(s), including aboriginal title, or treaty right(s), if in the opinion of the District Manager, issuance of the cutting permit as submitted and/or operations under the cutting permit may result in:
- (a) an impact to an aboriginal interest(s) that requires consideration of accommodation; or
  - (b) an infringement of a proven aboriginal right(s), including aboriginal title, or treaty right(s) that may require justification.
- 8.07 The District Manager may impose conditions in a cutting permit to address an aboriginal interest(s), or proven aboriginal right, including aboriginal title, or a treaty right(s) if in the opinion of the District Manager, issuance of the cutting permit as submitted would result in:
- (a) an impact to an aboriginal interest(s) that would require consideration of accommodation; or
  - (b) an infringement of a proven aboriginal right(s), including aboriginal title, or treaty right(s) that would require justification.
- 8.08 The District Manager may refuse to issue a cutting permit if in the opinion of the District Manager issuance of the cutting permit or an amendment to a cutting permit would result in:
- (a) an impact to an aboriginal interest(s) or treaty right(s) that could not be reasonably accommodated; or
  - (b) an impact to a proven aboriginal right(s), including aboriginal title, or a treaty right(s) that could not be justified.
- 8.09 If the District Manager:
- (a) determines that a cutting permit may not be issued because the requirements of Paragraph 8.05 have not been met;
  - (b) is carrying out consultations under Paragraph 8.06; or
  - (c) refuses to issue a cutting permit under Paragraph 8.08;
- the District Manager will notify the Licensee within 45 days of the date on which the application for the cutting permit was received.
- 8.10 A cutting permit must:
- (a) identify the boundaries of the areas of Schedule "A" or "B" Land which, subject to this Licence, the Licensee is authorized to conduct operations;
  - (b) specify the term stated in the application;
  - (c) specify a timber mark to identify all timber removed under the cutting permit;

- (d) specify, for timber on Schedule "A" Land subject to a timber Licence and Schedule "B" Land, whether, for the purpose of determining the amount of stumpage payable in respect of timber removed under the cutting permit, the volume or quantity of timber is to be determined using information provided by;
    - (i) a scale of the timber; or
    - (ii) a cruise of the timber conducted before the timber is cut;
  - (e) specify any timber that is reserved from cutting, removal, or cutting and removal; and
  - (f) include such other provisions, consistent with this Licence, as determined by the District Manager.
- 8.11 The District Manager may amend a cutting permit only with the consent of the Licensee.
- 8.12 The Licensee may only make application to the District Manager for a cutting permit extension at least 45 days before the expiry of the cutting permit and in a form acceptable to the District Manager.
- 8.13 A cutting permit is deemed to be part of this Licence.
- 8.14 All cutting permits in effect that were issued under the tree farm Licence that is replaced by this Licence continue under this Licence for the duration of their respective terms.

## **9.00 ACCESS AND ACCOMMODATION**

- 9.01 Nothing in this Licence authorizes the Licensee to in any way restrict the Crown's right of access to Crown lands.
- 9.02 Any Ministry employee may:
  - (a) enter onto Schedule "A" Land; and
  - (b) use roads owned or deemed to be owned by the Licensee;
 for any purpose arising out of the administration of this Licence.
- 9.03 The Licensee will allow any person who has been granted rights to timber referred to in Part 2.00 or under Section 69 of the *Forest Act*, to use any road referred to in Subparagraph 9.02(b) for the purpose of exercising rights or fulfilling obligations within the Licence area.
- 9.04 The Licensee will not require any payment from a person referred to in Paragraph 9.03 other than a reasonable payment in respect of the actual maintenance costs of the road.
- 9.05 The Ministry may carry out on Crown lands:
  - (a) silviculture operations the Crown is required to carry out under the forestry legislation; and

- (b) any other silviculture operations, provided it does not:
  - (i) compromise the management plan in effect under this Licence or a forest development plan or forest stewardship plan approved in respect of this Licence; or
  - (ii) unreasonably interfere with the Licensee's operations under this Licence.
- 9.06 Where the Regional Manager, District Manager or Timber Sales Manager carries out silviculture referred to in Paragraph 9.05, the Regional Manager, District Manager or Timber Sales Manager, as the case may be, will ensure the silviculture is consistent with the intent of the management plan in effect under this Licence, except where the Regional Manager or District Manager is required to depart from the intent of the management plan because of the requirements of a higher level plan or the forestry legislation.
- 9.07 Upon reasonable notice from the Regional Manager, District Manager or Timber Sales Manager, the Licensee will provide a Ministry employee with reasonable office and living accommodation on premises owned or operated by the Licensee in or near the Licence area, to enable the Ministry employee to fulfill an obligation or exercise a right under this Licence.
- 9.08 The Licensee may charge the Regional Manager, District Manager or Timber Sales Manager, as the case may be, for costs reasonably incurred in providing the accommodation referred to in Paragraph 9.07.

## **10.00 CONTRACTORS**

- 10.01 Each year during the term of this Licence, the Licensee will ensure that not less than:
  - (a) **50 %** of the volume of timber harvested by or on behalf of the Licensee from the Licence area during the year, multiplied by;
  - (b) the result obtained by the division of;
    - (i) the portion of the allowable annual cut that the Chief Forester determines is attributable to Schedule "B" Land; by
    - (ii) the allowable annual cut;
 is harvested by persons under contract with the Licensee.
- 10.02 Compliance with Paragraph 10.01 will be calculated in accordance with the method prescribed under the *Forest Act* or the regulations made under that Act.
- 10.03 If in a calendar year the volume of timber harvested by persons under contract with the Licensee is less than the volume required under Paragraph 10.01, the Regional Manager, in a notice given to the Licensee,

may require the Licensee to pay an amount determined in accordance with Paragraph 10.04.

- 10.04 For the purpose of determining the amount payable under Paragraph 10.03, the Regional Manager will multiply:
- (a) the volume required under Paragraph 10.01, minus the volume harvested during the calendar year by persons under contract; by
  - (b) the average stumpage rate charged for sawlogs in statements or invoices issued to the Licensee during the calendar year in respect of timber harvested under this Licence.
- 10.05 The Minister may relieve the Licensee from the requirements of this part to the extent provided for under the *Forest Act* or the regulations made under that Act.
- 10.06 The Licensee may contract to have more than the volume required under Paragraph 10.01 harvested by persons under contract.

#### **11.00 COURT DETERMINED ABORIGINAL RIGHTS AND/OR TITLE**

- 11.01 Notwithstanding any other provision of this Licence, if a court of competent jurisdiction:
- (a) determines that activities or operations under or pursuant to 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 11.01(a); or
  - (c) grants an injunction pending a determination of whether activities or operations under or pursuant to this Licence will unjustifiably infringe an aboriginal right and/or title or treaty right;
- the Regional Manager or District Manager, in a notice given to the Licensee, may vary or suspend, in whole or in part, or refuse to issue a cutting permit, road permit, special use permit or free use permit issued to the Licensee so as to be consistent with the court determination.
- 11.02 Subject to this Licence and forestry legislation, if:
- (a) under Paragraph 11.01, the Regional Manager or District Manager has varied a cutting permit, road permit, special use permit or free use permit 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 permit to reflect as closely as possible, for the remainder of its term, the terms and conditions of the permit prior to the variation under Paragraph 11.01.

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

- (a) under Paragraph 11.01, the Regional Manager or District Manager has suspended a cutting permit, road permit, special use permit or free use permit 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 reinstate the permit for the remainder of its term.

11.04 Subject to this Licence, if:

- (a) under Paragraph 11.01, the Regional Manager or District Manager has refused to issue a cutting permit, road permit, special use permit or free use permit 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 issue the permit.

## **12.00 REPORTING**

12.01 The Regional Manager, in a notice given to the Licensee by April 1, may require the Licensee to submit reports containing such information as the government requires concerning:

- (a) the Licensee's performance of its obligations under or in respect of this Licence; and
- (b) the approved management plan and allowable annual cut rationale and conditions from the Chief Forester's approval letter;

in the previous calendar year if the information is not included in any other reports which the Licensee must submit under the forestry legislation.

12.02 Upon receipt of a notice referred to in Paragraph 12.01, the Licensee, on or before the date specified in the notice, must submit a report to the Regional Manager containing the required information.

- 12.03 Subject to Paragraph 12.04, the Regional Manager may include the information contained in a report submitted under Paragraph 12.02 in any reports prepared by the Ministry for public review.
- 12.04 Subject to the *Freedom of Information and Protection of Privacy Act*, the Regional Manager will not disclose information provided in confidence by the Licensee in a report submitted under Paragraph 12.02.

