

**Gwa'sala-'Nakwaxda'xw First Nation
Forest & Range
Revenue Sharing Agreement (FRSA)
(the "Agreement")**

Between:

The Gwa'sala-'Nakwaxda'xw First Nation

As Represented by
Chief and Council

(the "Gwa'sala-'Nakwaxda'xw" First Nation)

And

Her Majesty the Queen in Right of the Province of British Columbia
As Represented by the Minister of Aboriginal Relations and Reconciliation
("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 British Columbia 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 Gwa'sala-'Nakwaxda'xw First Nation have entered into the Nanwakolas/British Columbia Framework Agreement (SEA), dated December 16, 2009, which amongst other things, evidences a shared commitment to strengthening relationships on a government-to-government basis.
- C. In addition to the SEA, the Province and various Nanwakolas First Nations have entered into previous agreements including Enabling Process April 2001, Land Use Planning Agreement in Principle 2006, and the Clearinghouse Pilot Agreement, to further strengthen government-to-government relationships.
- D. This Agreement, and the benefits flowing from it, will assist the Gwa'sala-'Nakwaxda'xw First Nation in achieving progress towards the goals referred to in the previous recitals, and in particular help to address the conditions that contribute to economic challenges among Aboriginal people and to ensure that they can more fully benefit from and contribute to British Columbia's prosperity.

- E. British Columbia recognizes that Gwa'sala-'Nakwaxda'xw First Nation 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 the Gwa'sala-'Nakwaxda'xw First Nation community's well-being.
- F. The Province acknowledges that the Gwa'sala-'Nakwaxda'xw First Nation has various Section 35 Rights within its Traditional Territory.
- G. British Columbia intends to consult with the Gwa'sala-'Nakwaxda'xw First Nation and to accommodate its Section 35 Rights as appropriate (including accommodation by way of the payments provided through this Agreement), with respect to impacts on the Gwa'sala-'Nakwaxda'xw First Nation's Section 35 Rights arising from forest and/or range resource development activities proposed within the Gwa'sala-'Nakwaxda'xw First Nation's Traditional Territory.
- H. The Gwa'sala-'Nakwaxda'xw First Nation intends to fully participate in any consultation or information sharing with British Columbia in accordance with the SEA, in relation to forest and/or range resource development activities proposed within the Gwa'sala-'Nakwaxda'xw First Nation's Traditional Territory that may impact the Gwa'sala-'Nakwaxda'xw First Nation's Section 35 Rights.
- I. This Agreement is intended to assist in achieving stability and greater certainty for forest and/or range resource development on Crown lands within the Traditional Territory of the Gwa'sala-'Nakwaxda'xw First Nations while longer term interests of the Gwa'sala-'Nakwaxda'xw First Nations are addressed through other agreements or processes.

THEREFORE THE PARTIES AGREE AS FOLLOWS:

1.0 Definitions

For the purposes of this Agreement, the following definitions apply:

- 1.1 "**Administrative and/or Operational Decision**" means a decision made by the Minister or a Delegated Decision Maker related to forest and range resources under provincial legislation as identified in the consultation processes set out in the SEA, while the SEA is in effect.
- 1.2 "**Band Council Resolution**" means a resolution of Gwa'sala-'Nakwaxda'xw First Nation having the form of Appendix D.
- 1.3 "**BC Fiscal Year**" means a period beginning on April 1 of a calendar year and ending on March 31 of the next calendar year.
- 1.4 "**Delegated Decision Maker**" and "**DDM**" means a person with authority, as delegated by the Minister and including the Minister, to make statutory decisions with respect to forest and range resources under provincial legislation as amended from time to time.
- 1.5 "**Designate**" has the meaning given to that term in section 3.1.1.

