

December 21, 2004

Interim Measures Agreement
(the "Agreement")

Between:
North Thompson Indian Band

And

**Her Majesty the Queen in Right of the Province of British
Columbia**

**As represented by the Minister of Forests
(the "Government of British Columbia")**

(collectively the "parties")

Whereas:

- The North Thompson Indian band (NTIB) have aboriginal interests within the Kamloops Timber Supply Area (TSA).
- This Agreement applies to NTIB 's asserted traditional territory of interest within the Kamloops Timber Supply Area (see Appendix 'B')
- The Chief Forester approved on December 16th, 2003, an Allowable Annual Cut uplift of 1 million cubic meters in the Kamloops TSA to address the mountain pine beetle forest health problem.

Therefore the Parties agree as follows:

1.0 Purpose:

1.1 The purposes of this Agreement are to:

- (a) Respond to NTIB's economic interest for access to tenures created to address the mountain pine beetle forest health problem in the Kamloops TSA.
- (b) Agree to jointly create a forest sector communication forum, chaired and hosted by the NTIB to discuss forest management issues, plans, and policy of common interest to the NTIB and Ministry of Forests. The forum will meet quarterly.
- (c) NTIB to share the economic benefits arising from this agreement with the Lower Thompson Community Forest Society

2.0 Tenure:

- 2.1.1** After the execution of this Agreement by the Parties, the Minister will invite North Thompson Indian Band, or its appointed entity, Lower North Thompson Community Forest Society (the applicant) to apply under section 47.3 of the *Forest Act* for a non-replaceable forest licence (the "licence") for up to 100,000 cubic meters annually in the Kamloops Timber Supply Area.

In addition, after execution of this Agreement by the Parties, if the Regional Executive Director determines that sufficient volume of timber is available after statutory decisions have been made under the *Forest Act* with respect to beetle infected wood in the Kamloops TSA. The Minister may invite the North Thompson Indian Band to apply under section 47.3 of the *Forest Act* for a non-replaceable forest licence (the licence). The volume to be determined based on availability in the asserted traditional territory of North Thompson Indian Band.

- 2.1.2** For greater certainty, the maximum volume that may be available under the licence referred to in Section 2.1.1 will be up to 300,000 cubic meters over 3 years.
- 2.1.3** The intended holder of the licence(s) is a legal entity other than the North Thompson Indian Band, known as the Lower North Thompson Community Forest Society (LNTCFS). As a part of this Agreement, NTIB must include supporting

documentation (Appendix A) stating that the intended holder has been validly appointed by the North Thompson Indian Band through a band council resolution, and that the band has appointed a representative to sit as a director (trustee) of the LNTCFS for the term of this agreement, that the LNTCFS is a registered society and that its Constitution provides for the LNTCFS to hold and operate under the licence on behalf of NTIB.

2.1.4 An invitation to apply for a licence (an "invitation") and any licence entered into as a result of the invitation to apply under this Agreement will be subject to the policies, regulations and statutes of British Columbia as amended from time to time.

2.1.5 An invitation will be subject to a condition that prior to North Thompson Indian Band, or its appointed entity, making an application for the licence, the Ministry of Forests will identify potential operating areas for the licence, and the Parties will work together to identify the operating area for the licence from the potential areas identified. If possible, the operating area will be within the NTIB asserted traditional territory.

2.1.6 A licence entered into as a result of an invitation to apply under Section 2.1.1 of this Agreement will:

2.1.6.1 be for a term of no longer than 3 years, as determined by the Minister;

2.1.6.2 contain other terms and conditions required by law, including a condition in the Licence that North Thompson Indian Band must comply with this Agreement; and,

2.1.6.3 include other terms and conditions as may be required by the regional executive director including a term that North Thompson Indian Band, or its appointed entity may not divide, subdivide, transfer, or otherwise dispose of the licence or an interest in the licence, unless authorized in accordance with the Forest Act.

2.1.7 The financial success of the business venture derived from this tenure opportunity is the sole responsibility of NTIB and/or LNTCFS.

3.0 ESTABLISHMENT OF COMMUNICATION FORUM:

- 3.1.1 The parties agree to establish a Communication Forum for the purpose of building business relationships between the Ministry of Forests, BC Timber Sales, and other forest licensees.
- 3.1.2 The Communication Forum shall meet on a quarterly basis.
- 3.1.3 The chair and recording of minutes for the Communication Forum will be the responsibility of the North Thompson Indian Band.
- 3.1.4 The Communication Forum may form subcommittees from time to time as deemed necessary by both Parties.