### 13.00 FINANCIAL AND DEPOSITS

- 13.01 In addition to any money payable under the forestry legislation in respect of this Licence, a cutting permit, road permit associated with this Licence, special use permit or a free use permit issued to the Licensee, the Licensee will pay to the Crown, immediately upon receipt of a notice, statement or invoice issued on behalf of the Crown:
- (a) stumpage under Part 7 of the *Forest Act* in respect of timber removed;
    - (i) under a cutting permit from;
      - (A) Schedule "B" Land; or
      - (B) Schedule "A" Land subject to a timber Licence; or
    - (ii) under a road permit;

at rates determined, redetermined and varied under Section 105 of that Act; and
  - (b) any payments required under Part 6.00 or Part 10.00 of this Licence.
- 13.02 During the term of this Licence, the Licensee will maintain with the Crown a deposit in the amount prescribed under the *Forest Act* or the regulations made under that Act, in a form acceptable to the Minister, as security for the Licensee's performance of its obligations under or in respect of this Licence, a cutting permit, road permit or special use permit, or a free use permit issued to the Licensee.
- 13.03 If the Regional Manager or District 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, will pay to the Crown, in a form acceptable to the Minister, an amount sufficient to replenish the deposit.
- 13.04 If the Licensee fails:
- (a) to pay money that the Licensee is required to pay to the Crown under;
    - (i) this Licence, a cutting permit, road permit, special use permit, free use permit issued to the Licensee; or
    - (ii) in respect of this Licence, a cutting permit, road permit, special use permit, free use permit issued to the Licensee; or



- (b) to otherwise perform its obligations under;
    - (i) this Licence, a cutting permit, road permit, special use permit, free use permit issued to the Licensee; or
    - (ii) in respect of this Licence, a cutting permit, road permit, special use permit, free use permit issued to the Licensee;

the Regional Manager or District Manager, after at least four weeks notice to the Licensee, may instruct the Crown agency holding the deposit to 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 reasonably incurred by the Regional Manager or District Manager in remedying the Licensee's failure to perform its obligations; or
  - (e) an amount equal to the Regional Manager's or District Manager's estimate of the costs which the Regional Manager or District 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.

13.05 A notice referred to in Paragraph 13.04 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 Regional Manager or District Manager intends to take from the deposit.

13.06 Subject to Paragraphs 13.08, 13.09 and 13.10, if:

- (a) the Crown agency holding the deposit, under Paragraph 13.04, takes from the deposit an amount equal to the Regional Manager's or District Manager's estimate of the costs which the Regional Manager or District Manager could reasonably expect to incur in remedying the Licensee's failure to perform its obligations; and
- (b) the costs reasonably incurred by the Regional Manager or District Manager in remedying the Licensee's failure to perform its obligations are less than the amount taken from the deposit;

the Crown 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 reasonably incurred by the Regional Manager or District Manager.

13.07 If:

- (a) the Crown agency holding the deposit, under Paragraph 13.04, takes from the deposit an amount equal to the Regional Manager's or District Manager's estimate of the costs which the Regional Manager



or District Manager could reasonably expect to incur in remedying the Licensee's failure to perform its obligations; and

- (b) the costs reasonably incurred by the Regional Manager or District Manager in remedying the Licensee's failure to perform its obligations are greater than the amount taken from the deposit;

the Crown agency holding the deposit may take from the deposit an additional amount equal to the difference between the costs incurred by the Regional Manager or District Manager and the amount originally taken from the deposit, and for that purpose a security included in the deposit may be realized.

- 13.08 If the Crown agency holding the deposit, under Paragraph 13.04, takes from the deposit an amount equal to the Regional Manager's or District Manager's estimate of the costs which the Regional Manager or District Manager could reasonably expect to incur in remedying the Licensee's failure to perform its obligations, the Regional Manager or District Manager is under no obligation to remedy the Licensee's failure.

13.09 If:

- (a) the Crown agency holding the deposit, under Paragraph 13.04, takes from the deposit an amount equal to the Regional Manager's or District Manager's estimate of the costs which the Regional Manager or District Manager could reasonably expect to incur in remedying the Licensee's failure to perform its obligations;
- (b) the Regional Manager or District Manager does not remedy the Licensee's failure to perform its obligations; and
- (c) the Regional Manager or District Manager gives a notice to the Licensee indicating that the Crown will not be remedying the Licensee's failure to perform its obligations;

subject to Paragraph 13.10, the Crown may retain the amount taken from the deposit under Paragraph 13.04.

- 13.10 If, after receiving a notice referred to in Paragraph 13.09, the Licensee:

- (a) remedies the failure to perform its obligations; and
- (b) gives a notice to that effect to the Regional Manager or District Manager within three months of the date on which the notice referred to in Paragraph 13.09 is given to the Licensee, or within such longer period as the Regional Manager may approve;

the Crown will return to the Licensee an amount equal to the difference between the amount taken from the deposit and any costs reasonably incurred by the Regional Manager or District Manager in respect of the Licensee's failure to perform its obligations.

- 13.11 Subject to the *Forest Act* and the regulations made under that Act, the Crown will return to the Licensee the deposit, less deductions made under Paragraphs 13.04 and 13.07, when:
- (a) this Licence expires, or is surrendered; and
  - (b) the Minister is satisfied that the Licensee has fulfilled its obligations under this Licence.

#### **14.00 CONDITIONS IMPOSED UPON ACCEPTANCE OR APPROVAL**

- 14.01 Where, under this Licence, a Ministry employee has discretion to make his or her acceptance or approval of a document or plan subject to a condition, the Ministry employee will exercise that discretion in a reasonable manner, having regard to the purposes and functions of the Ministry set out in Section 4 of the *Ministry of Forests Act*.
- 14.02 The Licensee, in a notice given to the appropriate Ministry employee within 15 days of the date on which the notice of acceptance or approval is given to the Licensee, may reject any condition to which the acceptance or approval is subject, in which case the notice of approval or acceptance is deemed to be a notice that the applicable document or plan is not accepted or approved for the reasons set out in the conditions.

#### **15.00 LIABILITY AND INDEMNITY**

- 15.01 Subject to Paragraph 15.04, the Licensee will indemnify the Crown against and save it harmless from all claims, demands, suits, actions, causes of action, costs, expenses and losses faced, incurred or suffered by the Crown as a result, directly or indirectly, of any act or omission of:
- (a) the Licensee;
  - (b) an employee of the Licensee;
  - (c) an agent of the Licensee;
  - (d) 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, a cutting permit, road permit or special use permit, or a free use permit issued to the Licensee; or
  - (e) 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 operations, under or associated with this Licence, a cutting permit, road permit or special use permit, or a free use permit issued to the Licensee.
- 15.02 For greater certainty, the Licensee has no obligation to indemnify the Crown under Paragraph 15.01 in respect of any act or omission of:

- (a) an employee, agent or contractor of the Crown, in the course of carrying out his or her duties as employee, agent or contractor of the Crown; or
  - (b) a person, other than the Licensee, to whom the Crown has granted the right to use or occupy Crown land, including a person who has been granted the right to harvest timber referred to in Part 2, in the course of exercising those rights.
- 15.03 The Crown 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.
- 15.04 Paragraph 15.01 does not apply to an act or omission which is a direct response to, and complies with, an order made by a Ministry employee or another officer of the Crown.
- 15.05 Amounts taken under Part 13.00 from the deposit, any payments required under Part 6.00 or Part 10.00, any reductions made under the *Forest Act* and regulations to the portion of the allowable annual cut available to the Licensee, and payments required further to the indemnity referred to in Paragraph 15.01, are in addition to and not in substitution for any other remedies available to the Crown in respect of a default of the Licensee.

## 16.00 TERMINATION

- 16.01 If this Licence expires and is not replaced under Section 36 of the Forest Act, or is surrendered, cancelled or otherwise terminated:
- (a) all cutting permits will immediately terminate; and
  - (b) timber, including logs and special forest products, cut under the authority of this Licence and which are still located on Crown land, vest in the Crown, without right of compensation to the Licensee; and
  - (c) unless otherwise agreed to between the District Manager and the Licensee prior to the surrender, cancellation or termination of this Licence, title to all improvements, including roads and bridges, constructed by the Licensee on Crown land under the authority of this Licence vest in the Crown, without right of compensation to the Licensee; and
  - (d) the Licensee may continue to enter and use Crown land for a period of one month after the expiry or termination of this Licence for the purpose of removing the Licensee's property.

- 16.02 The Licensee will not take away any improvements or remove any timber referred to in Subparagraph 16.01(b), unless authorized to do so by the Regional Manager.
- 16.03 If the Licensee commits an act of bankruptcy, makes a general assignment of its creditors or otherwise acknowledges its insolvency the Licensee is deemed to have failed to perform an obligation under this Licence.