- 1.6 **"Effective Date"** means the date on which this Agreement has been ratified and signed by each of the Parties.
- 1.7 **"First Fiscal Year of the Term"** has the meaning given to that term in section 3.3.
- 1.8 **"Licensee"** means a holder of a forest tenure or a range tenure.
- 1.9 **"Minister"** means the Minister of Forests, Lands and Natural Resource Operations having the responsibility, from time to time, for the exercise of powers in respect of forests and range matters.
- 1.10 **"Operational Plan"** means a Forest Stewardship Plan, Woodlot Licence Plan, a Range Use Plan, or Range Stewardship Plan (as those terms are defined in forest and range legislation) that has or will have effect in the Gwa'sala-'Nakwaxda'xw First Nation's Traditional Territory.
- 1.11 **"Payment Account"** has the meaning given to that term in section 3.1.3.
- 1.12 **"RA"** means a reconciliation agreement between British Columbia and the Gwa'sala-'Nakwaxda'xw First Nation that creates a foundation for the reconciliation of aboriginal rights and/or aboriginal title with Crown sovereignty but is not a treaty in the meaning of Section 35(1) of the *Constitution Act, 1982*.
- 1.13 **"Revenue Sharing Contribution"** means each payment to be made by British Columbia to the Gwa'sala-'Nakwaxda'xw First Nation in accordance with section 3 of this Agreement.
- 1.14 **"SEA"** means the Nanwakolas/British Columbia Framework Agreement, dated December 16, 2009, entered into between British Columbia and the Gwa'sala-'Nakwaxda'xw First Nation, and others, that will guide provincial and Nanwakolas First Nations engagement across a range of business areas, be the foundation to discuss and consider how subsequent agreements for further sector specific agreements or major resource development projects may be developed and appended the Framework Agreement, assist the parties to that Agreement in achieving the Transformative Change Accord objectives, be a positive step forward toward furthering an existing positive government-to-government relationship and implement regional measures to make referral and engagement processes more efficient, effective and responsive.
- 1.15 **"Section 35 Rights"** means asserted or proven aboriginal rights of the Gwa'sala-'Nakwaxda'xw First Nation, including aboriginal title, and Douglas Treaty rights, recognized and affirmed by Section 35 (1) of the *Constitution Act, 1982*;
- 1.16 **"Forest Tenure Opportunity Agreement"** means an agreement signed between the Minister and a First Nation that provides for the Minister to direct award forest tenure under the *Forest Act*.
- 1.17 **"Term"** has the meaning given to that term in section 11.1.

- 1.18 "Timber Harvesting Land Base" means the portion of the total land area of a management unit considered by Ministry of Forests, Lands and Natural Resource Operations to contribute to, and be available for, long-term timber supply
- 1.19 "Traditional Territory" means the Gwa'sala-'Nakwaxda'xw First Nation's claimed or asserted Traditional Territory as shown in bold black on the map attached in Appendix A, which map the Gwa'sala-'Nakwaxda'xw First Nation agrees British Columbia may share with another provincial government agency and/or a licensee.
- 1.20 "Treasury Board" means the cabinet committee of British Columbia defined in the *Financial Administration Act*.

2.0 Purpose and Objectives

The purposes and objectives of this Agreement are:

- 2.1 In relation to potential impacts on Gwa'sala-'Nakwaxda'xw First Nation's Section 35 Rights resulting from forest and range development in its Traditional Territory, to facilitate the Parties in meeting their respective legal consultation obligations by supporting the capacity of Gwa'sala-'Nakwaxda'xw First Nation to participate in consultation initiated by British Columbia and by agreeing to follow the consultation process as set out in the SEA which results in appropriate accommodation measures being implemented in addition to providing the Revenue Sharing Contribution in this Agreement to Gwa'sala-'Nakwaxda'xw First Nation as an accommodation ; and
- 2.2 Consistent with section 6.1 of the SEA, to provide an opportunity for the Gwa'sala-'Nakwaxda'xw First Nation to pursue activities that will enhance and improve the social, cultural and economic well-being of its community and assist the Gwa'sala-'Nakwaxda'xw First Nation in achieving progress towards closing socio-economic gaps between the members of Gwa'sala-'Nakwaxda'xw First Nation and non-Aboriginal people in British Columbia.

3.0 Forest Revenue Sharing Contribution

- 3.1 Recipient Entity:
 - 3.1.1 Unless the Gwa'sala-'Nakwaxda'xw First Nation elects to have another entity (its "Designate") receive Revenue Sharing Contributions pursuant to section 3.1.2, the Gwa'sala-'Nakwaxda'xw First Nation will be the recipient of the Revenue Sharing Contributions. Any such election does not relieve the

Gwa'sala-'Nakwaxda'xw First Nation of its obligations under this Agreement.