4.0 ANNUAL NTIB COMMUNITY FORESTRY WORKSHOP:

The NTIB will host annually a workshop for Ministry of Forests staff and NTIB community members to:

- discuss forestry topics and issues
- provided Forest Service and forest licensee staff with cultural awareness opportunities
- participate in field trips to asserted traditional territories

4.1 FINANCIAL SUPPORT RESOURCES FOR THE AGREEMENT:

- 4.1.1 The Ministry of Forests will provide the funds considered mutually agreeable and necessary to make the communication forum operationally effective, subject to the availability of funds and not to exceed \$10,000/year.
- 4.1.2 North Thompson Indian Band will contribute funds and/or in-kind resources to make the Agreement effective, subject to availability.
- 4.1.3 North Thompson Indian Band hereunder, will provide the Ministry of Forests with a proposed budget for internal costs with respect to this Agreement for which the Ministry of Forests and North Thompson Indian Band will make reasonable efforts to provide support funding.

5.0 Dispute Resolution:

- 5.1 In the event of a dispute arising under this Agreement, the Parties will endeavour to define the dispute and resolve it within fifteen working (15) days.
- 5.2 If the parties cannot resolve the dispute they may appoint an independent and mutually agreeable mediator to resolve the dispute within 60 days, or such period as may be otherwise agreed upon.
- 5.3 Nothing in Section 5 will prevent either party from resorting to legal remedies at any time to resolve disputes. However the parties agree the preference is to complete section 5.1 and section 5.2 before resorting to other remedies.
- 5.4 Both parties will equally share the cost of mediation.

6.0 Amendment:

Any alteration or amendment to the terms and conditions of this Agreement must be in writing and duly executed by both parties.

7.0 Entire Agreement:

This Agreement and any amendments to it constitute the entire Agreement between the parties with respect to the subject matter of this Agreement.

8.0 Term:

This Agreement will take effect on the date that it has been executed by the Parties.

This Agreement will terminate 3 years from date of signing.

9.0 Suspension or Cancellation of Licence:

Without limiting the actions that may be taken by the Minister or by the Government of British Columbia, and in accordance with Sections 76 and 77 of the Forest Act, the Regional Executive Director or District Manager may suspend or cancel the licence entered into as a result of the invitation to apply under this Agreement if it is determined that the NTIB is not in compliance with this Agreement or if this Agreement is terminated under section 8.0. The Minister will provide NTIB 30 days prior written notice of the intent to cancel. The notice will include a description of the perceived breach and a proposed remedy.

10.0 Notice:

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 party as set out in this paragraph of the Agreement.

British Columbia

Deputy Minister
Minister of Forests
P.O. Box 9525 STN PROV GOVT
Victoria BC V8W 9C3
Facsimile (250) 387-7065

North Thompson Indian band

Chief Nathan Matthew
North Thompson Indian Band
P.O Box 220
500 Dunn Lake Road
Barriere, BC
VOE 1E0
Facsimile: (250) 672-9995

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.

11.0 Counterpart:

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.

12.0 Miscellaneous:

- 12.1 Nothing in this Agreement shall be interpreted in a manner that requires the Government of British Columbia to act in a manner

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inconsistent with provincial or federal law, or that fetters the statutory discretion of any government decision-maker.

- 12.2 This Agreement is not a treaty or a land claim agreement within the meaning of section 25 and 35 of the *Constitution Act, 1982* and does not recognise, affirm, or deny the existence of aboriginal rights including aboriginal title, or treaty rights.
- 12.3 This Agreement will not limit the positions that the parties may take in future negotiations or court actions, other than with respect to the matters addressed in this Agreement.
- 12.4 Any reference to a statute in this Agreement includes all regulations made under that statute and any amendments or replacement of that statute.
- 12.5 There will be no presumption that any ambiguity in any of the terms of this Agreement should be interpreted in favour of any party.
- 12.6 The applicable laws of British Columbia and Canada shall govern this Agreement.