## **17.00 WAIVER**

- 17.01 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.

## **18.00 NOTICE**

- 18.01 A notice given under this Licence must be in writing.
- 18.02 A notice given under this Licence may be:
- (a) delivered by hand;
  - (b) sent by mail; or
  - (c) subject to Paragraph 18.05, 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.
- 18.03 If a notice is given under this Licence, it is deemed to have been given:
- (a) if it is given in accordance with Subparagraph 18.02(a), on the date it is delivered by hand;
  - (b) if it is given in accordance with Subparagraph 18.02(b), subject to Paragraph 18.04, on the eighth day after it is properly deposited in a Canada Post Office at any place in Canada; and
  - (c) if it is given in accordance with Subparagraph 18.02(c), subject to Paragraph 18.05, on the date it is sent by facsimile transmission.
- 18.04 If, between the time a notice is mailed in accordance with Subparagraph 18.02(b) and the time it is actually received, there occurs a postal strike, lockout or slowdown that might reasonably affect delivery of

the notice, the notice is not deemed to be given until the party actually receives it.

- 18.05 If a notice is sent by facsimile transmission, the party sending the notice must take reasonable steps to ensure that the transmission has been successfully completed.
- 18.06 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.

## **19.00 MISCELLANEOUS**

- 19.01 This Licence will inure to the benefit of, and be binding on, the parties and their respective heirs, executors, successors and permitted assigns.
- 19.02 The laws of British Columbia will govern the interpretation of this Licence and the performance of the Parties' obligations under this Licence.
- 19.03 Any power conferred or duty imposed on a Ministry employee referred to in this Licence may be exercised or fulfilled by another Ministry employee designated or authorized to do so by the Minister, the Chief Forester, the Regional Manager, or the District Manager, as appropriate.
- 19.04 The Schedules to this Licence are deemed to be part of this Licence.
- 19.05 Nothing in this Licence or a cutting permit issued under this 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.
- 19.06 Subject to this Licence and all applicable legislation, including but not restricted to the forestry legislation, the Minister will ensure that the obligations under this Licence of the Ministry employees referred to in this Licence are fulfilled.
- 19.07 The Licensee must:
- (a) comply with the forestry legislation; and
  - (b) ensure that its employees, agents and contractors comply with the forestry legislation when engaging in or carrying out activities or operations under or associated with the Licence.
- 19.08 Nothing in this Licence entitles the Licensee to have an area of Schedule "A" Land subject to a timber Licence or Schedule "B" Land, to be replaced with another area, or to have rights awarded under another agreement under the *Forest Act*, in the event:
- (a) timber is damaged or destroyed by pests, fire, wind or other natural causes;

- (b) an area of land is deleted from the Licence area under the forestry legislation, or under any other Act or regulation; or
  - (c) this Licence expires, is surrendered, is cancelled or otherwise terminated.
- 19.09 At the request of the Regional Manager or District Manager, the Licensee will survey and define on the ground any or all boundaries of the Licence area.
- 19.10 Where:
- (a) the boundaries of the Licence area are based on boundaries established under existing or expired timber Licences;
  - (b) the legal description of the boundaries of the Licence area has been derived from original timber Licence survey plans or from reference maps prepared from original timber Licence survey plans; and
  - (c) the legal description differs from the actual ground location of timber Licence corner posts;
- the boundaries of the Licence area are the boundaries as originally established by the actual ground location of the timber Licence corner posts.
- 19.11 The Licensee will use the services of one or more professional foresters to manage the Licence area.

## **20.00 INTERPRETATION & DEFINITIONS**

- 20.01 This Licence is divided into Parts, Paragraphs, Subparagraphs, Clauses and Subclauses, illustrated as follows:
- 1.00 Part;
    - 1.01 Paragraph;
      - (a) Subparagraph;
        - (i) Clause;
          - (A) Subclause;
- and a reference to a Subparagraph, Clause or Subclause is to be construed as a reference to a Subparagraph, Clause or Subclause of the Paragraph, Subparagraph or clause, as the case may be, in which the reference occurs.
- 20.02 In this Licence, unless the context otherwise requires:
- “aboriginal interest” means a potential aboriginal right or aboriginal title that has not been proven through a court process;
  - “alienated Crown land” means Crown land which is not available for inclusion in Schedule “A” Land subject to a timber Licence or Schedule “B” Land, and, without restricting the generality of the foregoing, includes Crown land which;
  - (a) is, as of the effective date of this Agreement, within the area of:



- (i) a park, ecological reserve or conservancy;
  - (ii) a lease, Licence of exclusive occupation, or timber Licence held by a person other than the Licensee; or
  - (iii) a highway or road right of way where the highway or road is, or is deemed, declared or determined to be a public highway under the *Highway Act* or a forest service road under the *Forest Act*; or
- (b) becomes vested in the Crown by escheat, reversion, transfer or otherwise during the term of this Agreement, except as provided in the Agreement;

“cutting permit” means a cutting permit, as amended, issued under this Licence, or an amendment to a cutting permit, as the context requires;

“deposit” means the deposit referred to in Paragraph 13.02;

“District Manager” means;

- (a) a District Manager appointed under the *Ministry of Forests Act*, for a forest district in which all or part of the Licence is situated; and
- (b) any person authorized to act as the District Manager to exercise a power or fulfill a duty under this Licence;

“*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;

“forest development plan” means a forest development plan referred to in the *Forest Practices Code of British Columbia Act*;

“forest stewardship plan” means a forest stewardship plan referred to in the *Forest and Range Practices Act*;

“the forestry legislation” includes;

- (a) the *Forest Act*;
- (b) the *Forest Practices Code of British Columbia Act*;
- (c) the *Forest and Range Practices Act*;

and the regulations under those Acts;

“free use permit” means a free use permit issued under the *Forest Act* to;

- (a) the Licensee; or
- (b) to a person other than the Licensee;

to authorize the harvest of timber within the Licence area;

“harvest” means to;

(a) cut;

(b) remove; or

(c) cut and remove;

“higher level plan” means a higher level plan that is applicable to all or part of the Licence area;

“Licence area” means Schedule “A” and “B” Lands;

“management plan” means a plan approved under the *Forest Act*;

“manual” means a guideline, guidebook, policy, procedure, or manual set or approved by the Ministry;

“merchantable Crown timber” has the same meaning as described in the Provincial Logging Residue and Waste Measurements Procedure Manual, as amended or replaced from time to time;

“Ministry” means the Ministry of Forests and Range;

“*Ministry of Forests Act*” means the *Ministry of Forests and Range Act* R.S.B.C. 1996, c. 300;

“ministry officer” means an employee of the Ministry;

“person” includes a corporation and a partnership;

“pest” means any animal, insect, fungus, bacteria, virus, nematode, or other organism which is detrimental to effective forest management;

“primary logging” includes felling timber and yarding or forwarding the timber to central landings or road-sides, but not including the removal of the timber from these landings or road-sides;

“Regional Manager” means;

(a) a Regional Manager appointed under the *Ministry of Forests and Range Act*, for a forest region in which all or part of the Licence area is situated; and

(b) any person authorized to act as the Regional Manager to exercise a power or fulfill a duty under this Licence;

“remove” means the removal of timber from the Licence area and

“removed” and “removing” have the corresponding meanings;

“resource agency” means any governmental agency, ministry or department having jurisdiction over a resource which may be affected by any activity or operation, including but not restricted to activities or operations, engaged in or carried out under or associated with this Licence or a road permit;

“road permit” means a road permit entered into under the *Forest Act* which provides access to timber removed, or to be removed, under this Licence;



“Schedule “A” Land” means the private land and timber Licences described in Schedule “A” to this Licence;

“Schedule “B” Land” means the Crown land described in Schedule “B” to this Licence;

“Timber Harvesting Land Base” means the portion of the total Licence area considered to contribute to, and be available for, long-term timber supply;

“Timber Sales Manager” means;

(a) a Timber Sales Manager appointed under the *Ministry of Forests and Range Act* for a BC timber sales business area in which all or part of the Licence is situated; and

(b) any person authorized by the Timber Sales Manager to exercise a power or fulfill a duty under this Licence;

“timber supply analysis” means an analysis of the short-term and long-term availability of timber in the Licence area, including an analysis of the short and long-term effect of management practices on the availability of timber;

“timber supply analysis information package” means information relating to the preparation of a timber supply analysis, including information regarding the assumptions to be incorporated into a timber supply analysis, and the methodology to be used in the timber supply analysis;

“timber supply forester” means the Ministry officer designated by the Chief Forester to review the timber supply analysis information package and the timber supply analysis;

“waste” has the same meaning as described in the Provincial Logging Residue and Waste Measurement Procedures Manual;

“*Wildfire Act*” means the *Wildfire Act*, S.B.C. 2004, c. 31, as amended from time to time, or the successor to this Act if it is repealed;

20.03 Unless otherwise provided in Paragraph 20.02, if a word or phrase used in this Licence is defined in the *Forest Act*, the *Forest and Range Practices Act*, the *Forest Practices Code of British Columbia Act* or the *Wildfire Act*, the definition in the Act applies to this Licence, and where the word or phrase in the Act is replaced by a new word or phrase, this Licence is deemed to have been amended accordingly.

