

**Gitanyow Nation
Interim Forest & Range
Consultation and Revenue Sharing Agreement (FCRSA)
(the "Agreement")**

**Between:
Gitanyow Nation**
as represented by the Gitanyow Hereditary Chiefs and the Gitanyow Huwilp Society
("Gitanyow")

And

Her Majesty the Queen in Right of the Province of British Columbia
as represented by the Minister of Aboriginal Relations and Reconciliation
("British Columbia")

(Collectively the "Parties")

WHEREAS:

- A. Gitanyow has Aboriginal Interests within the Gitanyow Lax'yip.
- B. The Parties have entered into the Reconciliation Agreement as a bridging step towards reconciliation and a constructive step towards creating a positive and enduring relationship between the Gitanyow and British Columbia;
- C. The Parties wish to confirm the process for consultation regarding forest and range resource development within the Gitanyow Lax'yip;
- D. The Parties intend this Agreement to assist them in achieving progress towards the purposes identified in the Reconciliation Agreement section 2.0 and in particular to:
 - (a) assist in achieving stability and greater certainty for forest and range resource development within the Gitanyow Lax'yip; and
 - (b) support Gitanyow in its pursuit of activities to enhance the well-being of its members and long term benefits for all the Gitanyow.

THEREFORE THE PARTIES AGREE AS FOLLOWS:

ARTICLE 1 - INTERPRETATION

1.1 Definitions. For the purposes of this Agreement, the following definitions apply:

"Aboriginal Interests" means:

- (a) asserted aboriginal rights, including aboriginal title; or

(b) determined aboriginal rights, including aboriginal title, which are recognized and affirmed under section 35(1) of the *Constitution Act, 1982*;

“Administrative and/or Operational Decision” means a decision made by the Minister or a Delegated Decision Maker related to forest and range resources under provincial legislation;

“BC Fiscal Year” means a period beginning on April 1 of a calendar year and ending on March 31 of the next calendar year;

“Delegated Decision Maker” and **“DDM”** means a person with authority to make statutory decisions with respect to forest and range resources under provincial legislation as amended from time to time;

“Designate” means the entity described in section 4.2;

“Effective Date” means the last date on which this Agreement has been fully executed by the Parties;

“First Fiscal Year of the Term” means the BC Fiscal Year in which the Effective Date falls;

“Forest Tenure Opportunity Agreement” means an agreement signed between the Minister and a First Nation that provides for the Minister to direct award forest tenure under the *Forest Act*;

“Licensee” means a holder of a forest tenure or a range tenure;

“Minister” means the Minister of Forests, Lands and Natural Resource Operations having the responsibility, from time to time, for the exercise of powers in respect of forests and range matters;

“Operational Plan” means a Forest Stewardship Plan, Woodlot Licence Plan, a Range Use Plan, or Range Stewardship Plan, as those terms are defined in provincial forest and range legislation;

“Payment Account” means the account described in subsection 4.4(a);

“RA” or **“Reconciliation Agreement”** means the *Gitanyow Huwilp Recognition and Reconciliation Agreement* entered into by the Parties on March 28, 2012 and renewed by the Parties on July 11, 2016;

“Resolution” means a resolution of the Gitanyow Huwilp Society, as authorized by the Gitanyow Hereditary Chiefs, having the form of Appendix C;

“Revenue Sharing Contribution” means each payment to be made by British Columbia to Gitanyow under Article 3 of this Agreement;

“Term” means the term of this Agreement set out in section 14.1;

“Timber Harvesting Land Base” means the portion of the total land area of a management unit considered by Ministry of Forest, Lands and Natural Resource Operations to contribute to, and be available for, long-term timber supply;

“Traditional Territory” or the **“Gitanyow Lax’yip”** means the traditional territory of Gitanyow as shown in bold red on the map attached in Appendix A.

1.2 Interpretation. For purposes of this Agreement:

- (a) “includes” and “including” are not intended to be limiting;
- (b) the recitals and headings are inserted for convenience of reference only, do not form part of this Agreement and are not intended to define, enlarge or restrict the scope or meaning of this Agreement or any provision of it;
- (c) any reference to a statute in this Agreement includes all regulations made under that statute and any amendments or replacement of that statute or its regulations;
- (d) unless the context otherwise requires, words expressed in the singular include the plural and *vice versa*;
- (e) any reference to a corporate entity includes any predecessor or successor to such entity; and
- (f) there will be no presumption that doubtful expressions, terms or provisions in this Agreement are to be resolved in favour of any Party.