13.0 WITHOUT PREJUDICE:

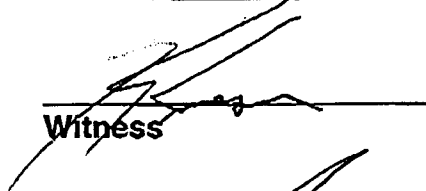
Nothing in the Agreement is intended to define, create, or cause the extinguishment of any asserted title or rights of the NTIB.

This agreement is dated for reference December 21, 2004

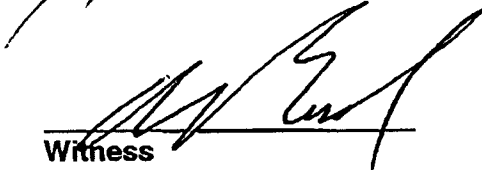
Signed on behalf of:
Government of British Columbia

Date: Dec 21, 2004


Michael de Jong
Minister of Forests


Witness


Chief Nathan Mathew
On behalf of NTIB


Witness

7 of 921 December 2004

7

Appendix "A"

- **Copy of NTIB Band Council Resolution appointing LNTCFS to act on NTIB behalf**
- **Copy of the LNTCFS by laws and constitution**



SIMPCW FIRST NATION
Box 220, Barriere, B.C.
V0E 1E0



BAND COUNCIL RESOLUTION

The Council of:	SIMPCW FIRST NATION
Place:	Barriere
Province:	British Columbia
District:	Coast Interior
Date:	December 17, 2004

Herby resolves;

Whereas the Simpcw First Nation and Her Majesty the Queen in Right of the Province of British Columbia intend to sign an Interim Measures Agreement wherein the B.C. Minister of Forests will invite the Simpcw First Nation to apply for a non-replaceable forest licence for up to 100,000 cubic metres of mountain pine beetle timber:

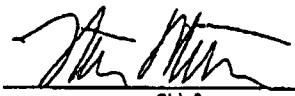
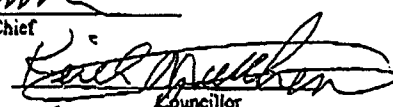
It is resolved and agreed by the Band Council of the Simpcw First Nation that:

1. The intended licence holder of the licence(s) is a legal entity other than the Simpcw First Nation, known as the Lower North Thompson Community Forest Society(LNTCFS);
2. Chief Nathan Matthew will be the appointed representative to sit as the director on the Lower North Thompson Community Forest Society for the term of this agreement and this appointed representative can be changed at any time by Band Council Resolution.
3. The Lower North Thompson Community Forest Society is a registered society and that its Constitution provides for the Lower North Thompson Community Forest Society to hold and operate the non-replaceable forest licence on behalf of the Simpcw First Nation.


Councillor

Councillor

Councillor


Chief

Councillor

Councillor

Councillor

A quorum for this Band
Consists of 4

FORM 3
SOCIETY ACT
Constitution

1. The name of the society is **LOWER NORTH THOMPSON COMMUNITY FOREST SOCIETY**
2. The purposes of the society are:
 - (a) To create a long term sustainable plan for the forest resources that benefits the people of the Lower North Thompson Valley;
 - (b) Preserve ownership of local natural resources for the peoples of our area, promoting self determination for the people of this valley;
 - (c) To create sustainable employment, new business opportunities and investment;
 - (d) To provide a new opportunity for community management of local Crown land;
 - (e) To provide long term opportunities for achieving a range of community objectives including:
 - (i) employment;
 - (ii) skills training;
 - (iii) forest related education;
 - (iv) social environment and economic benefits.
 - (f) To meet the objectives of the government in respect of environmental stewardship including the management of timber, cultural and heritage resources.

Bylaws

The bylaws of the society are those set out in Schedule B to the *Society Act* with the following variations:

1. The following definition is added to paragraph 1(1):

"Area O" means Area O of the Thompson Regional District and McLure and the immediate surrounding area."
2. In Part 2, paragraph 4 is deleted and replaced with the following:

"4. To be a member of the Society and to attend and vote at the 2004 annual general meeting a person must apply to the Society, in writing and pay annual dues of \$5.00 and be a minimum of 19 years of age and/or an area O resident for at least six months and/or be a property owner in Area O. Subsequent to the annual general meeting, the length of residency requirements will be six months.
3. In Part 3, paragraph 12 is deleted and replaced with the following:

"The directors may, when they think fit, convene an extraordinary general meeting. And the members may convene an extraordinary general meeting with the petition of 10% of the members."