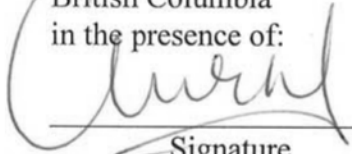
20.04 If a provision of the *Forest Act*, the *Forest and Range Practices Act*, the *Forest Practices Code of British Columbia Act* or the *Wildfire Act* referred to in this Licence is renumbered, the reference in this Licence is to be construed as a reference to the provision as renumbered.

20.05 In this Licence, unless the context otherwise requires:

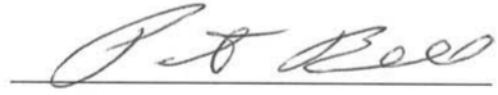
- (a) the singular includes the plural and the plural includes the singular; and
- (b) the masculine, the feminine and the neuter are interchangeable.

IN WITNESS WHEREOF this Licence has been executed by the Minister and the Licensee on the date dates written below.

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

  
Signature )

Cameron Ehl )  
Printed Name )

  
The Honourable Pat Bell  
Minister of Forests, Mines and Lands

NOV 30, 2010  
Dated

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 )

GREGORY MCDADE, Q.C. )  
Printed Name )

Chief Bill Williams  
Licensee

Chief Bill Williams  
President Printed Name and Title

FEB 25 2011  
Dated

**SCHEDULE "A"**  
**TREE FARM LICENCE 38**  
**DESCRIPTION OF CROWN GRANTS & TIMBER LICENCES**

**SCHEDULE A LAND**

- 1.01** Fee simple private forest lands subject to **Tree Farm Licence 38** and Crown land subject to timber Licences contained within the boundaries of the Tree Farm Licence and subject to the Licence.

<b>Grand Summary TFL 38</b>	<b>Hectares (more or less)</b>	
<b>Crown Grants</b>	<b>0</b>	
<b>Timber Licences</b>	<b>0</b>	
<b>Total Area</b>	<b>0</b>	

**SCHEDULE "B"**  
**TREE FARM LICENCE 38**

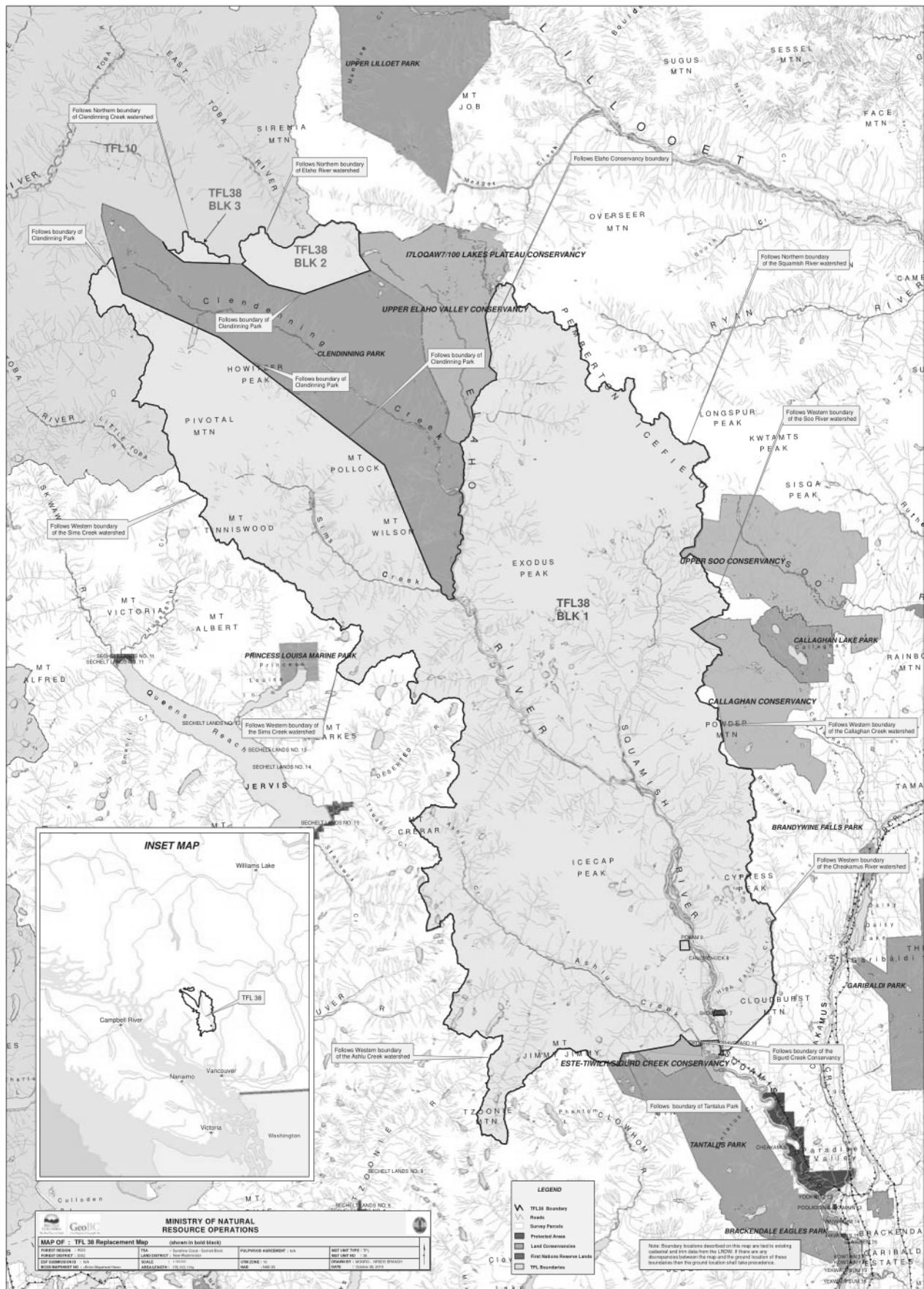
**DESCRIPTION OF CROWN LAND SUBJECT TO THE LICENCE**

**SCHEDULE B LAND**

- 1.01 For the purposes of the definition of "Schedule "B" Land" in Paragraph 20.02 of the Licence, "Crown land described in Schedule "B" to this Licence" means all Crown land within the boundaries described in Paragraph 2.01 of this Schedule, except for:
- (a) "alienated Crown land" as defined in Paragraph 20.02;
  - (b) Crown land reverted subsequent to 1971 which was subject to an old temporary tenure (within the meaning of the *Forest Act* assented to March 30, 1972) and held by a person other than the Licensee;
  - (c) Crown land owned by an agent of the Crown or vested in the federal Crown;
  - (d) all foreshore and land covered by water; and,
  - (e) all surveyed rights of way.

**2.00 BOUNDARIES AND MAP**

- 2.01 The boundaries referred to in Paragraph 1.01 of this Schedule are stored and maintained in their digital form on the B.C. Government's Geographic Warehouse (LRDW) as TFL 38, within the layer named "WHSE\_ADMIN\_BOUNDARIES.FADM\_TFL".
- These boundaries were based on the original "metes and bounds" legal description of the TFL boundary and includes all subsequent boundary changes, including the following made during the term of the previous agreement effective June 2, 2001:
- (1) Instrument No. 14, dated February 16, 2006, deleting 255.741 hectares (removal of all private lands); and,
  - (2) *Forest Act* Section 60.2 Order dated June 27, 2008 and March 6, 2009 protection of 31,782 hectares for Conservancy Areas.
- 2.02 The bold black line on the attached map generally describes the outer boundary of TFL 38. The attached map is for reference only, and may not identify all alienated Crown land and other exceptions identified in Paragraph 1.01 of this Schedule. If a difference exists between the map and the digital files referred to in Paragraph 2.01, the digital files in the Land and Resource Data Warehouse (LRDW) shall govern.