1.3 Appendices. The following Appendices and Schedule are attached to and form part of this Agreement:

Appendix A - Map of Gitanyow Traditional Territory;

Appendix B – Revenue Sharing Contribution Methodology;

Appendix C - Resolution Appointing Delegate;

Appendix D - Statement of Community Priorities Format; and,

Appendix E - Annual Report.

ARTICLE 2 - PURPOSE AND OBJECTIVES

2.1 Purpose and objectives. The purposes and objectives of this Agreement are:

- (a) to confirm the consultation process through which the Parties will consult in relation to potential adverse impacts of proposed forest and range resource development activities, including Administrative and/or Operational Decisions or Operational Plans, on Gitanyow’s Aboriginal Interests;

- (b) to provide a Revenue Sharing Contribution to support the capacity of Gitanyow to participate in the consultation process herein and as an accommodation for any adverse impacts to Gitanyow's Aboriginal Interests resulting from forest and range resource development within the Gitanyow Lax'yip; and
- (c) to assist in achieving stability and greater certainty for forest and range resource development within the Gitanyow Lax'yip.

ARTICLE 3 - REVENUE SHARING CONTRIBUTIONS

3.1 Calculation and timing of payments. Subject to section 4.5 and Articles 5 and 13, during the Term, British Columbia will:

- (a) make annual Revenue Sharing Contributions, calculated in accordance with Appendix B, to Gitanyow (or its Designate under section 4.2, as the case may be); and
- (b) pay the annual Revenue Sharing Contribution in two equal instalments, the first to be made on or before September 30th and the second to be made on or before March 31st.

3.2 First Fiscal Year. Notwithstanding section 3.1, for the First Fiscal Year of the Term, the Revenue Sharing Contribution is deemed to be \$180,184 the first instalment of which will be paid on or before March 31, 2017.

3.3 Prorated amounts. For the purposes of determining the amount of the Revenue Sharing Contribution for partial BC Fiscal Years, the amount will be prorated to the month in which the Agreement is signed by Gitanyow; is terminated by either Party under Article 13, or; to the end of the month in which the Agreement expires.

3.4 Subsequent BC Fiscal Year amounts. Before November 30th of each year during the Term, British Columbia will provide written notice to Gitanyow of the amount of the Revenue Sharing Contribution for the following BC Fiscal Year and the summary document(s) and calculations identified in Appendix B.

3.5. Amount agreed to. Gitanyow agrees that the amount set out in the notice provided under section 3.4 will be the amount of the Revenue Sharing Contribution payable under this Agreement for that following BC Fiscal Year.

ARTICLE 4 - DELIVERY OF PAYMENTS

4.1 Recipient entity. Unless Gitanyow notifies British Columbia that it has made an election under to section 4.2, Revenue Sharing Contributions will be paid to Gitanyow.

4.2 Election of Designate. Gitanyow may elect to have a Designate receive Revenue Sharing Contributions provided that the Designate:

- (a) is a registered corporation or society with the legal authority and capacity to receive the funds on behalf of Gitanyow; and
- (b) is duly appointed to receive the Revenue Sharing Contribution on behalf of Gitanyow and such appointment is confirmed by a Resolution.

4.3 Obligations continue. The election of a Designate under section 4.2 does not relieve Gitanyow of its obligations under this Agreement.

4.4 Payment Account. Gitanyow or its Designate will:

- (a) establish and, throughout the Term, maintain an account in the name of Gitanyow (or its Designate, as the case may be) at a Canadian financial institution into which direct deposits can be made by British Columbia for the purpose of receiving monies payable by British Columbia pursuant to this Agreement (the "Payment Account"); and
- (b) provide to British Columbia sufficient address and account information respecting the Payment Account to enable British Columbia to make direct deposit payments to the Payment Account.

4.5 Requirement to make a payment. British Columbia may withhold a Revenue Sharing Contribution it would otherwise be required to make until Gitanyow (or its Designate, as the case may be) has met the requirements set out in section 4.4.

ARTICLE 5 - CONDITIONS OF PAYMENT

5.1 Reporting and compliance requirements. For each BC Fiscal Year following the First Fiscal Year of the Term, the requirement to make a Revenue Sharing Contribution is subject to:

- (a) Gitanyow having published all of the necessary statements and reports before the applicable dates as set out in Article 8 of this Agreement;
- (b) Gitanyow being in all other respects in compliance with the terms of this Agreement; and
- (c) Revenue Sharing Contributions not having been suspended under Article 13 of this Agreement.

