

Mountain Pine Beetle Agreement
(the "Agreement")

Between:

Ktunaxa Nation Council

As represented by

Chief Cheryl Casimer, St Mary's Band and Council

Chief Mary Mahseelah, Tobacco Plains Band and Council

Chief Wilfred Teneese, Akisq'nuk First Nation and Council

Chief Christopher Luke, Lower Kootenay Indian Band and Council

Each of which Band is a Party to this Agreement, but which are collectively represented by the
Ktunaxa Nation Council
(the "KNC")

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")

Whereas:

- The Ktunaxa Nation Council (KNC), being an organization representing the Bands above-written, signed a Forest and Range Opportunity Agreement (FRO) with the Government of British Columbia in June 2006. This Agreement is a short-term additional forestry economic opportunity and does not supersede or alter the FRO.
- An undercut in the Kootenay Lake TSA has resulted in volume being made available to deal with mountain pine beetle infestation and forest health issues in the TSA.
- The Government of British Columbia wishes to support economic opportunities for the KNC.

Purpose

1. The purposes of this Agreement are to:
 - a. increase the participation of the KNC in the forest sector; and,
 - b. provide an economic opportunity by inviting the KNC to apply for a non-competitive, non-replaceable forest licence to assist the province in the management of mountain pine beetle in the Kootenay Lake Timber Supply Area, in a manner linked to the KNC FRO and as set out in this Agreement.

Therefore the Parties agree as follows.

2. After execution of this Agreement by the Parties, the Minister of Forests and Range (the "Minister") will invite the KNC to apply for a non-replaceable forest licence (the Licence) under section 47.3 of the *Forest Act* to harvest a total of 100,000 cubic meters of infested and susceptible timber over a five year term within the Kootenay Lake Timber Supply Area. Specific operating areas and species restrictions will be designated within the Licence.
3. If the intended holder of the licence is a legal entity other than the KNC, this Agreement must include supporting documentation as specified in Appendix B stating that the intended holder has been validly appointed by the KNC as its representative.
4. The invitation will be subject to a condition that prior to making an application for the Licence, KNC will contact the Ministry of Forests and Range and the Parties will work co-operatively to identify an operating area within the traditional territory of the KNC.
5. The Licence(s) entered into as a result of the invitation to apply under this Agreement will:
 - a. be for a term of no longer than five years as determined by the Minister;
 - b. contain other terms and conditions required by law, including the condition that the KNC must comply with this Agreement and with the FRO;
 - c. include a term that KNC may not dispose of the Licence except, in accordance with the *Forest Act*; and
 - d. include other terms and conditions as may be required by the Regional Manager, following consultation with KNC and the licence holder.
6. An invitation to apply for a non-replaceable forest licence entered into as a result of the invitation to apply under this Agreement may be consolidated with other non-replaceable forest licenses, in accordance with section 19(3)(a) of the *Forest Act*.

Consultation

7. The Parties agree to participate in consultation regarding forestry Operational Plans and Administrative Decisions pertaining to increases and/or potential increases in harvest levels to address the mountain pine beetle infestation and forest health issues in the Kootenay Lake TSA, as referred to in section 4 of the KNC FRO.
8. During the term of this Agreement, and subject to the Licence being awarded to the intended holder appointed by KNC and the terms and intent of this Agreement being met and adhered to by the Government of British Columbia, the KNC agrees that the Government of British Columbia will have provided an Interim Accommodation, with respect to the economic component of potential infringements of the Ktunaxa

Nation's Aboriginal Interests resulting from the approval of Operational Plans and other Administrative Decisions pertaining to the harvest of the undercut volumes in the Kootenay Lake TSA. This Agreement is being made available as an interim measure to deal with mountain pine beetle infestations and forest health issues.

Dispute Resolution

9. If a dispute arises between the Government of British Columbia and KNC regarding the interpretation of a provision of this Agreement, the Parties will follow the dispute resolution process set out in the FRO, regardless of whether or not the FRO has been terminated.

Amendments

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

Term

12. This Agreement will take effect on the date on which the last Party has executed it.
13. This Agreement will terminate on the occurrence of the earliest of any of the following events:
 - a. five years from the date this Agreement is executed; or
 - b. the mutual agreement of the Parties, or
 - c. upon 90 days written notice by either of the Parties.
14. If the FRO is terminated during the term of this Agreement, the Parties shall decide if this Agreement should be amended to include the consultation processes referred to in section 4 of the FRO.
15. The Government of British Columbia will not terminate this Agreement on the grounds that the KNC has challenged an Administrative Decision or Operational Decision by way of legal proceedings.