**WOODLOT LICENCE  
W1930**

Ministry of  
Forests, Lands and  
Natural Resource Operations

**THIS LICENCE**, dated for reference **September 22, 2015**.

**BETWEEN:**

HER MAJESTY THE QUEEN IN RIGHT  
OF THE PROVINCE OF BRITISH COLUMBIA,  
AS REPRESENTED BY THE **DISTRICT MANAGER**, of the  
MINISTRY OF FORESTS, LANDS AND  
NATURAL RESOURCE OPERATIONS  
**SEA TO SKY NATURAL RESOURCE DISTRICT**  
**101-42000 LOGGERS LANE**  
**SQUAMISH, BRITISH COLUMBIA**  
**V8B 0H3**  
Phone: **604-898-2100** Fax: **604-898-2191**  
Email address: **Forests.SquamishDistrictOffice@gov.bc.ca**  
(the “District Manager”)

**AND:**

**SQUAMISH NATION**  
**415 WEST ESPLANADE**  
**NORTH VANCOUVER, BRITISH COLUMBIA**  
**V7M 1A6**  
Phone: **604-980-4553** Fax:  
(the “Licensee”)

**WHEREAS:**

- A. Pursuant to section 46 (1) of the *Forest Act*, the **District Manager** offered the Licensee a replacement for Woodlot Licence W1930 dated September 22, 2005
- B. The Licensee accepted the replacement offer,
- C. The parties have entered into this Licence pursuant to section 46 (7) of the *Forest Act*.

“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.”

## **TABLE OF CONTENTS**

1.00	GRANT OF RIGHTS AND TERM .....	4
2.00	OTHER CONDITIONS AND REQUIREMENTS .....	5
3.00	TIMBER VOLUME CHARGED TO THE LICENCE .....	5
4.00	WASTE ASSESSMENT .....	5
5.00	MANAGEMENT PLAN .....	5
6.00	CUTTING PERMITS .....	8
7.00	ACCESS .....	11
8.00	COURT DETERMINED ABORIGINAL RIGHTS AND/OR TITLE .....	12
9.00	REPORTING .....	13
10.00	FINANCIAL AND DEPOSITS .....	13
11.00	REPRESENTATIONS .....	17
12.00	LIABILITY AND INDEMNITY .....	18
13.00	TERMINATION .....	19
14.00	WAIVER .....	19
15.00	NOTICE .....	20
16.00	MISCELLANEOUS .....	20
17.00	INTERPRETATION & DEFINITIONS .....	21
	SCHEDULE “A” .....	26
	SCHEDULE “B” .....	27
	SCHEDULE “C” .....	28



**THE PARTIES** agree as follows:

**1.00 GRANT OF RIGHTS AND TERM**

- 1.01 The term of this Licence is **20 years**, beginning on **September 22, 2015**.
- 1.02 Subject to this Licence and the forestry legislation, the **District Manager** grants the Licensee:
  - (a) the exclusive right during the term of this Licence to harvest Crown timber from Schedule “B” Land;
  - (b) the right to manage Schedule “B” Land in accordance with this Licence, the forestry legislation, the management plan in effect under this Licence, and operational plans approved in respect of this Licence; and
  - (c) the right to enter Schedule “B” Land for the purpose of exercising a right or fulfilling an obligation under or associated with this Licence.
- 1.03 The Licensee must not harvest timber:
  - (a) from Schedule “A” Land except under a cutting permit; or
  - (b) from Schedule “B” Land except under a cutting permit or road permit.
- 1.04 Subparagraph 1.03 (a) does not apply to:
  - (a) a reserve as defined under the *Indian Act (Canada)*; or
  - (b) a road clearing width on private land.
- 1.05 Subject to paragraph 1.06, the Licensee will not enter, use or occupy Schedule “B” Land:
  - (a) except under and in accordance with a cutting permit, road permit, or special use permit, as well as an activity in an approved management plan; or
  - (b) as otherwise authorized under the forestry legislation.
- 1.06 Paragraph 1.05 does not apply to temporary use or occupation for the purpose of:
  - (a) carrying out silviculture activities;
  - (b) collecting inventory information;
  - (c) doing engineering layouts and surveys;
  - (d) carrying out protection activities under the forestry legislation; or
  - (e) fulfilling other obligations or conducting other activities incidental to the operations of the Licensee under or associated with this Licence.

## **2.00 OTHER CONDITIONS AND REQUIREMENTS**

- 2.01 The Licensee is bound by and must comply with the conditions and requirements set out in Schedule “C” to this Licence.
- 2.02 The Licensee must not harvest timber if the timber is specified as reserved timber in a cutting permit, or under an applicable operational plan or the forestry legislation.
- 2.03 The District Manager may refuse to issue a cutting permit if a required operational plan has not been approved for an area of land referred to in the application for the cutting permit.

## **3.00 TIMBER VOLUME CHARGED TO THE LICENCE**

- 3.01 The definition of the volume of timber harvested in part 4, division 3.1 of the *Forest Act* applies to this Licence.
- 3.02 The determination of the volume of timber harvested will incorporate the volume of waste determined under part 4.00.
- 3.03 The Coast timber merchantability specifications in the Provincial Logging Residue and Waste Measurement Procedures Manual that was in effect on the date of issuance of the cutting permit or road permit, shall govern.

## **4.00 WASTE ASSESSMENT**

- 4.01 The Licence Holder must conduct a waste assessment of the volume of merchantable timber, whether standing or felled, that was authorized to be cut and removed under the Licence, and under Road Permits associated with this Licence but, at the Licence Holder’s discretion, was not cut and removed.
- 4.02 A waste assessment conducted under paragraph 4.01 must be in accordance with the Provincial Logging Residue and Waste Measurement Procedures Manual, as amended or replaced from time to time.

## **5.00 MANAGEMENT PLAN**

- 5.01 The Licensee must submit a proposed management plan to the District Manager on or before a date specified by the District Manager in a notice given to the Licensee.
- 5.02 A proposed management plan submitted under paragraph 5.01 or subparagraph 5.04 (b) must:
  - (a) be prepared in accordance with:
    - (i) any directions of the District Manager; and
    - (ii) any applicable handbook;
  - (b) be consistent with:

- (i) this Licence;
  - (ii) the forestry legislation; and
  - (iii) higher level plans under the forestry legislation;
- (c) include inventories of the timber resources in the licence area, prepared in the manner, presented in the format and meeting the specifications referred to in:
  - (i) any directions of the District Manager; and
  - (ii) any applicable handbook;
- (d) include any other inventories and information regarding the development, management and use of the licence area that the District Manager requires to determine the allowable annual cut for the licence area;
- (e) propose an allowable annual cut for the licence area which considers the following:
  - (i) inventories and other information referred to in subparagraphs 5.02 (c) and 5.02 (d);
  - (ii) timber harvest specifications applicable to the timber resources in the licence area;
  - (iii) the management and conservation of non-timber resource values in the licence area, including visual quality, biological diversity, soils, recreation resources, cultural heritage resources, range land, wildlife, water and fish habitats;
  - (iv) the control of forests health factors or salvage of timber damaged by catastrophic events;
  - (v) silviculture practices and forest health factors that may impact on timber production;
  - (vi) the anticipated impact of the reductions to the productive portion of the licence area due to permanent roads, landings, pits and trails; and
  - (vii) any other factors that may impact on the allowable annual cut for the licence area;
- (f) contain a rationale for the proposed allowable annual cut referred to in subparagraph 5.02 (e) prepared in accordance with:
  - (i) any directions of the District Manager; and
  - (ii) any applicable handbook;
- (g) if required in:
  - (i) any directions of the District Manager; or

- (ii) any applicable handbook;

provide some or all of the information referred to in this paragraph in the form of maps meeting the requirements of the District Manager or the handbook, as the case may be; and
  - (h) contain, if required by the District Manager:
    - (i) a commitment to update the inventories and information referred to in subparagraphs 5.02 (c) and 5.02 (d), and wherever applicable;
    - (ii) any outstanding commitments made in the Licensee's application for the Woodlot Licence as identified in the Management Plan.
- 5.03 The District Manager, within three months after the date on which the District Manager receives a proposed management plan submitted under paragraph 5.01 or subparagraph 5.04 (b), will in a notice given to the Licensee approve the proposed management plan, subject to such conditions as the District Manager considers necessary or appropriate, if:
- (a) the District Manager is satisfied that the proposed management plan meets the requirements of paragraph 5.02;
  - (b) the proposed management plan includes inventories and information referred to subparagraphs 5.02 (c) and (d) which are satisfactory to the District Manager; and
  - (c) the District Manager has determined an allowable annual cut for the licence area, based on the proposed management plan.
- 5.04 If the District Manager does not approve a proposed management plan under paragraph 5.03:
- (a) the District Manager, within three months after the date on which the District Manager receives the proposed management plan, will specify in a notice given to the Licensee why the District Manager has not approved the proposed management plan; and
  - (b) the Licensee, within one month after the date on which the Licensee is given the notice referred to in subparagraph 5.04 (a), must submit a new or revised proposed management plan to the District Manager.
- 5.05 Subject to paragraph 5.06, the management plan in effect under this Licence expires three months after the date upon which the Licensee is required to submit a proposed management plan pursuant to a notice given to the Licensee under paragraph 5.01.
- 5.06 If:

- (a) the District Manager, within three months after the date on which the District Manager receives a proposed management plan submitted under paragraph 5.01, has neither:
  - (i) approved the proposed management plan under paragraph 5.03; nor
  - (ii) given the Licensee a notice referred to in subparagraph 5.04 (a); and
- (b) there is a management plan in effect under this Licence;

then the term of the management plan referred to in subparagraph (b) is deemed to be extended until such time as the District Manager approves the proposed management plan under paragraph 5.03, or gives the Licensee a notice referred to in subparagraph 5.04 (a), as the case may be.