4. In Part 3, paragraph 13.2 is deleted and replaced with the following:
- "13.2 The accidental omission to give notice of the meeting to or the non-receipt of notice by any of the members entitled to receive notice does not invalidate proceedings at that meeting. Notice of any members meeting is deemed to have been given to every member if, at least two (2) weeks prior to such meeting notice thereof is published in two consecutive issues of a newspaper customarily circulating in Area O."
5. In Part 4, paragraphs 22 and 23 are deleted and replaced with the following:
- "22. Voting is by a show of hands unless the majority of members present otherwise request, in which case voting will be by ballot."
23. Voting by proxy is not permitted."
6. In Part 5, paragraphs 24 through 30 are deleted and replaced with the following:
- "24. The directors may exercise all the powers and do all the acts and things that the Society may exercise and do that are not, by these bylaws or by statute or otherwise, lawfully directed or required to be exercised or done by the society in a general meeting by subject nevertheless, to:
- (a) All laws affecting the society;
 - (b) These bylaws;
 - (c) Rules, not being inconsistent with these bylaws are made from time to time by the society in a general meeting.
- 24.1. A rule made in a general meeting does not invalidate a prior act of the directors that would have been valid if that rule had not been made.
- 24.2. The president, vice president, secretary, treasurer and seven other persons are the directors of the society.
- 24.3. An officer must be a director and ceases to be an officer when he or she ceases to be a director.
- 24.4. The number of directors shall be eleven (11).
- (a) All directors will be elected by the membership
 - (b) In the event the members are only able to elect a number of directors, fewer than seven, the board may function with that number and quorum, at board meetings, will be adjusted accordingly, provided that number is never fewer than five.
- 24.5. Directors elected by the membership shall be elected, at the annual general meeting, to two-year terms.
25. At the first meeting of the directors, after the 2004 annual general meeting, the directors will, by draw, ballot, or other means, as they see fit, designate the terms held by five directors to be one year terms.
- 25.1. At each annual general meeting a minimum of five directorships will stand for election.
- 25.2. The officers shall be elected, by the directors, at the first meeting of the directors, following the annual general meeting.
- 25.3. An election committee shall be established annually to recruit applicants and receive applications from the membership to stand for election to the Board of Directors.

- (a) The Committee shall consist of up to 4 members of the Society.
- (b) The Committee shall organize and conduct an all candidates meeting prior to the annual general meeting.
- (c) The Committee shall strive to balance community perspectives and gender and ensure the required expertise and skills are represented on the board but will not, in any way, attempt to screen candidates or discourage any person from standing for election to the board.
- (d) The recruitment process shall be fair and seen to be fair and transparent to the membership.
- (e) There shall be no nomination from the floor or debate on the nominations at the annual general meeting.

25.4 A member seeking to stand for election as a Director on the Board of the Society must meeting the following criteria:

- (a) A person must a member in good standing.
- (b) A person must submit a written nomination, signed by two other members in good standing.
- (c) A person has not been convicted of an indictable criminal offence unless they have obtained a pardon.
- (d) A person has agreed, in writing, to abide by the Constitution and Bylaws & Declaration of Commitment;
- (e) A person has completed a written Personal Disclosure of potential conflict of interest, with explanation of how it may be conflict.

25.5 The following "soft criteria" shall be included in the Declaration of Commitment:

- (a) A person brings their individual perspective rather than representing the formal position or perspective of a particular sector or group.
- (b) A person is willing to fulfil the full term of office.
- (c) A person is willing to work cooperatively.

26. The directors must retire from office at each annual general meeting when their successors are elected.

26.1 An election may be by acclamation, otherwise it must be by ballot.

26.2 If a successor is not elected, the person previously elected or appointed may continue to hold office.

27.1 The directors may at any time and from time to time appoint a member as a director to fill a vacancy in the directors.

27.2 A director so appointed holds office only until the conclusion of the next annual general meeting of the society but is eligible for re-election at that meeting.

28. If a director resigns his or her office or otherwise ceases to hold office, the remaining directors must appoint another member to take the place of the former director.

28.1 An act or proceeding of the directors is not invalid merely because there is less than the prescribed number of directors in office.

28.2 A director must not be remunerated for being or acting as a director but a director must be reimbursed for all expenses necessarily and reasonably incurred by the director while engaged in the affairs of the Society.

