

FOREST TENURE OPPORTUNITY "C" AGREEMENT

Forest Tenure Opportunity Agreement (the "Agreement")

Between:

Canim Lake Band

As represented by
Chief and Council

and

Her Majesty the Queen in Right of the Province of British Columbia
as represented by the Minister of Forests, Lands, and Natural Resource Operations
("British Columbia")

(collectively the "Parties")

WHEREAS:

- A. In 2005, British Columbia and the First Nations Leadership Council, representing the Assembly of First Nations-BC Region, First Nations Summit, and the Union of BC Indian Chiefs entered into a New Relationship and signed the Transformative Change Accord, the purposes of which is to implement a government-to-government relationship based on an effective working partnership, enhanced collaboration, mutual respect and recognition and accommodation of Aboriginal title and rights and achieve the mutual goals of closing the social and economic gap between First Nations and other British Columbians.
- B. In the spirit of the New Relationship and the Transformative Change Accord, British Columbia and Canim Lake Band have undertaken a shared commitment to strengthening relationships on a government-to-government basis, and on focusing efforts to close the socio-economic gaps between Aboriginal and non-Aboriginal people.
- C. This Agreement, and the benefits flowing from it, will assist Canim Lake Band in achieving progress towards the goals referred to in the previous recitals, and in particular help to address the conditions that contribute to poverty among Aboriginal people and to ensure that they can more fully benefit from and contribute to British Columbia's prosperity.
- D. British Columbia recognizes that Canim Lake Band has a unique history and its own culture and traditions that help to define it, and that these characteristics, along with its relationship with British Columbia, form an important context for the cooperative efforts needed to improve Canim Lake Band community's well-being.
- E. Canim Lake Band has Aboriginal Interests within its Traditional Territory.
- F. This Agreement is intended to assist in achieving stability and greater certainty for forest resource development on Crown lands within the

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Traditional Territory of Canim Lake Band which will enhance the ability of the forest industry to exercise timber harvesting in a timely, economic, and environmentally sustainable manner while longer term interests of Canim Lake Band are addressed through other agreements or processes.

THEREFORE THE PARTIES AGREE AS FOLLOWS:

1. Definitions

- 1.1. "Aboriginal Interests" means asserted aboriginal rights (including aboriginal title) or determined aboriginal rights (including aboriginal title) which are recognized and affirmed by section 35(1) of the *Constitution Act, 1982*.
- 1.2. "Effective Date" means the date on which this Agreement has been ratified and signed by each of the Parties.
- 1.3. "Forest Tenure" means an agreement granting rights to harvest Crown timber as defined in section 12(1) of the *Forest Act*.
- 1.4. "Licence" means a First Nations Woodland Licence as defined in the *Forest Act*.
- 1.5. "Licensee" means a holder of a First Nations Woodland Licence.
- 1.6. "Representative" carries the same meaning as is given in the *Forest Act*.
- 1.7. "Traditional Territory" means Canim Lake Band's claimed or asserted Traditional Territory as shown on bold black on the map attached in Appendix A.

2. Purpose and Objectives

The purposes and objectives of this Agreement are to:

- 2.1. Provide an opportunity for Canim Lake Band to identify and pursue socio-economic objectives in its community and, in connection with those objectives, to assist Canim Lake Band in achieving progress towards closing socio-economic gaps between the members of Canim Lake Band and non-Aboriginal people in British Columbia.
- 2.2. Promote and increase Canim Lake Band's participation in the forest sector by offering an area based forest tenure opportunity.
- 2.3. Provide an accommodation in respect of potential impacts of forestry decisions and operations within the Traditional Territory on Canim Lake Band's Aboriginal Interests.
- 2.4. Provide a forest tenure opportunity in support of concluding treaties or other land claim processes.