5.07 The Licensee must manage both Schedule “A” Land and Schedule “B” Land in accordance with the management plan in effect under this Licence.

5.08 A management plan approved by the District Manager under:

- (a) section 44(10) of the *Forest Act*; or
- (b) the Woodlot Licence replaced by this Licence; or
- (c) paragraph 5.03;

is deemed to be part of this Licence during the period the management plan remains in effect.

## **6.00 CUTTING PERMITS**

6.01 Subject to paragraphs 6.02, 6.03 and 6.04, the Licensee may submit an application to the District Manager for a cutting permit to authorize the Licensee to harvest one or more proximate areas of land within the licence area which are either:

- (a) identified in a forest development plan or a woodlot licence plan for which the Licensee may, during the term of the forest development plan or woodlot licence plan, apply for a cutting permit; or
- (b) exempted under the *Forest and Range Practices Act* from the requirement for a woodlot licence plan.

6.02 For those areas to be included in the application under paragraph 6.01, the Licence holder must ensure that the data submitted is gathered and compiled according to the Coast Appraisal Manual.

6.03 An application under paragraph 6.01 must:

- (a) be in a form established by the District Manager;
- (b) state a proposed term that does not exceed four years;

- (c) include:
  - (i) a map to a scale acceptable to the District Manager showing the areas referred to in the application; and
  - (ii) the information referred to in paragraph 6.02; and
  - (iii) a description acceptable to the District Manager of any timber that is reserved from cutting.
- 6.04 The areas of land shown on the map referred to in clause 6.03 (c) (i) must be consistent with:
  - (a) areas referred to in paragraph 6.01(a); or
  - (b) located within a forest development plan or a woodlot licence plan referred to in subparagraph 6.01(b) allowing for any difference in scale between maps used in the forest development plan or a woodlot licence plan, or exemption and the map referred to in clause 6.03(c)(i).
- 6.05 Subject to paragraphs 6.06 through 6.13 inclusive and paragraph 6.04 and 8.01, upon receipt of an application for a cutting permit submitted under paragraph 6.01, the District Manager will issue a cutting permit to the Licensee if:
  - (a) there is a management plan in effect under this Licence;
  - (b) the requirements of paragraphs 6.01 through 6.04 inclusive have been met;
  - (c) the location of the areas of land referred to in the application for the cutting permit, and the types of terrain and timber, meet any conditions or requirements referred to in part 2.03; and,
  - (d) the District Manager is satisfied that activities and operations under or associated with the cutting permit will be consistent with this Licence, the forestry legislation, operational plans, higher level plans, the management plan referred to in subparagraph 6.05(a), and any operational plans approved in respect of the areas of land referred to in the cutting permit.
- 6.06 The District Manager may consult trappers, guide outfitters, range tenure holders and other licenced resource users, who may be affected directly or indirectly by activities or operations under or associated with a cutting permit, engaged in or carried out on areas of land referred to in an application for the cutting permit.

- 6.07 The District Manager may consult other resource agencies for the purpose of determining whether activities and operations under or associated with a cutting permit, engaged in or carried out on areas of land referred to in an application for a cutting permit, meet the requirements of the forestry legislation.
- 6.08 The District Manager may consult an aboriginal group(s) who may be exercising or claiming to hold an aboriginal interest(s) or proven aboriginal right(s), including aboriginal title, or treaty right(s) if in the opinion of the District Manager, issuance of the cutting permit or an amendment to a cutting permit as submitted and/or operations under the cutting permit may result in:
- (a) an impact to an aboriginal interest(s) that may require consideration of accommodation; or
  - (b) an infringement of a proven aboriginal right(s), including aboriginal title, or treaty right(s) that may require justification.
- 6.09 The District Manager may impose conditions in a cutting permit to address an aboriginal interest(s), or proven aboriginal right, including aboriginal title, or a treaty right(s) if in the opinion of the District Manager, issuance of the cutting permit as submitted would result in:
- (a) an impact to an aboriginal interest(s) that would require consideration of accommodation; or
  - (b) an infringement of a proven aboriginal right(s), including aboriginal title, or treaty right(s) that would require justification.
- 6.10 The District Manager may refuse to issue a cutting permit or to amend a cutting permit if in the opinion of the District Manager issuance of the cutting permit or an amendment to a cutting permit would result in:
- (a) an impact to an aboriginal interest(s) or treaty right(s) that could not be reasonably accommodated; or
  - (b) an impact to a proven aboriginal right(s), including aboriginal title, or a treaty right(s) that could not be justified.
- 6.11 If the District Manager:
- (a) determines that a cutting permit may not be issued because the requirements of paragraph 6.05 have not been met;
  - (b) is carrying out consultations under paragraph 6.08; or
  - (c) refuses to issue a cutting permit under paragraph 6.10 or 6.11;
- the District Manager will notify the Licensee within 45 days of the date on which the application for the cutting permit was submitted.
- 6.12 A cutting permit must:

- (a) identify the boundaries within the Woodlot Licence area upon which, subject to this Licence and the forestry legislation, the Licensee is authorized to conduct operations;
  - (b) specify a term stated in the application;
  - (c) specify a timber mark to be used in conjunction with the timber harvesting operations carried out under the cutting permit;
  - (d) specify whether, for the purpose of determining the amount of stumpage payable in respect of timber removed under the cutting permit, the volume or quantity of timber is to be determined using information provided by:
    - (i) a scale of the timber; or
    - (ii) a cruise of the timber conducted before the timber is cut;
  - (e) specify any timber that is reserved from cutting; and,
  - (f) include such other provisions, consistent with this Licence, as the District Manager considers necessary or appropriate.
- 6.13 The District Manager may amend a cutting permit only with the consent of the Licensee.
- 6.14 The Licensee is required to make application to the District Manager for an extension to a cutting permit at least 45 days before expiry of the cutting permit in a form as required by the District Manager.
- 6.15 A cutting permit is deemed to be part of this Licence.
- 6.16 All cutting permits in effect that were issued under the Woodlot Licence that is replaced by this Licence continue under this Licence for the duration of their respective terms.

## **7.00 ACCESS**

- 7.01 Nothing in this Licence authorizes the Licensee to in any way restrict the Crown's right of access to Crown lands.
- 7.02 The Regional Executive Director or District Manager may:
- (a) enter onto Schedule "A" Land; and
  - (b) use roads owned or deemed to be owned by the Licensee;
- for the purpose inspecting the Licensee's activities under or associated with this Licence, and for the purpose of fulfilling an obligation or exercising a right under this Licence.
- 7.03 The Licence Holder will allow any person who has been granted rights to timber under the *Forest Act*, to use any road referred to in subparagraph 7.02 (b) for the purpose of exercising rights or fulfilling obligations within the Woodlot Licence area.



## **8.00 COURT DETERMINED ABORIGINAL RIGHTS AND/OR TITLE**

8.01 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 (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, or may vary or suspend, or refuse to issue a cutting permit or road permit to the Licensee so as to be consistent with the court determination.

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

- (a) under paragraph 8.01, the Regional Executive Director or District Manager has varied this Licence or a cutting permit or road permit 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 or permit to reflect as closely as possible, for the remainder of its term, the terms and conditions of the Licence or permit prior to the variation under paragraph 8.01.

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

- (a) under paragraph 8.01, the Regional Executive Director or District Manager has suspended this Licence or a cutting permit or road permit 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 reinstate the Licence or permit for the remainder of its term.

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

- (a) under paragraph 8.01, the District Manager has refused to issue a cutting permit or road permit;
  - (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 District Manager, at the request of the Licensee, will issue the permit.