Notice

16. All of the provisions set out in the Notice section of the FRO apply to this Agreement.

Miscellaneous

17. All of the provisions set out in the Miscellaneous section of the FRO apply to this Agreement.

18. The definitions set out in the FRO apply to this Agreement.

Signed on behalf of:
Ktunaxa Nation Council

Date: March 30, 2009

Chief Cheryl Casimer
Chief Cheryl Casimer
St. Mary's Bands

Beatrice Stevens
Witness

Chief Mary Mahseela
Chief Mary Mahseela
Tobacco Plains Indian Band

Ray Warden
Witness

Chief Wilfred Teneese
Chief Wilfred Teneese
Akisq'nuk First Nation

Mary Baird
Witness

Chief Christopher Luke Sr.
Chief Christopher Luke
Lower Kootenay Indian Band

Sandra Luke
Witness

Signed on behalf of:
Government of British Columbia

Date: 2009/05/21

The Honourable Pat Bell
The Honourable Pat Bell
Minister of Forests and Range

Witness
Witness

Yaqał Hankatiłiki na ʔamak

Base Map of the Ktunaxa Nation Statement
of Intent Area



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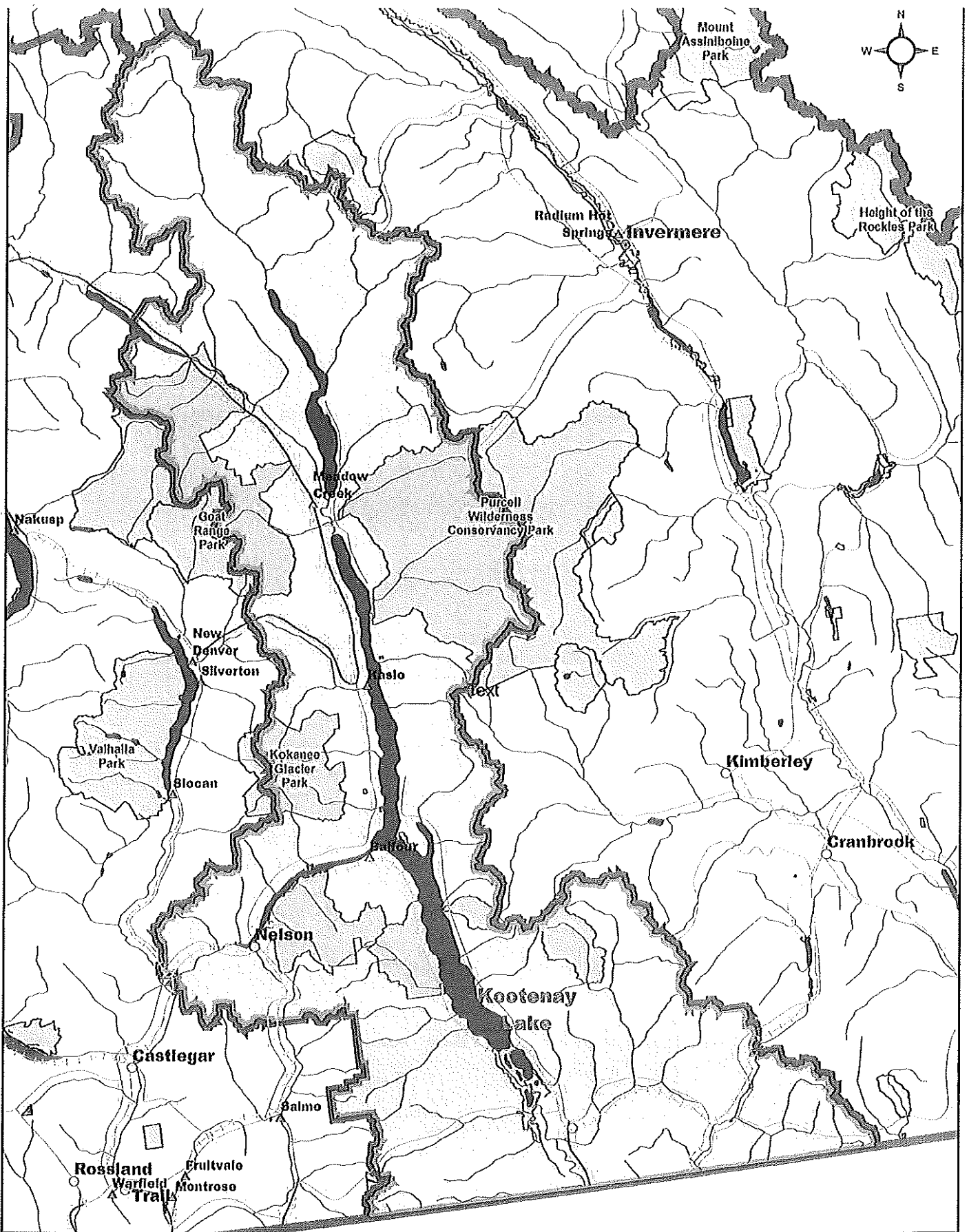
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SOUTHERN INTERIOR
FOREST REGION

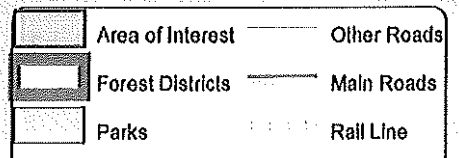
Legend

- Primary Statement of Intent Area
- Native Reserves
- Municipalities
- Provincial and Federal Parks
- Major Highways





Appendix A:
Map of Ktunaxa Nation Area of Interest in the
Kootenay Lake Forest District



Appendix A:

**Map of the Ktunaxa Nation Area of Interest in the Kootenay Lake
Forest District**

Appendix B:

**Description and Documentation pertaining to the Intended
Holder of the licence**

Please complete part A or B, whichever is appropriate, and attach appropriate documentation:

A) Applicant for the license

OR

B) Full legal name, or corporate description of the legal entity appointed by the Ktunaxa Nation Council to hold the licence

Lower Kootenay Development Corporation

- (i) Copy attached of legal instrument (letter) appointing that legal entity to hold the licence.
- (ii) Copy attached of the ownership structure of the legal entity (the intended holder of the licence).

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