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3. Forest Tenure Opportunity

- 3.1. After the execution of this Agreement by the Parties, the Minister will invite Canim Lake Band, or its Representative, to apply for a First Nations Woodland Licence (the "Licence").
- 3.2. The appointment of a Representative for the purpose of holding the Licences must be made in accordance with the *Forest Act*.
- 3.3. The proposed Licence boundary will be approximately 21,444 hectares in size and is identified on the map attached to this Agreement as Appendix C. The proposed boundary will be finalized through the application process and the approved allowable annual cut (AAC) will be reflected accordingly.
- 3.4. The proposed Licence will be based on the assumptions used in the most recent timber supply analysis for the management unit from which the Licence is derived. The initial AAC of the Licence may be less than the maximum due to the site characteristics of the area (i.e. age class distribution, site productivity, etc.). The AAC approved for the Licence will be based on the approved management plan submitted by Canim Lake Band or its Representative, and will be subject to increases or decreases over time. For clarity, a Licence with a non-declining AAC is not guaranteed.
- 3.5. The Licence under Section 3.1 will be subject to the approval of the Regional Executive Director.
- 3.6. The Licence under section 3.1 of this Agreement will:
 - 3.6.1. be for a term of 25 years;
 - 3.6.2. be conditional on the surrender of the forest tenures identified in 4.1;
 - 3.6.3. be eligible for replacement provisions as defined within the *Forest Act*;
 - 3.6.4. include other terms and conditions required by law including the condition that Canim Lake Band must comply with this Agreement; and,
 - 3.6.5. include other terms and conditions as may be required by the Regional Executive Director.
- 3.7. Notwithstanding any other provision of this Agreement, British Columbia neither makes nor offers any guarantee of the financial viability of any operations under the Licence referred to in section 3.1.
- 3.8. During the term of this Agreement and notwithstanding section 3.7, Canim Lake Band agrees that British Columbia has provided to Canim Lake Band an accommodation in respect of potential impacts of forestry decisions and operations within the Traditional Territory

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on Canim Lake Band's Aboriginal Interests, in the form of the Licence provided for under this Agreement.

- 3.9. If the Licence entered into as a result of this Agreement remains in effect beyond the term of this Agreement, the Licence will continue to be considered by the Parties to be an accommodation as contemplated in sections 2.3 and 3.8 until the Licence expires or is terminated.
- 3.10. Any Licence entered into as a result of this Agreement can only be transferred in accordance with the *Forest Act*.

4. Surrender of Licences prior to issuance of the Licence

- 4.1. In accordance with this Agreement and the *Forest Act*, Canim Lake Band agrees that the award of the Licence is conditional on the surrender of Forest Tenures: A83850.

5. Annual Rent Incentive Payment

- 5.1. Consistent with the objectives expressed in this Agreement, Canim Lake Band will be entitled to a payment of a portion of the annual rent associated with the following forest tenures: A83850 and A80824. The payment will be equal to the sum of portions of the annual rent paid on these licences since 2008 as calculated within Appendix B.
- 5.2. The payment referred to 5.1 and calculated with Appendix B will be paid to Canim Lake Band when the Licence referred to section 3.1 of this Agreement is entered into by the District Manager or Regional Executive Director.
- 5.3. The payment referred to in 5.1 and calculated in Appendix B is subject to government set off.

6. Harvest rights within the FNWL may be shared

- 6.1. Subject to 6.2 and 6.3, Canim Lake Band, or its Representative, will have exclusive rights to harvest timber in the Licence referred to in section 3.1 of this Agreement.
- 6.2. Canim Lake Band or its Representative, with the consent of the District Manager or Regional Executive Director, agrees to allow the District Manager to issue Free Use Permits to a First Nations person for traditional use, cultural use or as part of a treaty agreement in accordance with the *Forest Act*.

7. Reporting of Tenure Information

- 7.1. British Columbia, in its commitment to the goals of the Transformative Change Accord, may require certain information

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from Canim Lake Band on what measurable benefits the Canim Lake Band community has been able to achieve as a result of this Agreement.

- 7.2. Canim Lake Band agrees to cooperate with British Columbia in providing the information in a format acceptable to both Parties and in a manner that maintains the confidentiality of that information in accordance with applicable statutory requirements.