## **9.00 REPORTING**

- 9.01 The Regional Executive Director or District Manager, in a notice given to the Licensee, may require the Licensee to submit a report containing such information as the Regional Executive Director or District Manager requires regarding:
- (a) the Licensee's performance of its obligations under or in respect of this Licence; and
  - (b) the processing, use or disposition of the timber harvested under this Licence;
- if the information is not included in any other reports which the Licensee must submit under the forestry legislation.
- 9.02 Upon receipt of a notice referred to in paragraph 9.01 the Licensee, on or before the date specified in the notice, must submit a report to the Regional Executive Director or District Manager containing the required information.
- 9.03 Subject to paragraph 9.04, the Regional Executive Director or District Manager may include the information contained in a report submitted under paragraph 9.02 in any reports prepared by the Ministry of Forests, Lands and Natural Resource Operations for public review.
- 9.04 Subject to the *Freedom of Information and Protection of Privacy Act*, the Regional Executive Director or District Manager will not disclose information provided in confidence by the Licensee in a report submitted under paragraph 9.02.

## **10.00 FINANCIAL AND DEPOSITS**

- 10.01 In addition to any money payable in respect of this Licence or a road permit under forestry legislation, the Licensee must pay to the Crown, immediately upon receipt of a notice, statement or invoice issued on behalf of the Crown:
- (a) stumpage under part 7 of the *Forest Act* in respect of timber removed:
    - (i) under cutting permit from Schedule "B" Land; or

- (ii) under a road permit;
    - at rates determined, redetermined and varied under section 105 of that Act;
  - (b) waste assessments for merchantable Crown timber, whether standing or felled, that could have been cut and removed under the Licence, but, at the Licensees's discretion, is not cut and removed;
  - (c) annual rent at a rate in accordance with the schedule found in the Annual Rent Regulation.
- 10.02 During the term of this Licence, the Licensee must maintain with the Government a deposit in the amount prescribed under the *Forest Act* or the regulations made under that Act, in a form prescribed in the Advertising, Deposits, Disposition, and Extension Regulation, as security for the Licensee's performance of its obligations under or in respect of this Licence or a road permit.
- 10.03 If the Regional Executive Director or District 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) this Licence or a road permit; or
    - (ii) the forestry legislation in respect of this Licence or a road permit; or
  - (b) to otherwise perform its obligations under:
    - (i) this Licence or a road permit; or
    - (ii) the forestry legislation in respect of this Licence or a road permit;

the Regional Executive Director or District Manager, after at least four weeks notice to the Licensee, may instruct the Ministry of Finance to 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 Regional Executive Director or District Manager in remedying the Licensee's failure to perform its obligations; or
- (e) an amount equal to the Regional Executive Director's or District Manager's estimate of the costs which the Regional Executive Director or District 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 Regional Executive Director or District Manager intends to instruct be taken from the deposit.

10.06 Subject to paragraphs 10.08, 10.09 and 10.10, if:

- (a) the Ministry of Finance, under paragraph 10.04, takes from the deposit an amount equal to the Regional Executive Director's or District Manager's estimate of the costs which the Regional Executive Director or District Manager could reasonably expect to incur in remedying the Licensee's failure to perform its obligations; and
- (b) the costs incurred by the Regional Executive Director or District 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 Regional Executive Director or District Manager.

10.07 If:

- (a) the Ministry of Finance, under paragraph 10.04, takes from the deposit an amount equal to the Regional Executive Director's or District Manager's estimate of the costs which the Regional Executive Director or District Manager could reasonably expect to incur in remedying the Licensee's failure to perform its obligations; and
- (b) the costs incurred by the Regional Executive Director or District Manager in remedying the Licensee's failure to perform its obligations are greater than the amount taken from the deposit;

the Ministry of Finance may take from the deposit an additional amount equal to the difference between the costs incurred by the Regional Executive Director or District 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 of Finance, under paragraph 10.04, takes from the deposit an amount equal to the Regional Executive Director's or District Manager's estimate of the costs which the Regional Executive Director or District Manager could reasonably expect to incur in remedying the Licensee's failure to perform its obligations, the Regional Executive Director or District Manager is under no obligation to remedy the Licensee's failure.

10.09 If:

- (a) the Ministry of Finance, under paragraph 10.04, takes from the deposit an amount equal to the Regional Executive Director's or District Manager's estimate of the costs which the Regional Executive Director or District Manager could reasonably expect to incur in remedying the Licensee's failure to perform its obligations;
- (b) the Regional Executive Director or District Manager does not remedy the Licensee's failure to perform its obligations; and
- (c) the Regional Executive Director or District Manager gives a notice to the Licensee indicating that the Government will not be remedying the Licensee's failure to perform its obligations;

subject to paragraph 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 Regional Executive Director or District 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 Regional Executive Director 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 Regional Executive Director or District Manager in respect of the Licensee's failure to perform its obligations.

10.11 If the Regional Executive Director or District Manager considers that:

- (a) any activity or operation that may be engaged in or carried out under this 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 Regional Executive Director or District 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 Regional Executive Director or District 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 Regional Executive Director or District Manager, after at least four weeks notice to the Licensee, may instruct the Ministry of Finance to 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 Regional Executive Director or District Manager instructs be taken 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) this Licence expires, or is surrendered; and
  - (ii) the Regional Executive Director or District Manager is satisfied that the Licensee has fulfilled its obligations under this Licence; and
- (b) a special deposit, less deductions made under paragraph 10.12, when the Regional Executive Director or District 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 REPRESENTATIONS**

11.01 The Licensee represents and warrants

- (a) that the Licensee is a First Nation or is a person that has been appointed by a First Nation as its representative;
- (b) that the Licensee is the owner of all Schedule "A" Land;
- (c) does not hold more than one other Woodlot Licence or control a corporation that holds more than one other Woodlot Licence;
- (d) does not hold, is not affiliated with, or does not control a corporation that holds an ineligible licence, as defined in Section 44 of the *Forest Act* that has an allowable annual cut of greater than 10 000 m<sup>3</sup>;
- (e) has the ability to undertake and complete its obligations under the Licence within the term;
- (f) has the ability to carry out its obligations in a safe and environmentally sound fashion;

- (g) has reviewed the licence area and has fully informed itself of all matters relating to the Licence; and
  - (h) has no legal or other reason why it cannot enter into the Licence.
- 11.02 All representations and warranties made in paragraph 11.01 are material and will conclusively be deemed to have been relied upon by the Crown, notwithstanding any prior or subsequent investigations by the Crown, and they will continue in full force and effect for the term of this Licence.
- 11.03 The licensee, excluding those holding the licence in their individual capacity or as a First Nation recorded in Aboriginal Affairs and Northern Development Canada Registration System, must be registered to do business under the *Business Corporations Act*, and the licensee maintain such registration in good standing throughout the term of the licence.

## **12.00 LIABILITY AND INDEMNITY**

- 12.01 The Licensee must indemnify the Crown against and save it harmless from all claims, demands, suits, actions, causes of action, costs, expenses and losses faced, incurred or suffered by the Crown as a result, directly or indirectly, of any act or omission of:
- (a) the Licensee;
  - (b) an employee or agent of the Licensee;
  - (c) a contractor of the Licensee who engages in any activity or carries out any operation, including but not restricted to harvesting operations, under or associated with this Licence or a road permit; or
  - (d) any other person who on behalf of or with the consent of the Licensee engages in any activity or carries out any operation, including but not restricted to harvesting operations, under or associated with this Licence or a road permit.
- 12.02 For greater certainty, the Licensee has no obligation to indemnify the Crown under paragraph 12.01 in respect of any act or omission of:
- (a) an employee, agent or contractor of the Crown, in the course of carrying out his or her duties as employee, agent or contractor of the Crown; or
  - (b) a person, other than the Licensee, to whom the Crown 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 from the deposit or a special deposit, any payments required under part 4.00 or part 10.00, and payments required further to the indemnity referred to in paragraph 12.01 are in addition to and not in substitution for any other remedies available to the Crown in respect of a default of the Licensee.

- 12.04 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.

### **13.00 TERMINATION**

- 13.01 If this Licence expires and is not replaced under section 46 of the *Forest Act*, or is surrendered, cancelled or otherwise terminated:
- (a) all cutting permits will immediately terminate; and
  - (b) timber, including logs and special forest products, cut under the authority of this Licence and which are still located on Crown land, will vest in the Crown, without right of compensation to the Licensee;
  - (c) unless otherwise agreed to between the District Manager and the Licensee prior to the surrender, cancellation or termination of this Licence, title to all improvements, including roads and bridges, constructed by the Licensee on Crown land under the authority of this Licence will vest in the Crown, without right of compensation to the Licensee; and
  - (d) the Licensee may continue to enter Schedule "B" Land for a period of one month after the expiry or termination of this Licence for the purpose of removing the Licensee's property.
- 13.02 The Licensee will not take away any improvements or remove any timber referred to in subparagraph 13.01 (b), unless authorized to do so by the Regional Executive Director or District Manager.
- 13.03 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.

