

Economic Development Agreement

(the "Agreement")

Between:

Xwisten

T'it'q'et

Xaxli'p

Tsal'álh

Ts'kw'aylaxw

Sekw'el'was

(As represented by the Chief of Each Participating St'át'imc Community)
(hereinafter "Participating St'át'imc Community" (PSC))

and

**Her Majesty the Queen in Right of the Province of British Columbia as represented
by the Minister of Forests and Range
(the "Government of British Columbia")**

(Collectively the "Parties")

Preamble

WHEREAS the PSC are part of the St'át'imc Nation.

WHEREAS on May 10, 1911 the *Declaration of the Lillooet Tribe* was signed by 17 St'át'imc Chiefs asserting that the St'át'imc have used and occupied St'át'imc territory since time immemorial and that St'át'imc are the rightful owners of St'át'imc Territory and everything pertaining thereto.

WHEREAS since at least the Terms of Union, in 1871, the Province of British Columbia has assumed governance and jurisdiction within the St'át'imc Territory.

WHEREAS Section 35(1) of the Canadian Constitution Act, 1982 gives recognition and affirmation to the existing Aboriginal and treaty rights of the Aboriginal Peoples of Canada and the courts have held that the duty of the Crown is to consult and where appropriate accommodate Aboriginal rights that may be impacted by Crown decisions.

WHEREAS this Agreement does not attempt to define St'át'imc title and rights and does not reconcile, accommodate or resolve all potential infringements of St'át'imc title and/or rights, nor does it intend to compromise or prejudice any future process that seeks to define those.

WHEREAS while this Agreement and resulting tenures of this Agreement will be implemented in accordance with current Provincial statutes, that fact is not intended to compromise or prejudice any future processes that seek to define St'at'imc title and/or rights.

WHEREAS the Government of British Columbia wishes to support economic development opportunities for the PSC.

WHEREAS the Province of British Columbia, the Government of Canada and the St'at'imc Nation have undertaken a shared commitment to strengthening relationships by focusing efforts to close the socio-economic gaps between Aboriginal and non-Aboriginal peoples. This will require strengthened relationships between the St'at'imc Nation and the Province of British Columbia, based on enhanced collaboration, effective working partnerships and mutual respect and accountability.

WHEREAS this Agreement, and any benefits flowing from it, may assist the St'at'imc Nation in achieving progress towards the goals it shares with the provincial government of closing socio economic gaps between members of the St'at'imc Nation and non-Aboriginal peoples and, in particular, may assist the St'at'imc Nation in addressing some of the immediate priorities of the community by increasing the St'at'imc Nation's participation in the forest and range sectors.

WHEREAS the Province of BC recognizes that the St'at'imc Nation has a unique history, culture, tradition and relationship to the land and its resources, with its social and cultural distinctiveness defining the St'at'imc Nation. These characteristics therefore form an important context for the cooperative efforts needed to improve the St'at'imc Nation's well-being.

Purpose

- 1) The purposes of this Economic Development Agreement are to:
 - a) increase the participation of the PSC in the salvage of pine leading stands in the Lillooet Timber Supply Area (TSA);
 - b) provide an economic development opportunity for the PSC to apply for a non-replaceable forest licence (the Licence), where the main priority will be to assist the Government of British Columbia in addressing mountain pine beetle infested stands in the Lillooet TSA by utilizing pine leading stands;
 - c) assist with the development of relations between the PSC and the Province through discussion and negotiation as opposed to litigation;
 - d) provide support for the forest industry in the Lillooet area;
 - e) encourage the PSC represented in this agreement to work collaboratively and proactively with other St'at'imc communities and other aboriginal communities in the Lillooet TSA in implementing this agreement; and

- f) encourage the Ministry of Forests and Range (MFR) to work collaboratively and proactively with other provincial agencies and timber tenure holders in fostering a positive working relationship with the PSC in implementing this Agreement.
- 2) This Agreement, and any benefits flowing from it, are to assist the St'at'imc Nation in achieving progress towards closing the socioeconomic gaps and to assist the St'at'imc Nation in addressing immediate priorities.