29 The members may by special resolution, remove and elect a director with a 75% vote before the expiration of his or her term or office.

30 A director will cease to hold office or be a director if he is absent from three consecutive regular meetings of the directors without cause, notice of which cause has been communicated to and approved as legitimate by the directors prior to said meetings."

7 The following is added as paragraph 39.1

"39.1 Decision making on questions arising at a meeting of the directors and committees of directors shall strive to be consensus oriented. This means that all members shall make every effort to find full agreement amongst all members before a decision is determined by a majority vote."

8 The following is added as paragraph 39.2

"39.2 In the case that a decision cannot be reached by consensus, questions arising at a meeting of the directors and committees of directors shall be decided by a majority vote."

Dated

April 27, 2004

Witness(es)

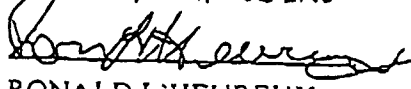
Applicants for Incorporation



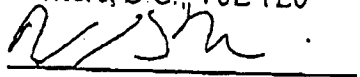
ALBERT EDWARD BUSH
Box 706 - 4733 Gibbs Road
Barriere, B.C., V0E 1E0



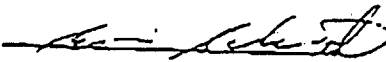
BRIAN BONDAR
Box 133 - 2828 Long Lake Road
Kootenay, B.C., V0E 2A0



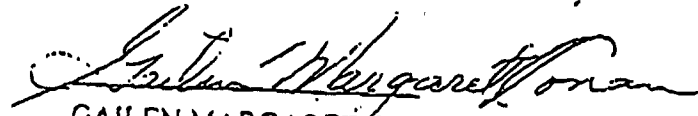
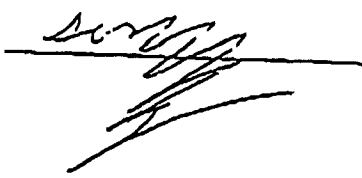
RONALD L'HEUREUX
Box 704 - 4483 Dunn Lake Road
Barriere, B.C., V0E 1E0



WILLIAM THEODORE HALL
Box 1088 - 4209 Haggard Road
Barriere, B.C., V0E 1E0



ERNEST CELEST
Box 1484 - 530 Coal Cr. Crs.
Barriere, B.C., V0E 1E0



GAILEN MARGARET CONAN
Box 324 - 5798 Dunn Lake Road
Barriere, B.C., V0E 1E0

LOWER NORTH THOMPSON COMMUNITY
FOREST SOCIETY

Box 1310, Barriere, B.C. V0E 1E0
Ph: 250-672-2076 Fax: 250-672-2059
Incorporation Number: 0047516
Incorporated April 21, 2004

December 6, 2004

BOARD OF DIRECTORS

Ronald G. L'Heureux - Vice Chairman Barriere
843 Dunn Lake Road
Box 704, Barriere, B.C. V0E 1E0 Tel: (250) 672-9659

Walter Luison - Vice Chairman Barriere
Yellowhead Hwy, South
Box 115, Louis Creek, B.C. V0E 2E0 Tel: (250) 672-5929

Ernest Celesta - Director Chi Chua
530 Coal Creek Cres., Chu Chua
Box 1484, Barriere, B.C. V0E 1E0 Tel: (250) 672-5546

Thomas R. White - Director Louis Creek
695 Stone Road,
Box 14, Louis Creek, B.C. V0E 2E0 Tel: (250) 672-1034

Gailen Conan - Secretary Treasurer Barriere
Dunn Lake Road
Box 324, Barriere, B.C. V0E 1E0 Tel: (250) 672-9218

Ted Brown - Director - Little Fort
McNab Road
Box 45, Little Fort, B.C. V0E 2C0 Tel: (250) 677-4308

Albert Bush - Chairman Barriere
4733 Gibbs Road
Box 1310, Barriere, B.C. V0E 1E0 Tel: (250) 672-5520

Lower North Thompson Community Forest Society

2

Darrell Fennell - Director Chu Chua
Dunn Lake Road, Chu Chua
Box 1408, Barriere, B.C. V0E 1E0 Tel: (250) 672-4463

Duncan McGrath - Director Little Fort
293 Lawrence Road,
Box 71, Little Fort, B.C. V0E 2C0 Tel: (250) 677-4387