8. Canim Lake Band Traditional Territory

- 8.1. British Columbia will use the map of Canim Lake Band's Traditional Territory used in the **Forest and Revenue Consultation Agreement (FCRSA)** which map will be set out in this Agreement as Appendix A, unless this is the first such agreement between British Columbia and Canim Lake Band in which event the Canim Lake Band will provide a hard copy map of its Traditional Territory and a digital copy of the Traditional Territory boundary conforming to current government mapping standards, which hard copy will be set out in this Agreement as Appendix A.

9. Economic and Operational Stability within Canim Lake Band Traditional Territory

- 9.1. Canim Lake Band agrees to respond immediately to any discussions sought by British Columbia in relation to any acts of intentional interference by members of Canim Lake Band with provincially authorized forest activities and will work co-operatively with British Columbia to assist in resolving any such matters.

10. Term and Termination

- 10.1. The term of this Agreement is 25 years.
- 10.2. This Agreement will take effect on the date on which the last Party has executed it.
- 10.3. This Agreement will terminate on the occurrence of the earliest of any of the following events:
 - 10.3.1. expiry of its term;
 - 10.3.2. 90 days notice by either Party to the other Party; or
 - 10.3.3. mutual agreement of the Parties.
- 10.4. This Agreement may be terminated by British Columbia if the Licence issued pursuant to section 3.1 is cancelled, surrendered or otherwise terminated under the Forest Act.
- 10.5. Prior to the expiry of the 90 days when 90 day notice of termination has been given under section 10.3.2, the Parties agree to meet and

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endeavour to resolve the issue that has given rise to the 90 day notice of termination.

- 10.6. If the Licence entered into as a result of this Agreement, is replaced, the term of this Agreement will be deemed to be amended so as to extend the term to be the same as the replaced Licence.

11. Dispute Resolution

- 11.1. If a dispute arises between British Columbia and Canim Lake Band regarding the interpretation of a provision of this Agreement, the Parties or Representatives will meet as soon as is practicable to attempt to resolve the interpretation dispute.
- 11.2. If the Parties are unable to resolve differences at the appropriate level, the interpretation issue will be raised to more senior levels of British Columbia and Canim Lake Band.
- 11.3. If the interpretation dispute cannot be resolved by the Parties directly, the Parties may choose other appropriate approaches to assist in reaching resolution of the interpretation dispute.

12. Amendment of Agreement

- 12.1. Any alteration or amendment to the terms and conditions of the Agreement must be in writing and duly executed by the Parties.
- 12.2. Either Party may request the participation of the other Party to review the effectiveness of this Agreement annually and consider amendments to this Agreement.

13. Suspension or Cancellation by the Minister

- 13.1. Without limiting the actions that may be taken by the Minister or by British Columbia, the Minister or a person authorized by the Minister may suspend or cancel the Licence entered into as a result of this Agreement, if the Minister or a person authorized by the Minister determines that Canim Lake Band is not in compliance with this Agreement.
- 13.2. If this Agreement is terminated in accordance with section 10.3.2 or 10.3.3, the Minister may cancel the Licence issued pursuant to this Agreement.
- 13.3. Prior to contemplating any action referred to in sections 13.1 or 13.2, British Columbia will provide notice to Canim Lake Band of any alleged contravention of this Agreement that may lead to Canim Lake Band not being in compliance with this Agreement.

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14. Entire Agreement

- 14.1. This Agreement, and any amendment to it, constitutes the entire Agreement between the Parties with respect to the subject matter of this Agreement.

15. Notice

- 15.1. 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 section of the Agreement.
- 15.2. 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. on that day.
- 15.3. The address of either Party may be changed by notice in the manner set out in this section of the Agreement.