### **14.00 WAIVER**

- 14.01 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.



## **15.00 NOTICE**

- 15.01 A notice given under this Licence must be in writing.
- 15.02 A notice given under this Licence may be
- (a) delivered by hand,
  - (b) sent by mail,
  - (c) email address, or
  - (d) subject to paragraph 15.05, sent by facsimile transmission, to the address, email address or facsimile number, as applicable, specified on the first page of this Licence, or to such other address, email address or facsimile number as is specified in a notice given in accordance with this Part.
- 15.03 If a notice is given under this Licence, it is deemed to have been received
- (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, and
  - (c) if it is given in accordance with subparagraph 15.02(c), subject to paragraph 15.05, on the date it is sent by email;
  - (d) if it is given in accordance with subparagraph 15.02(c), subject to paragraph 15.05, on the date it is sent by facsimile transmission.
- 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 email or 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, email address or facsimile number of the party giving such notice and, from and after the giving of such notice, the address, email address or facsimile number specified will, for purposes of this Licence, be considered to be the address, email address or facsimile number of the party giving such notice.

## **16.00 MISCELLANEOUS**

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

- 16.02 The laws of British Columbia will govern the interpretation of this Licence and the performance of the parties' obligations under this Licence.
- 16.03 Any 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.
- 16.04 The Schedules to this Licence are deemed to be part of this Licence.
- 16.05 Nothing in this Licence authorizes the Licensee to in any way restrict the Government's right of access to the licence area, or the right of any other authorized entrant, user or occupier of these areas.
- 16.06 The Licensee must:
- (a) comply with the forestry legislation; and
  - (b) ensure that its employees, agents and contractors comply with these Acts, regulations and standards when engaging in or carrying out activities or operations under or associated with this Licence.
- 16.07 Nothing in this Licence entitles the Licensee to have an area of Schedule "B" Land to be replaced with another area, or to have rights awarded under another Licence under the *Forest Act*, in the event:
- (a) timber is damaged or destroyed by pests, fire, wind or other natural causes;
  - (b) an area of land is deleted from the licence area under the forestry legislation, or under any other Act or regulation; or
  - (c) this Licence expires, is surrendered, is cancelled or otherwise terminated.
- 16.08 At the request of the Regional Executive Director or District Manager, the Licensee will survey and define on the ground any or all boundaries of the licence area.
- 16.09 Where harvesting of timber has been authorized under this Licence, the District Manager in a notice to the Licensee, may require the Licensee to carry out a legal survey on the portions of the area to be operated upon that are adjacent to any private land boundaries.
- 16.10 This document contains the entire agreement and no additional terms are to be implied.

## **17.00 INTERPRETATION & DEFINITIONS**

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

- (i) clause;
- (a) subclause;

and a reference to a subparagraph, clause or subclause is to be construed as a reference to a subparagraph, clause or subclause of the paragraph, subparagraph or clause, as the case may be, in which the reference occurs.

17.02 In this Licence, unless the context otherwise requires:

“aboriginal interest” means a potential aboriginal right and/or aboriginal title that has not been proven through a court process;

“allowable annual cut” means the allowable annual cut set under the management plan for the Licence;

“cutting permit” means a cutting permit issued under this Licence;

“District Manager” means:

- (a) a District Manager appointed under the *Ministry of Forests and Range Act*, for a forest district in which all or part of the licence area is situated; and
- (b) any person authorized by the District Manager to exercise a power or fulfill a duty under this Licence;

“*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;

“forest development plan” means a forest development plan referred to in the *Forest Practices Code of British Columbia Act* that is approved by the District Manager in respect of this Licence;

“forestry legislation” means, but is not restricted to:

- (a) the *Forest Act*;
- (b) the *Forest Practices Code of British Columbia Act*;
- (c) the *Forest and Range Practices Act*;
- (d) the *Wildfire Act*.

the regulations and standards made under those Acts;

“Government” means the Government of the Province of British Columbia;

“handbook” means a guideline, guidebook, policy, procedure, or manual set or approved by the Ministry for preparation of a management plan or the preparation of inventories and other information to be included in a management plan;

“harvest” means;

- (a) cut,
- (b) remove;
- (c) cut and remove;

“licence area” means Schedule “A” Land and Schedule “B” Land;

“management plan” means the management plan prepared and approved for this Licence in accordance with part 5 of this Licence;

“merchantable Crown timber” means timber that meets or exceeds the timber merchantability specifications described in the Provincial Logging Residue and Waste Measurement Procedures Manual, as amended or replaced from time to time;

“Minister” means the Minister responsible for administering the *Forest Act*;

“Ministry” means the Ministry of Forests, Lands and Natural Resource Operations;

“*Ministry of Forests Act*” means the *Ministry of Forests Act* R.S.B.C. 1996, c. 300;

“Ministry officer” means an employee of the Ministry;

“non-Crown land” means land that is private land or in a reserve as defined in the *Indian Act (Canada)* as described in the Schedule “A” to this Licence;

“person” includes a corporation and a partnership and an Indian Band, unless the context requires otherwise;

“pest” means any animal, insect, fungus, bacteria, virus, nematode, or other organism which is detrimental to effective forest management;

“primary logging” means felling timber and yarding or forwarding the timber to central landings or road sides, but does not include removing the timber from these landings or road sides;

“remove” means the removal of timber from the licence area and “removed” and “removing” have the corresponding meanings;

“Regional Executive Director” means a person appointed under the Public Service Act and delegated by the minister under Paragraph 1.1 (1) (a) or 1.1 (3) of the Forest Act to act in his or her capacity under Paragraph 15 of the Forest Act;

“resource agencies” means any governmental agency, Ministry or department having jurisdiction over a resource which may be affected by any activity or operation, including but not restricted to activities or operations, engaged in or carried out under or associated with this Licence or a road permit;

“road permit” means a road permit entered into under the *Forest Act* which provides access to timber harvested, or to be harvested, under this Licence;

“Schedule “A” Land” means the non-Crown lands described in the Schedule “A” to this Licence;

“Schedule “B” Land” means the Crown land described in Schedule “B” to this Licence;

“special deposit” means a special deposit referred to in paragraph 10.11;

“special use permit” means a special use permit issued under the applicable forestry legislation, to authorize the Licence Holder to use or occupy Crown land within the Woodlot Licence area;

“timber merchantability specifications” means those found in the most current Provincial Logging Residue and Waste Procedures Manual, as amended or replaced from time to time;

“waste” means merchantable Crown timber that could have been cut and removed under this Licence but that the Licensee at his discretion does not cut and remove, and as defined in the Provincial Logging Residue and Waste Measurement Procedures Manual, as amended from time to time;

“woodlot licence plan” means a woodlot licence plan referred to in the *Forest and Range Practices Act*, that is prepared or approved by the Minister in respect of the Licence.

- 17.03 Unless otherwise provided in paragraph 17.02, if a word or phrase used in this Licence is defined in forestry legislation the definition in forestry legislation applies to this Licence, and where the word or phrase in forestry legislation is replaced by a new word or phrase, this Licence is deemed to have been amended accordingly.
- 17.04 If a provision in the forestry legislation, referred to in this Licence, is renumbered, the reference in this Licence is to be construed as a reference to the provision as renumbered.
- 17.05 In this Licence, unless the context otherwise requires:
- (a) the singular includes the plural and the plural includes the singular; and
  - (b) the masculine, the feminine and the neuter are interchangeable.

IN WITNESS WHEREOF the Licence has been executed by the District Manager and the Licensee.

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

Joanne DeBor )  
Signature )

Joanne DeBor )  
Printed Name )

D. Soutlan  
District Manager  
Squamish Forest District

April 14, 2015  
Dated

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

                     )  
Signature )

                     )  
Printed Name )

(or)

SIGNED, by the Licensee  
in the presence of:

Jeff Fisher )  
Signature )

Jeff Fisher )  
Printed Name )

April 2/15 )

Chief Bill Williams  
Licensee

Chief Bill Williams  
Printed Name and Title

April 2, 2015  
Dated

## **SCHEDULE “A”**

### **1.00 DESCRIPTION OF NON-CROWN LANDS**

1.01 There is no private/reserve land associated with this Woodlot Licence.

## **SCHEDULE “B”**

- 1.01 The Crown land subject to this Licence is as described on the attached Exhibit “A” map.



## **SCHEDULE “C”**

### **1.00 SCHEDULE OF OPERATIONS**

1.01 The Licensee must ensure that:

- (a) all phases of timber harvesting and related operations under or associated with this Licence are synchronized; and
- (b) all harvesting on one area designated for harvest under this Licence is completed to the satisfaction of the District Manager before harvesting is commenced on another area.