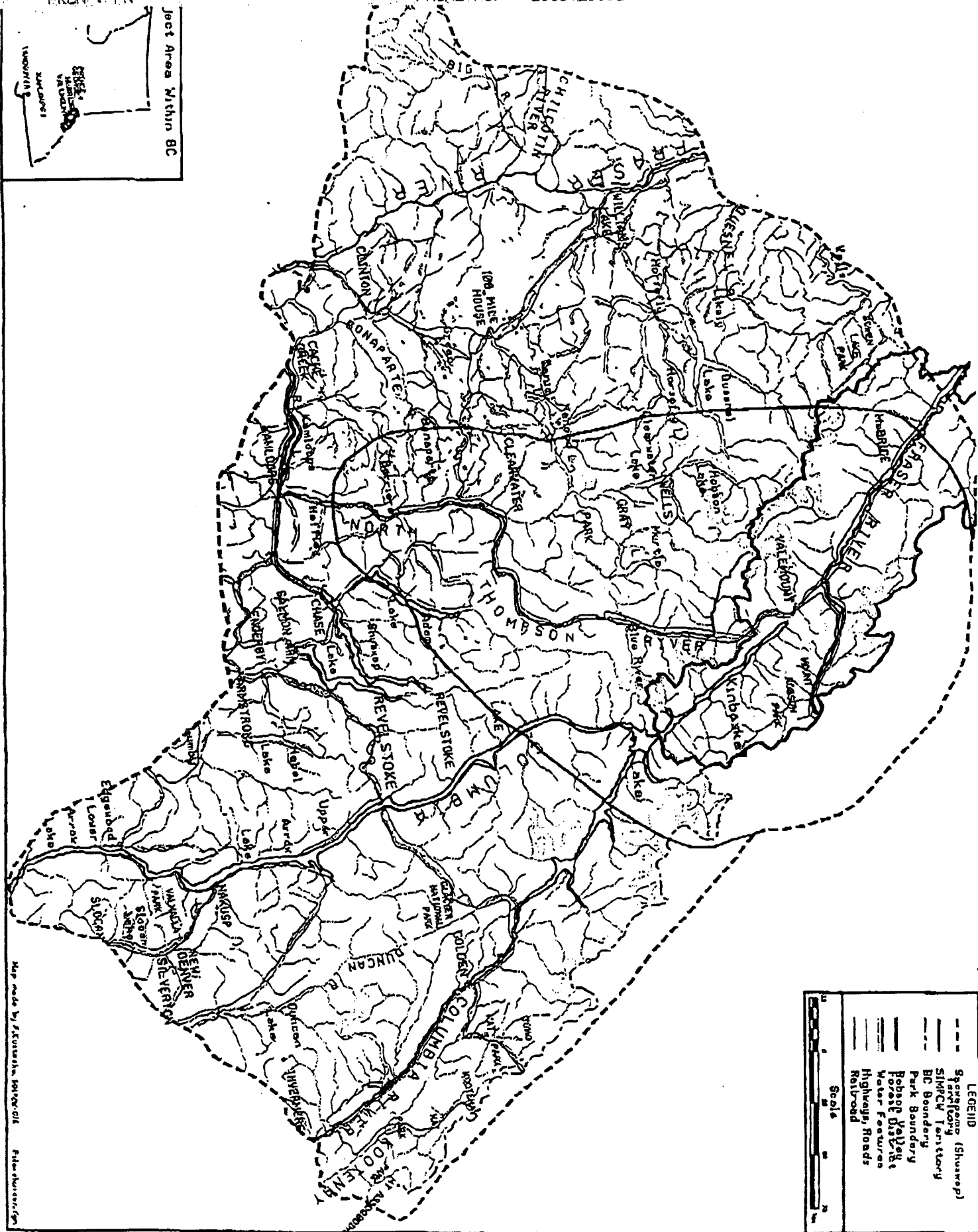
Arne Tolborg - Director Louis Creek
3290 Agate Bay Road
Box 110, Louis Creek, B.C. V0E 2E0 Tel: (250) 672-9282

Timothy Hockey - Director Barriere
736 Spruce Cres.
Box 373, Barriere, B.C. V0E 1E0 Tel: (250) 672-9951

Robert E. Hearn - Director McLure
Amaranth Farm, McLure, B.C.
Box 2142, Station "A",
Kamloops, B.C. V2B 7K6 Tel: (250) 672-9712