British Columbia	Canim Lake Band
Deputy Minister	Chief Mike Archie
Ministry of Forests, Lands, and Natural Resource Operations	Canim Lake Band
P.O. Box 9525 STN PROV GOVT	PO Box 1030
Victoria B.C. V8W 9C3	100 Mile House, BC V0K 2E0
Telephone: (250) 356-5012	Telephone: (250) 397-2227
Facsimile: (250) 953-3687	Facsimile: (250) 397-2424

- 15.4. 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 facsimile. Each facsimile will be deemed to be an original for all purposes and all counterparts taken together will be deemed to constitute one document.
- 15.5. British Columbia is not in breach of any duty merely as a result of any contraventions by Canim Lake Band's Representative in respect of any licences issued under this Agreement.

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16. Miscellaneous

- 16.1. This Agreement is to be interpreted in a manner consistent with provincial, federal and constitutional law.
- 16.2. Except as set out in this Agreement, this Agreement will not limit the positions that a Party may take in future negotiations or court actions.
- 16.3. British Columbia acknowledges and enters into this Agreement on the basis that Canim Lake Band has Aboriginal Interests within its Traditional Territory but that the specific nature, scope and geographic extent of Canim Lake Band's Aboriginal Interests have not yet been determined, and further that broader processes engaged in to bring about reconciliation will eventually result in a common understanding of the nature, scope and geographic extent of Aboriginal Interests or treaty interests of Canim Lake Band .
- 16.4. This Agreement does not exclude Canim Lake Band from accessing forestry economic opportunities and benefits, which may be available to them, other than those expressly set out in this Agreement.
- 16.5. 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.
- 16.6. This Agreement and any decisions made during the term of this Agreement do not change or affect the positions either Party has, or may have, regarding jurisdiction and authorities.
- 16.7. 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.
- 16.8. This Agreement does not address or prejudice conflicting interests or competing claims between First Nations.
- 16.9. There will be no presumption that any ambiguity in any of the terms of this Agreement should be interpreted in favour of either Party.
- 16.10. The laws of British Columbia will govern this Agreement.
- 16.11. This Agreement is not intended to limit any obligation of forest Licensees or other third parties to Canim Lake Band.
- 16.12. The appendices to this Agreement form part of the Agreement.

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Signed on behalf of:

Canim Lake Band

Chief Lee Crow

Date: May 2/12

Councillor

[Signature]

Councillor

Councillor

[Signature]

Councillor

Councillor

Councillor

Councillor

[Signature]

Witness of Canim Lake Band
signatures

Signed on behalf of:

British Columbia

Date: July 21/2012

[Signature]

Steve Thomson
Minister of Forests, Lands, and Natural
Resource Operations

[Signature]