5.2. Appropriation. Notwithstanding any other provisions of this Agreement, the payment of money by British Columbia to Gitanyow pursuant to this Agreement is subject to:

- (a) there being sufficient monies available in an appropriation, as defined in the *Financial Administration Act*, to enable British Columbia in any BC

Fiscal Year or part thereof when any such payment may be required, to make that payment; and

- (b) Treasury Board not having controlled or limited, pursuant to the *Financial Administration Act*, expenditure under any appropriation referred to in (a).

ARTICLE 6 - CONSULTATION

- 6.1 **Satisfaction of consultation obligations.** The Parties agree that the engagement processes set out in *Appendix 1 to Schedule C of the Gitanyow Huwilp Recognition and Reconciliation Agreement* will be the means by which British Columbia will consult on proposed Operational Plans or proposed Administrative and/or Operational Decisions and, where appropriate, the means by which British Columbia will identify potential measures to accommodate any potential adverse impacts on Gitanyow's Aboriginal Interests resulting from Operational Plans or Administrative and/or Operational Decisions.

ARTICLE 7 - ACKNOWLEDGMENTS AND COVENANTS

- 7.1 **Revenue Sharing Contributions will vary.** Gitanyow acknowledges that forest revenues received by British Columbia fluctuate and that the Revenue Sharing Contributions under this Agreement will vary over time.
- 7.2 **Revenue Sharing Contributions are an accommodation.** Gitanyow agrees that the Revenue Sharing Contributions made under this Agreement are an economic accommodation and constitute a component of any accommodation or compensation that may be required for any potential adverse impacts of Administrative and/or Operational Decisions, and any forest or range development practices that may be carried out under an Operational Plans, on Gitanyow's Aboriginal Interests.
- 7.3 **Where consultation process followed.** Gitanyow agrees that if the consultation process set out in *Appendix 1 to Schedule C of the Gitanyow Huwilp Recognition and Reconciliation Agreement* is followed, British Columbia has consulted and, where appropriate, has identified potential measures to accommodate potential adverse impacts of Administrative and/or Operational Decisions, and any forest or range development practices that may be carried out under an Operational Plan, on Gitanyow's Aboriginal Interests.

ARTICLE 8 - COMMUNITY PRIORITIES, ANNUAL REPORTS AND RECORDS

- 8.1 **Statement of Community Priorities.** Gitanyow covenants and agrees that it will:
 - (a) within 60 days of the Effective Date, based on the First Fiscal Year

- Revenue Sharing Contribution, prepare a statement of community priorities for the Term substantially in the form set out in Appendix D; and
- (b) before the end of each BC Fiscal Year, consider whether the statement of community priorities identified in subsection (a) should be revised based on the updated Revenue Sharing Contribution for subsequent BC Fiscal Years agreed to under section 3.5.

- 8.2. Annual Report.** Within 90 days of the end of each BC Fiscal Year, Gitanyow will prepare an annual report, substantially in the form set out in Appendix E, identifying all expenditures made from the Payment Account since the date of the last such report or in the case of the first such report, since the Effective Date of this Agreement.
- 8.3. Publication.** The statement of community priorities and annual report referred to in sections 8.1 and 8.2 will be published by Gitanyow in a manner that can reasonably be expected to bring the information to the attention of its communities and the public within 120 days of the end of each BC Fiscal Year.
- 8.4. Audit.** British Columbia may, at its sole discretion and at the sole expense of Gitanyow, require an audit of the expenditures made from the Payment Account to determine that all such expenditures were made for the benefit of Gitanyow.
- 8.5. Delivery of Report.** The annual report referred to in section 8.2 will be provided to British Columbia within 120 days of the end of each BC Fiscal Year.
- 8.6. Continuing Obligations.** Notwithstanding the termination or expiry of this Agreement, the provisions of this Article 8 will continue to apply for 120 days after Gitanyow receives the final Revenue Sharing Contribution from British Columbia.

ARTICLE 9 - SECURITY DEPOSITS

- 9.1 Silviculture Deposit.** In consideration of Gitanyow entering into this Agreement, British Columbia may choose not to require a silviculture deposit pertaining to a licence entered into as a result of a direct award tenure agreement entered into between Gitanyow, or a legal entity controlled by Gitanyow, and British Columbia.