Therefore the Parties agree as follows:

- 3) After execution of this Agreement by the Parties, the Regional Manager for the Southern Interior Forest Region will invite the PSC to apply for the Licence under section 47.3 of the *Forest Act* to harvest a total of up to three (3) million cubic meters from pine leading stands over a 15 year term within the Lillooet TSA which was identified in the Chief Forester's March 26, 2009 rationale for the Lillooet Allowable Annual Cut Determination.
- 4) Execution of this Agreement and any resulting direct award Licence will not prohibit the PSC from accessing additional timber volume through alternative processes or opportunities that may be legally available to them.
- 5) If the intended holder of the Licence is a legal entity other than the PSC, documentation demonstrating that the intended holder of the Licence has been authorized by the PSC's in question to be their representative must be supplied at the time of submitting the application for the Licence.
- 6) The Licence entered into as a result of the invitation to apply under this Agreement will:
 - a) Abide by the MFR process whereby:
 - i) BC Timber Sales has a mandate to provide a credible reference point for costs and pricing of timber harvested from public land in British Columbia; and
 - ii) in order to carry out their mandate, BC Timber Sales focuses their operations in defined areas; and
 - iii) an agreement is required between the district manager, BC Timber Sales manager, and the PSC prior to submitting a cutting permit application in these areas.
 - b) contain terms and conditions required by law, including the condition that the PSC must comply with this Agreement;
 - c) not be guaranteed to be economically viable and does not carry any business endorsement;
 - d) exclude Controlled Recreation Areas;

- e) include a term that the PSC may not dispose of the Licence except in accordance with the *Forest Act*; and
 - f) include other terms and conditions as may be required by the Regional Manager.
- 7) Prior to the regional manager inviting the PSC to apply for a licence under this agreement, MFR staff, and the PSC will work together to define what eligible "pine leading stands" will be in order to meet the intent of the agreement.
- 8) An intention of this Economic Development Agreement is to foster discussion and communication between the Parties, who commit to continuing to work in good faith to improve communication and to have a positive working relationship.

Dispute Resolution

- 9) If a dispute arises between the Government of British Columbia and the PSC regarding the interpretation of a provision of this Agreement, the Parties or their duly appointed representatives will meet as soon as is practicable to attempt to resolve the dispute.
- 10) If the Parties are unable to resolve differences at the appropriate level, the interpretation issue will be raised to more senior levels of the Government of British Columbia and to the St'át'imc Chiefs Council .
- 11) The Parties may choose other appropriate approaches to assist in reaching resolution of the interpretation issue.

Amendments

- 12) Any alteration or amendment to the terms and conditions of this Agreement must be in writing and duly executed by the Parties.
- 13) Either Party may request in writing the participation of the other Party to review the effectiveness of this Agreement annually and consider amendments to this Agreement.
- 14) Upon the written request of any Party, the Parties may agree in writing to amend this Agreement to include an additional PSC or PSC as a Party (ies) to the Agreement.

Term

- 15) This Agreement will terminate on the occurrence of the earliest of any of the following events:
- a) 15 years from the date this Agreement is executed by the Minister; or
 - b) the mutual agreement of the Parties; or
 - c) after 90 days written notice by either Party to the other.

Cancellation and Suspension

- 16) Without limiting the actions that may be taken by the Minister or by the Government of British Columbia, the Minister of Forests and Range or a person authorized by the Minister, may suspend or cancel the licence entered into as a result of this Agreement, if the Minister determines that the PSC is not in compliance with this Agreement.

Notice

- 17) Prior to taking any action referred to in Section 17, the Government of British Columbia will provide notice to the PSC of any alleged contravention of this Agreement that may lead to the PSC not being in compliance with this Agreement and will provide a reasonable period of time for the PSC to remedy the default.
- 18) Any notice or other communication that is required to be given or that a Party wishes to give to the other Party with respect to this Agreement will be in writing and will be effective if delivered, sent by registered mail, or transmitted by facsimile to the address of the other as in this section of the Agreement.
- 19) Any notice or other communications will be deemed to have been given on the date it is actually received, if received before 4:00 p.m. If received after 4:00 p.m., it will be deemed to have been received on the next business day. The address of either Party may be changed by notice in the manner set out in this section of the Agreement.