Witness of Minister signature

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APPENDIX A

Map of Canim Lake Band Traditional Territory



CANIM LAKE TRADITIONAL TERRITORY

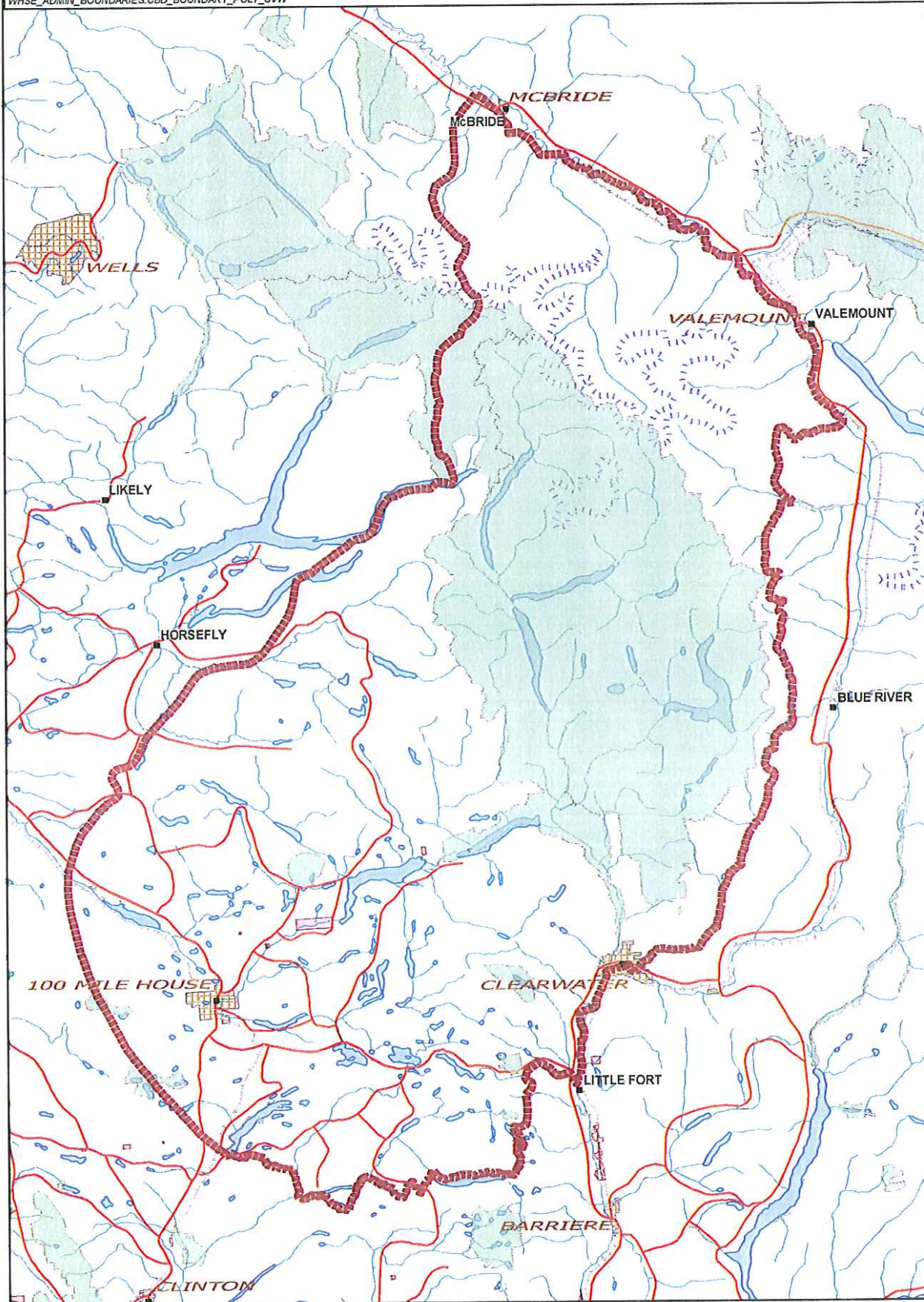
Key Map



 First Nations Consultative Areas - Canim Lake Band  Municipalities  Indian Reserves

Data Sources for Canim Lake Boundary:
WHSE_ADMIN_BOUNDARIES.CBD_BOUNDARY_POLY_SVW

1:750,000



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APPENDIX B ANNUAL RENT INCENTIVE PAYMENT CALCULATION

Forest Tenure #	Replaceable AAC from Forest Revitalization (m3/yr)	Rent Rebate per Year (\$.25/m3/yr.)	Number of Years from 2008 to FNWL Issuance*	Estimated Rent Rebate
A83850	20000	\$5000	1	\$5,000
A80824	30000	\$7500	4	\$30,000
				\$
Total Rebate				\$35,000

*Estimated

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**APPENDIX C – Proposed First Nations Woodland Licence
Boundary**



FNWL K4P

SCHEDULE B

South Area



The following areas are excluded from the Timber Supply Area:

- | | |
|-----------------------------|------------------------|
| Municipalities | Private Land (Surface) |
| Community Forest Schedule A | Indian Reserves |
| Community Forest Schedule B | Tree Farm Licence |
| Woodlot Schedule B | Woodlot Schedule A |

- | | | | |
|--------------------|--------------|--------------|-----------------------------|
| Timber Supply Area | Ferry Route | Road - Local | Controlled Recreation Areas |
| License Area | Road - Trunk | Bridge | BCTS Operating Areas |
| Provincial Parks | Road - Main | Rail Line | |

1:140,000

Scaled for 11"x17" paper

* Note - This map may not show all tenures or other areas which may have restrictions or may be excluded from the Timber Supply Area.