ARTICLE 10 – SET OFF

- 10.1 Set off.** In addition to any other right under this Agreement, British Columbia may set off against any payment that Gitanyow is entitled to receive under this Agreement, any unfulfilled financial obligations of Gitanyow to British Columbia arising from a licence entered into as a result of a direct award tenure agreement between Gitanyow, or a legal entity controlled by Gitanyow, and British Columbia.

10.2 Notice. British Columbia will notify Gitanyow of the amount of the unfulfilled financial obligation 30 days before it exercises its right of set off under section 10.1.

10.3 For greater certainty, any set off under section 10.1 does not limit the position that either Party may take in *Malii v. HMTQBC and AG Canada*, Vancouver Registry No. 98 4734 (BCSC).

ARTICLE 11 - ASSISTANCE

11.1 Cooperation and Support. Gitanyow will promptly and fully cooperate with British Columbia in seeking to resolve any action that might be taken by a member of Gitanyow to frustrate, delay, stop or otherwise physically impede or interfere with activities carried out in accordance with an Administrative and/or Operational Decision.

ARTICLE 12 - DISPUTE RESOLUTION

12.1 Dispute Resolution Process. If a dispute arises between British Columbia and Gitanyow regarding the interpretation of a provision of this Agreement:

- (a) duly appointed representatives of the Parties will meet as soon as is practicable, and will make efforts to meet within 14 days after the dispute arises, to attempt to resolve the dispute;
- (b) if the Parties' representatives are unable to resolve the dispute, the issue will be referred to more senior representatives of British Columbia and Gitanyow who will make efforts to meet within 21 days of the referral; and
- (c) if the dispute cannot be resolved by the Parties directly under subsections (a) or (b), the Parties may agree to other appropriate approaches to assist in reaching resolution of the issue.

ARTICLE 13 - SUSPENSION AND TERMINATION

13.1 Suspension of Revenue Sharing Contributions. In addition to any other right under this Agreement, British Columbia may suspend further Revenue Sharing Contributions under this Agreement where Gitanyow:

- (a) is in material breach of its obligations under Articles 6, 8 or 11 of this Agreement; or
- (b) has outstanding unfulfilled financial obligations to British Columbia arising from a licence issued further to an agreement between Gitanyow and British Columbia.

13.2 Notice of Suspension. Where Revenue Sharing Contributions are suspended under section 13.1, British Columbia will provide notice to Gitanyow of the reason for the suspension, including the specific material breach or the outstanding unfulfilled financial obligation on which it relies and the Parties will meet to attempt to resolve the issue giving rise to the suspension.

13.3 Termination following suspension. If the issue giving rise to the suspension of Revenue Sharing Contributions is not resolved within 60 days after notice is provided under section 13.2, British Columbia may terminate the Agreement at any time by written notice.

13.4 Proceedings inconsistent with acknowledgments. Notwithstanding any other provision of this Agreement, British Columbia may suspend Revenue Sharing Contributions and may terminate this Agreement at any time by written notice where Gitanyow challenges or supports a challenge to an Administrative and/or Operational Decision, an Operational Plan or activities carried out pursuant to those decisions or plans, by way of legal proceedings or otherwise, on the basis that:

- (a) contrary to section 7.2, a Revenue Sharing Contribution provided for under this Agreement does not constitute an accommodation for adverse impacts of such decisions, plans or activities on Gitanyow's Aboriginal Interests; or
- (b) contrary to section 7.3, by British Columbia or a Licensee following the consultation process described in *Appendix 1 to Schedule C of the Gitanyow Huwilp Recognition and Reconciliation Agreement*, British Columbia has not consulted with Gitanyow regarding the potential adverse impacts of such decisions, plans or activities on Gitanyow's Aboriginal Interests.

13.5 Termination by Either Party. This Agreement may be terminated by either Party on ninety (90) days written notice or on a date mutually agreed on by the Parties.

13.6 Meet to attempt to resolve issue. If a Party gives written notice under section 13.5, the Parties will, prior to the end of the notice period, meet and attempt to resolve any issue that may have given rise to the termination notice.

13.7 Effect of Termination. Where this Agreement is terminated under this Article 13, the Revenue Sharing Contribution for the BC Fiscal Year in which termination becomes effective will be prorated to the termination date.

