

FL 37  
INST 52

PROVINCE OF BRITISH COLUMBIA

Ministry of Forests

IN THE MATTER OF TREE FARM LICENCE NUMBER 37

INSTRUMENT NUMBER 52

Amendment

THIS AGREEMENT is made effective the 14 day of June, 1999

BETWEEN:

THE MINISTER OF FORESTS, on behalf of  
HER MAJESTY THE QUEEN IN RIGHT OF THE  
PROVINCE OF BRITISH COLUMBIA, Parliament Buildings,  
Victoria, British Columbia, V8V 1X4

(the "Minister")

AND:

CANADIAN FOREST PRODUCTS LTD.  
2800 - 1055 Dunsmuir Street  
P.O. Box 49420, Bentall Postal Station  
Vancouver, British Columbia  
V7X 2H3

(the "Licensee")

WHEREAS:

- A. The Minister and the Licensee have entered into Tree Farm Licence 37 (the "TFL") dated March 1, 1995, pursuant to Section 36 of the *Forest Act*; and
- B. The parties have agreed to amend the said TFL;

**THEREFORE:**

Pursuant to Section 39(1)(e) of the *Forest Act*, the parties agree to amend the TFL as follows:

Paragraphs 16.01, 16.02 and 16.03 are deleted and replaced with:

- 16.01 The Licensee will process all timber harvested under a cutting permit or road permit under this licence, or equivalent volumes of timber or wood residue (other than hog fuel) obtained directly or indirectly, through any one or more of the following timber processing facilities:
- (a) timber processing facilities located in the Vancouver Forest Region owned or operated by the Licensee or an affiliate of the Licensee within the meaning of Section 53 of the *Forest Act*, which includes the Howe Sound pulp and paper mills at Port Mellon, British Columbia, owned by an affiliate of the Licensee; and
  - (b) the Howe Sound pulp and paper mills at Port Mellon, British Columbia, pursuant to one or more fibre supply agreements with the Licensee should such pulp or paper mills cease to be owned or operated by an affiliate of the Licensee;

unless the Minister exempts the Licensee in whole or in part from the requirements of this paragraph.

- 16.02 If the Licensee

- (a) intends to close a timber processing facility or reduce its production; or
- (b) has reason to believe that an affiliate of the Licensee within the meaning of the Section 53(1) of the *Forest Act* intends to close a timber processing facility or reduce its production;

for a period of longer than 90 days, the Licensee will give the Minister at least three months notice prior to the closure or reduction.

- 16.03 If

- (a) the Licensee; or
- (b) an affiliate of the Licensee within the meaning of the Section 53(1) of the *Forest Act*;

closes a timber processing facility or reduces its production for a period longer than 90 days, the Licensee will, on request of the Minister, provide information regarding the volume of Crown timber processed through the timber processing facility during the 24 month period immediately preceding the closure or reduction in production level.

SIGNED, SEALED AND DELIVERED )  
by the Minister of Forests on behalf of )  
Her Majesty the Queen in right of the )  
Province of British Columbia this )  
day of \_\_\_\_\_, 19\_\_ in the )  
presence of: [Signature] )  
\_\_\_\_\_)  
\_\_\_\_\_) )

David Sinkelt  
Minister of Forests

THE COMMON SEAL (C/S) of the )  
Licensee was affixed this \_\_\_\_\_ day )  
of \_\_\_\_\_, 19\_\_ in the )  
presence of: )  
\_\_\_\_\_)  
Authorized Signatory )  
\_\_\_\_\_)  
Authorized Signatory )  
\_\_\_\_\_) )

C/S

(OR)

SIGNED, SEALED AND DELIVERED )  
by the Licensee this 21 day of )  
June, 19 99 in the )  
presence of: )  
[Signature] )  
\_\_\_\_\_)  
Vice-President )  
\_\_\_\_\_)  
And Secretary )  
\_\_\_\_\_ )

Keith Q. Higginbotham  
Authorized Signatory  
Group Vice-President  
\_\_\_\_\_  
Title