Appendix "B"

NTIB Traditional Territory Map0





December 21, 2004

Ronald G. L'Heureux, Vice Chairman
Walter Luison, Vice Chairman
Lower North Thompson Community Forest Society
Box 1310
Barriere, British Columbia
V0E 1E0

Dear Ronald G. L'Heureux and Walter Luison:

In accordance with the Interim Measures Agreement (agreement) dated December 21, 2004, I invite the North Thompson Indian Band, or its appointed entity, Lower North Thompson Community Forest Society (the applicant), to apply for a non-replaceable forest licence (the licence) under Section 47.3 of the *Forest Act*. The licence will have a term of three years in length, and will authorize the harvest of up to 100 000 cubic metres per year of Mountain Pine Beetle Partition Uplift AAC within the Kamloops Timber Supply Area (TSA)). The maximum volume available will be up to 300 000 cubic metres over three years.

Any direction that I may give to the regional manager under Section 47.3 of the *Forest Act* to enter into a licence with the intended holder of the licence, subject to the regional manager and the intended holder of the licence being able to agree on the terms and conditions of the licence, is conditional upon my receiving an application from the applicant that is satisfactory and considered appropriate in the circumstances to make that direction at that time.

The conditions of the licences are as follows:

- A. Unless otherwise authorized by the Kamloops Forest District Manager to address total chance planning, resource management objectives, or operating constraints, the licence provides a right to harvest "Eligible Timber" issued in cutting authorities, subject to requirements described within the *Forest Act*, *Forest Practices Code of British Columbia Act*, *Forest and Range Practices Act*, and associated regulations. "Eligible Timber" means stands of mountain pine beetle infested, damaged or killed timber, as identified through areal means, inventory mapping, or ground recce surveys, having the following characteristics:

Ministry of
Forests

Office of the
Minister

Location:
Parliament Buildings
Victoria BC V8V 1X4

Highest Priority Stands:

- 80% or greater of the volume, is comprised of Lodgepole pine (Pl); in which:
 - 30% or greater of the Pl merchantable stems are green attacked Pl, or
 - 30% or greater of the Pl merchantable stems are red/grey attack due to insect attack.

High Priority Stands:

- 51% or greater of the volume, is comprised of Lodgepole pine (Pl); in which:
 - 20% or greater of the Pl merchantable stems are green attacked Pl, or
 - 30% or greater of the Pl merchantable stems are red/grey attack due to insect attack.

- B. To ensure planning and harvest activities have the highest potential to control mountain pine beetle populations while reducing losses to damaged timber, the licensee will submit, for the district manager's approval, a proposed Harvest Schedule within 90 days of the licence commencement date, and prior to the commencement of operations under this licence. The Harvest Schedule will include an outline of the areas proposed for harvest under this licence, categorized by priority of "Eligible Timber", under condition A. The Harvest Schedule will also include a commitment to focus harvest activities on the highest priority stands prior to high priority stands and as much of the highest priority stands prior to the beetle flight in spring/ summer of 2005. The district manager may waive the requirement for a Harvest Schedule if the licensee submits a forest development plan or forest stewardship plan, within ninety days of the licence commencement date, and the forest development plan or forest stewardship plan includes the salient features of the Harvest Schedule.
- C. The licence document will designate the area of timber rights granted (operating areas), as agreed by the North Thompson Indian Band, Lower North Thompson Community Forest Society and Kamloops Forest District Manager, or his staff.
- D. Once the licence is issued, it may only be transferred in accordance with the *Forest Act*.
- E. Sawlogs (Grade code blank and Grade 3) plus Grade 4 and 5 logs from cuttings permits, road permits and waste billings associated with this licence, will be charged against the volume offered under this licence.
- F. The licensee will be required to undertake all operational planning, engineering, and silviculture work and associated costs under this licence in accordance with the *Forest Practices Code of British Columbia Act* (FPC) or the *Forest and Range Practices Act*.
- G. Timber pricing will be calculated in accordance with policy and procedures referred to under Section 105 of the *Forest Act*, and described in the *Interior Appraisal Manual*. Timber will be scaled in accordance with the *Forest Act* and the *Scaling Regulations* (BC Reg. 446/94).
- H. The licensee may be required to submit a "security" for silviculture liabilities in accordance with the *Security for Forest and Range Practice Liabilities Regulations* (BC Reg. 20/04) of the *Forest and Range Practices Act* (FRPA). The Kamloops Forest District Manager, or his staff, will advise the licensee of silviculture securities, should they be deemed necessary.
- I. The licensee may qualify and elect to transfer their silviculture obligations to the government as provided for under Section 30 of *FRPA*.
- J. During the course of development planning, timber cruising, layout and harvesting activities, the licensee's employees and contractors must take all reasonable measures to