ARTICLE 14 - TERM

14.1 Term. The term of this Agreement will be three (3) years commencing on the Effective Date unless it is extended under section 14.2 or terminated under Article 13.

- 14.2 Extension of the Term.** At least two months prior to the third anniversary of the Effective Date, the Parties will evaluate the effectiveness of this Agreement and decide whether to extend the Term.
- 14.3 Terms of the Extension.** Where the Parties agree to extend the Term they will negotiate and attempt to reach agreement on the terms of the extension.
- 14.4 Evaluation.** Either Party may, on an annual basis, request the participation of the other Party to review the effectiveness of this Agreement and to consider potential amendments to it.
- 14.5 Amendment of Agreement.** Where there are changes to British Columbia's approach to forest revenue and consultation agreements during the term of this Agreement, the Parties will discuss those changes with the intention of providing Gitanyow with the opportunity to benefit from any improvements and may agree to amend or replace this Agreement accordingly.

ARTICLE 15 – REPRESENTATIONS AND WARRANTIES

- 15.1 Legal power, capacity and authority.** Gitanyow represents and warrants to British Columbia, with the intent and understanding that they will be relied on by British Columbia in entering into this Agreement, that it enters into this Agreement for, and on behalf of itself and its members and that as represented by the Gitanyow Hereditary Chiefs and the Gitanyow Huwilp Society, it has the legal power, capacity and authority to enter into and to carry out its obligations under this Agreement.

ARTICLE 16 - NOTICE AND DELIVERY

- 16.1 Delivery of Notices.** Any notice, document, statement or report contemplated under this Agreement must be in writing and will be deemed validly given to and received by a Party, if delivered personally, on the date of delivery, or, if delivered by mail, email or facsimile copier, when received by the Parties at the addresses as follows:

if to British Columbia:

Deputy Minister
Ministry of Aboriginal Relations and Reconciliation
P.O. Box 9100 STN PROV GOVT
Victoria B.C. V8W 9B1
Telephone: (250) 356-1394
Fax: (250) 387-6594

and if to Gitanyow:

Gitanyow Hereditary Chiefs
PO Box 148
Kitwanga, BC, V0J 2A0
Telephone: 250-849-5373
Fax: 250-849-5375

16.2 Change of Address. Either Party may, from time to time, give notice to the other Party of a change of address or facsimile number and after the giving of such notice, the address or facsimile number specified in the notice will, for purposes of section 16.1, supersede any previous address or facsimile number for the Party giving such notice.

ARTICLE 17 - GENERAL PROVISIONS

17.1 Governing law. This Agreement will be governed by and construed in accordance with the laws of British Columbia and Canada.

17.2 Not a Treaty. This Agreement does not:

- (a) constitute a treaty or a lands claims agreement within the meaning of sections 25 or 35 of the *Constitution Act, 1982* (Canada); or
- (b) establish, define, limit, amend, abrogate or derogate from any of Gitanyow's Aboriginal Interests.

17.3 No Admissions. Nothing in this Agreement will be construed as:

- (a) an admission of the validity of, or any fact or liability in relation to, any claims relating to alleged past or future infringements of Gitanyow's Aboriginal Interests;
- (b) an admission or acknowledgement of any obligation to provide any financial, economic or other compensation, including those in this Agreement, as part of British Columbia's obligation to consult and, as appropriate, accommodate;
- (c) affirmation or recognition of the Aboriginal Interests of any other First Nation; or
- (d) in any way limiting the position the Parties may take in any proceedings or in any discussions or negotiations between the Parties, except as expressly contemplated in this Agreement.

17.4 No Fettering. Nothing in this Agreement is to be construed as interfering with, or fettering in any manner, the exercise of any statutory, prerogative, executive or legislative power or duty.