Government of British Columbia Deputy Minister
Ministry of Forests and Range P.O. Box 9525 STN PROV GOVT
Victoria, B.C. V8W 9C3. Telephone: (250) 387-3656 Facsimile: (250)
953-3687

Xwisten Chief Bradley Jack PO Box 190 Lillooet, BC V0K 1V0	Sekw'el'was Chief Perry Redan PO Box 484 Lillooet, BC V0K 1V0
Tsal'álh Chief Larry Casper Site 3 Box 76 Shalath, BC V0N 3C0	T'it'q'et Chief Kevin Whitney PO Box 615 Lillooet, BC V0K 1V0
Ts'kw'aylaxw Chief Clifford Alec Box 2200 Lillooet, BC V0K 1V0	Xaxli'p Chief Art Adolph PO Box 1330 Lillooet, BC V0K 1V0

Context of the Agreement

- 20) This Agreement is not a treaty or a lands claims agreement within the meaning of Sections 25 and 35 of the *Constitution Act, 1982* and does not define or amend aboriginal rights, or limit any priorities afforded to aboriginal rights, including aboriginal title.
- 21) This Agreement does not address or prejudice conflicting interests or competing claims between First Nations.
- 22) This Agreement will not limit the positions that a Party may take in future negotiations or court actions, nor serve as admissions by either Party.


- 23) The Government of British Columbia acknowledges and enters into this Agreement on the basis that the PSC has aboriginal interests within the St'at'imc Nation traditional territory and further that the specific nature, scope or geographic extent of those aboriginal interests and the ultimate holders of those aboriginal interests have not yet been determined. Broader processes engaged in to bring about reconciliation will result in a common understanding of the nature, scope and geographic extent of aboriginal interests.

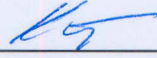
Miscellaneous

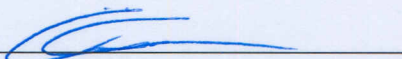
- 24) This Agreement and any decisions and or licenses issued during the term of this Agreement do not change or affect the positions either Party has, or may have, regarding jurisdiction and authorities.
- 25) This Agreement shall be interpreted in a manner consistent with provincial, federal and constitutional law.
- 26) Any reference to a statute in this Agreement includes all regulations made under that statute and any amendments or replacement of that statute and its regulations.
- 27) There will be no presumption that any ambiguity in any of the terms of this Agreement should be interpreted in favor of either Party.
- 28) The applicable laws of British Columbia govern this Agreement.
- 29) This Agreement may be entered into by each Party signing a separate copy of this Agreement, including a photocopy or faxed copy, and delivering it to the other Party by fax. Each facsimile will be deemed to be an original for all purposes and all counterparts taken together will be deemed to constitute one document.
- 30) This Agreement does not exclude the PSC from accessing forestry economic opportunities and benefits, which may be available, other than those expressly set out in this Agreement.
- 31) This Agreement does not address or affect any claims by the PSC regarding impacts to their aboriginal interests arising from past operational or administrative decisions made prior to the signing of this Agreement.
- 32) If during the term of this Agreement St'at'imc title and rights are fully defined, the Parties agree to revisit this agreement to determine the extent to which it needs to be amended to reflect those changes.

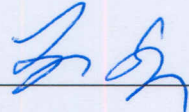
Signed by the Chief of each Participating St'at'imc Community:

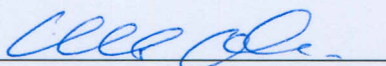
Date: April 30, 2010

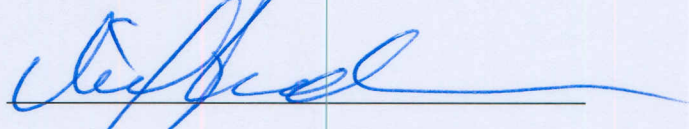

Xwisten: Chief Bradley Jack

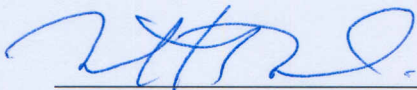

T'it'q'et: Chief Kevin Whitney


Xaxli'p: Chief Art Adolph


Tsal'álh: Chief Larry Casper


Ts'kw'aylaxw: Chief Clifford Alec

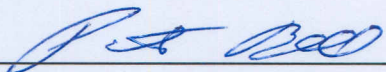

Sekw'el'was: Chief Perry Redan



Witness of Participating St'at'imc Community Signatures

Signed on behalf of the Government of British Columbia:

Date: May 26, 2010


Pat Bell

Minister of Forests and Range


Witness of Minister signature