identify and make known any possible archaeological values they encounter or are aware exist to the Ministry of Forests' district manager and to the Archaeological Planning and Assessment Branch of the Ministry of Sustainable Resource Management. Where such values are discovered and where required by the district manager, the licensee will undertake archaeological impact assessments, at the licensee's cost, and propose impact management measures that are in accordance with the *British Columbia Impact Assessment Guidelines* published by the Archeological Planning and Assessment Branch.

- K. Notwithstanding Section 76 or 77 of the *Forest Act*, if the agreement is contravened, or cancelled, the associated licence may be suspended or cancelled, pursuant to Section 76 or 77 of the *Forest Act*.
- L. The intended holder of the licence will be required to comply with British Columbia law and other administrative requirements.
- M. Utilization is at the discretion of the licence holder. However, waste and residue billings will include assessments against merchantability specifications, as set out in the "*Provincial Logging Residue and Waste Assessment Procedure Manual*", as amended from time to time. Assessments will reflect all timber, whether standing or felled, that could have been removed but was not removed under the licence, that meets or exceeds the specifications in the manual.
- N. The licensee will be expected to comply with the following Kamloops Forest District Requirements:
- objectives and strategies of the Kamloops Land and Resource Management Plan (LRMP) in the Kamloops Timber Supply Area.
 - share information and assist the Ministry of Forests in consultation with appropriate First Nation Bands (North Thompson Indian Band, Kamloops Indian Band, Skeetchetn Indian Band, Bonaparte Indian Band, and Whispering Pines Indian Band) licensed ranchers, trappers, and other agencies in the Kamloops area.
 - providing reports to the District Manager pertaining to harvesting, hauling and forest development activities associated with this licence, as part of the Canadian Standards Association (CSA) forest certification initiative within the Kamloops Forest District.
 - The licensee will ensure that harvesting activities exclude areas designated, by the Kamloops Forest District Manager, as Old Growth Management Areas (OGMAs).

Application

The application for the licence must include the following:

- (1) A total deposit of \$52 000 which is calculated as follows:

a)	the annual rent for one year in advance at \$0.37 per m ³ (AAC) times 100 000 m ³ (AAC) =	\$37 000
b)	the security deposit applicable to this licence payable under the regulations at \$0.15 per m ³ (AAC) times 100 000 m ³ (AAC) =	\$15 000

c)	TOTAL a) + b) in cash or approved securities =	<u>\$52 000</u>
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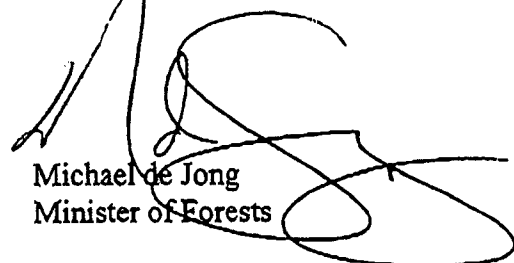
The total deposit is to be paid to the Government of British Columbia prior to the licence being entered into. Annual rent must be paid in each year of the term of the licence. All deposits and securities must be in an acceptable form and/or security as approved by the Minister of Finance.

The application must be submitted within one month of receipt of this invitation to:

The Minister of Forests
c/o Regional Manager
Southern Interior Forest Region
Ministry of Forests
515 Columbia Street
Kamloops, British Columbia
V2C 2T7

If you have any questions regarding the application, or your obligations under the licence, please contact the Regional Manager of the Southern Interior Forest Region or his staff members, Peter Graff or Dirk Trigg at 250 828 4131.

Yours truly,



Michael de Jong
Minister of Forests

pc: Chief Nathan Matthew, North Thompson Indian Band

Glenn Ricketts, Director, Aboriginal Affairs Branch

Phil Zacharatos, Regional Executive Director, Southern Interior Forest Region

Shane Berg, District Manager, Kamloops Forest District