- 17.5 No Implied Waiver.** Any waiver of any term or breach of this Agreement is effective only if it is in writing and signed by the waiving Party and is not a waiver of any other term or breach.
- 17.6 Assignment.** Gitanyow must not assign, either directly or indirectly, this Agreement or any right of Gitanyow under this Agreement without the prior written consent of British Columbia.
- 17.7 Emergencies.** Nothing in this Agreement affects the ability of either Party to respond to any emergency circumstances.
- 17.9 Third Parties.** This Agreement is not intended to limit any obligation of forest or range licensees or other third parties to Gitanyow.
- 17.10 Other Economic Opportunities and Benefits.** This Agreement does not preclude Gitanyow from accessing forestry economic opportunities and benefits, which may be available to it, other than those expressly set out in this Agreement.
- 17.11 Validity of Agreement.** If any provision of this Agreement or the application of it to any person or circumstance is invalid or unenforceable to any extent, the remainder of this Agreement and the application of it to any person or circumstance will not be affected or impaired and will be valid and enforceable to the extent permitted by law.
- 17.12 Entire Agreement.** This Agreement and any amendment to it constitute the entire agreement between the Parties with respect to the subject matter of this Agreement.
- 17.13 Further Acts and Assurances.** Each Party must perform the acts, execute and deliver the writings, and give the assurances as may be reasonably necessary to give full effect to this Agreement.
- 17.14 Execution in Counterpart.** This Agreement may be entered into by a separate copy of this Agreement being executed by each Party and that executed copy being delivered to the other Party by a method provided for in Article 16 or any other method agreed to by the Parties.
- 17.15 Amendment in Writing.** No amendment to this Agreement is effective unless it is agreed to in writing and signed by the Parties.

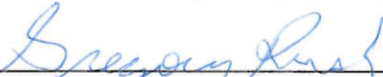
Signed on behalf of:

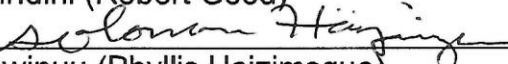
Gitanyow


Date: October 31, 2016

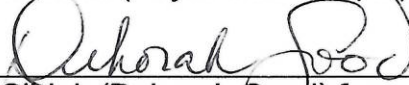

Gwass Hlaam (George P. Daniels)


Gamlaxyeltxw (Will Marsden)/
Sindihi (Robert Good)



Wii'litsxw (Gregory D. Rush)



Gwinuu (Phyllis Haizimsque)


Axwindesxw (Tony Morgan) for:
Malii (Glen Williams)


Siidok (Deborah Good) for:
Watakhayetsxw (Agatha Bright)


Haizimsque (Ken Russell)


Luuxhon (Don Russell)


Joel Starlund
Representative of Gitanyow Huwilp
Society

Signed on behalf of:

Government of British Columbia

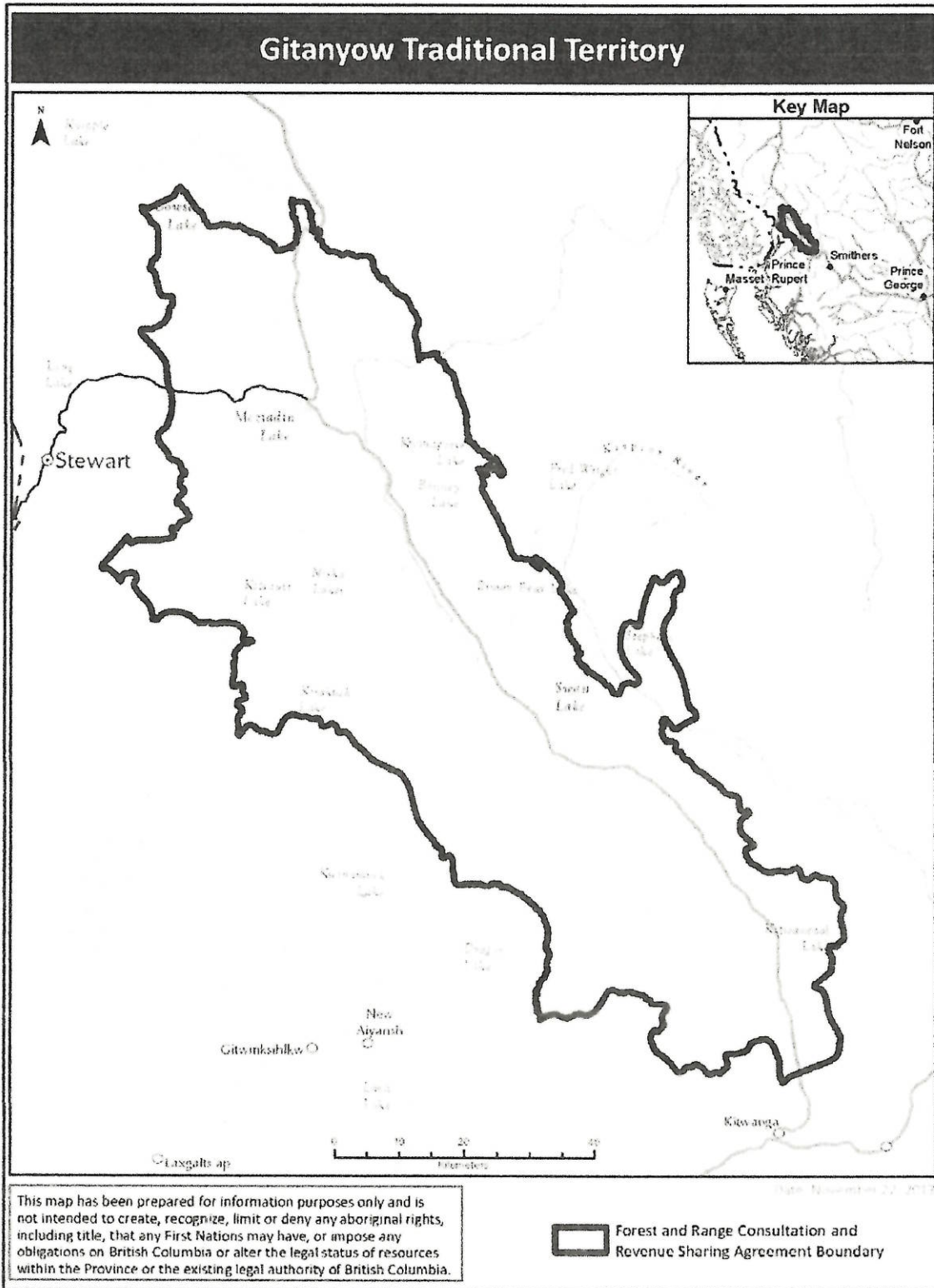

Minister of Aboriginal Relations and
Reconciliation

Dec. 20, 2016
Date


Witness of Minister signature

APPENDIX A

Map of Gitanyow Traditional Territory



APPENDIX B

Revenue Sharing Contribution Methodology

Traditional Territory Forest Revenue Sharing Component

- 1.0 In each BC Fiscal Year that this Agreement is in effect, and subsequent to the release by the Minister of Finance of the previous BC Fiscal Year's public accounts, a summary document will be prepared of the Coast Mountains District and Skeena Stikine District forest revenue, defined as the total of stumpage, waste and annual rent payments received by the Crown for the previous 2 BC Fiscal Years. An average amount over 2 years will be calculated for the Coast Mountains and Skeena Stikine Forest Districts.
- 1.1 For the purposes of the summary document in section 1.0 of this Appendix, the stumpage payments from Gitanyow's Forest Licenses (if applicable) will not be included in the calculations of forest revenue.
- 1.2 The amount of the forest revenue attributed to Gitanyow's Traditional Territory will be calculated by determining the percent of Gitanyow's Traditional Territory that falls within the Timber Harvesting Land Base in the Coast Mountains District and the Skeena Stikine District, applied against the forest revenue described in section 1.0 of this Appendix. This calculation will prorate for overlapping territories of other First Nations.
- 1.3 The Traditional Territory Forest Revenue Sharing Component will be calculated by multiplying 5 percent of the forest revenue attributed to Gitanyow as described in section 1.2 of this Appendix.
- 1.4 For each BC Fiscal Year that this Agreement is in effect, the calculations outlined in sections 1.0 to 1.4 of this Appendix will be performed.

Direct Award Tenure Forest Revenue Sharing Component

- 2.0 Subsequent to the release by the Minister of Finance of the previous BC Fiscal Year's public accounts, a summary document will be prepared of Gitanyow's Forest License (if applicable) forest revenue, defined as the total of stumpage payments received by the Crown for the previous BC Fiscal Year.
- 2.1 The Direct Award Forest Tenure Revenue Sharing Component will be calculated by multiplying 75 percent of the forest revenue as described in section 2.0 of this Appendix.
- 2.2 For each Fiscal Year that this Agreement is in effect, the calculations outlined in sections 2.0 and 2.1 of this Appendix will be performed.

Forest Revenue Sharing Transition

- 3.0 The Parties agree that a transition to revenue sharing based entirely on Forest Revenue will be phased in over the Term.

- 3.1 For each BC Fiscal Year that this Agreement is in effect, a portion of the Revenue Sharing Contribution is calculated by adding the total of the Traditional Territory Forest Revenue Sharing Component to the Direct Award Tenure Forest Revenue Sharing Component for that BC Fiscal Year.
- 3.2 For each BC Fiscal Year that this Agreement is in effect, the remaining portion of the Revenue Sharing Contribution is calculated by determining the value of the payments that were made by British Columbia to Gitanyow in any given full year under the *Gitanyow Forestry Agreement* ("the Annual Amount") and applying the following percentages to that Annual Amount:
- 3.2.1 2016/17 BC Fiscal Year: 40 percent;
- 3.2.2 2017/18 BC Fiscal Year: 40 percent; and
- 3.2.3 2018/19 BC Fiscal Year: 0 percent.
- 3.3 Notwithstanding section 3.2 of this Appendix, if the Revenue Sharing Transition Calculation for BC Fiscal year 2016/17 under section 3.1 provides:
- (a) an amount calculated under sections 1.3 and 2.1 of this Appendix that is equal to or greater than the annual payments received under the *Gitanyow Forestry Agreement*, then Gitanyow will receive the annual payments described by the Revenue Sharing Transition Calculation in section 3.1 for BC Fiscal Year 2016/17; and
- (b) an amount calculated under the Revenue Sharing Transition Calculations in sections 3.1 and 3.2 of this Appendix that is greater than the annual payments received under the *Gitanyow Forestry Agreement*, then Gitanyow Nation will receive an annual payment for BC fiscal Year 2016/17 that is equal to the annual payment received under the *Gitanyow Forestry Agreement*.

APPENDIX C

Resolution Appointing the Recipient Entity for this Agreement (“Designate”)

APPENDIX D

Gitanyow Statement of Community Priorities

(Example only)

Socio-economic Priority	Annual Amount			Specific Outcomes	Measurement Criteria
	2016/2017	2017/2018	2018/2019		

2016/2017 Revenue Sharing Contribution \$180,184

2017/2018 Revenue Sharing Contribution \$To Be Determined

2018/2019 Revenue Sharing Contribution \$To Be Determined

APPENDIX E

Gitanyow Statement of Community Priorities

Annual Report

(Example only)

Socio-economic Priority	2016/2017 Planned Expenditures	2016/2017 Actual Expenditures	Outcomes Achieved	Variance Explanation

Confirmation

In accordance with section 8.2 of the Agreement, Gitanyow confirms that aside from reasonable administrative expenses, all actual expenditures were made for the purpose of furthering the purposes and objectives set out in section 2.1 of the Agreement.

Signed this _____ day of _____:

(Signature)

(Name) On behalf of the Gitanyow Nation

MEMORANDUM

FOREST CONSULTATION AND REVENUE SHARING AGREEMENT APPROVAL

DATE: December 14, 2016

PREPARED FOR: Honourable John Rustad, Minister of Aboriginal Relations and Reconciliation

TOPIC: Approval and signature of the Gitanyow Forest Consultation and Revenue Sharing Agreement

SUMMARY:

- On October 31, 2016, Gitanyow signed the attached Forest Consultation and Revenue Sharing Agreement (FCRSA).
- Gitanyow has approximately 854 registered members and is located northeast of Terrace, BC.
- Gitanyow will receive \$180,184 in the first year.
- The Gitanyow FCRSA acknowledges that the Gitanyow have previously entered into the *Gitanyow Huwilp Recognition and Reconciliation Agreement* with BC and contains minor modifications to reflect this.
- FCRSA discussions with the Gitanyow have been on-going since the expiry of their interim forestry agreement in 2011. Gitanyow have consistently expressed a number of concerns with the FCRSA, including: the overlap of their territory with Nisga'a should not impact their Revenue Sharing Contribution; the 5 percent share is insufficient, and; export fees should be included in the revenue sharing formula. Although the Gitanyow still retain these concerns, they have accepted that the resolution to these issues lies outside of the current FCRSA program mandate and have agreed to sign the FCRSA.
- The Gitanyow FCRSA is the 244th FCRSA signed in BC since program start, and the 10th FCRSA signed in fiscal year 2016/17.
- Impacted stakeholders have been notified that this agreement has been concluded.

REQUEST:

- **It is requested that the Minister approve entering into a FCRSA with Gitanyow Hereditary Chiefs by signing the attached agreement.**

Attachment: Forest Consultation and Revenue Sharing Agreement

PREPARED BY:

Kristen Brewer, Regional Negotiator
Negotiations and Regional Operations - North Region
(250) 847-7280