- 3.1.2 Where the Gwa'sala-'Nakwaxda'xw First Nation chooses to have its Designate receive Revenue Sharing Contributions under this Agreement, British Columbia may withhold payment of the Revenue Sharing Contribution until it is satisfied that the Designate is a registered corporation or society with the legal authority and capacity to receive the funds for the purposes described in section 2 and that it has been appointed by Band Council Resolution documented in Appendix D to receive the Revenue Sharing Contribution on behalf of the Gwa'sala-'Nakwaxda'xw First Nation.
- 3.1.3 The Gwa'sala-'Nakwaxda'xw First Nation will establish and throughout the Term maintain a separate bank account in the name of Gwa'sala-'Nakwaxda'xw First Nation (or the Designate, as the case may be) at a Canadian financial institution into which direct deposits can be made by British Columbia for the purpose of receiving monies payable by British Columbia pursuant to this Agreement (the "Payment Account"), which bank account will be used solely for the purpose of receiving monies payable under this Agreement and implementing the objectives described in section 2. The Gwa'sala-'Nakwaxda'xw First Nation will provide to British Columbia sufficient address and account information respecting the Payment Account to enable British Columbia to make direct deposit payments to the Payment Account.
- 3.2 Subject to section 3.1.2 and Section 10 of this Agreement, British Columbia will during the Term make annual Revenue Sharing Contributions, calculated in accordance with Appendix C, to the Gwa'sala-'Nakwaxda'xw First Nation, or to its Designate, as the case may be, and, subject to section 3.4 and 3.8, the Revenue Sharing Contribution will be disbursed in two equal payments: the first payment to be paid on or before September 30th, and the second payment to be paid on or before March 31st.
- 3.3 Notwithstanding section 3.2, for the BC Fiscal Year 2010/11 (the "First Fiscal Year of the Term") the amount calculated in accordance with Appendix C is deemed to be \$ 354,014.
- 3.4 For the purposes of determining the amount of the Revenue Sharing Contribution for partial BC Fiscal Years, the amount will be prorated for each month or part thereof that this Agreement is in effect.
- 3.5 Before November 30th of each year during the Term, the Gwa'sala-'Nakwaxda'xw First Nation will receive written notification from British Columbia of the Revenue Sharing Contribution for the following BC Fiscal Year (including the summary document(s) and calculations identified in Appendix C) and the Gwa'sala-'Nakwaxda'xw First Nation agrees that

such written notification will have the effect for the purposes of this Agreement of describing the amount of the Revenue Sharing Contribution under this Agreement for that following BC Fiscal Year. The Province agrees that the most up to date timber supply review timber harvesting land base data will be used for the calculations in Appendix C for fiscal year 2011/12 and beyond.

- 3.6 Prior to section 3.5 being implemented, the Province will share the timber harvesting land base data referred to in that section by timber supply area management unit and subject to information sharing agreements, by Tree Farm Licence, by forest district and Gwa'sala-'Nakwaxda'xw Traditional Territory with the Gwa'sala-'Nakwaxda'xw First Nation. The Gwa'sala-'Nakwaxda'xw First Nation will have two weeks to bring any concerns with the data to the Province's attention, and in the event that the data is corrected as a result of input from Gwa'sala-'Nakwaxda'xw First Nation, British Columbia will incorporate that corrected data into the section 3.5 calculations.
- 3.7 For each BC Fiscal Year subsequent to the First Fiscal Year of the Term, the Revenue Sharing Contribution will be provided by British Columbia to the Gwa'sala-'Nakwaxda'xw First Nation or its Designate in the manner specified in section 3.2 only if the Gwa'sala-'Nakwaxda'xw First Nation has published all of the necessary statements and reports before the appropriate dates as set out in section 6 of this Agreement, is in all other respects in compliance with the terms of this Agreement and this Agreement has not been suspended or terminated pursuant to section 10.
- 3.8 In addition to section 3.2, on the Effective Date, the Gwa'sala-'Nakwaxda'xw First Nation will be paid a payment to bridge the period from the date of the last payment to which the Gwa'sala-'Nakwaxda'xw First Nation is entitled under its *Gwa'sala-'Nakwaxda'xw Nation Forest Agreement* to the Effective Date of this Agreement (the "Bridging Amount"), which additional payment will be calculated on the basis of the Revenue Sharing Contribution for the First Fiscal Year of the Term but prorated for the period from the date of the last payment under the *Gwa'sala-'Nakwaxda'xw Nation Forest Agreement* to the Effective Date.
- 3.9 The Gwa'sala-'Nakwaxda'xw First Nation agrees that for the period between the end of the term of its *Gwa'sala-'Nakwaxda'xw Nation Forest Agreement* and the Effective Date, it has been adequately consulted and accommodated by British Columbia in relation to all Administrative Decisions, Operational Decisions, and Operational Plans made during that period that could impact its Section 35 Rights.
- 3.10 Notwithstanding any other provisions of this Agreement, the payment of money by British Columbia to the Gwa'sala-'Nakwaxda'xw First Nation pursuant to this Agreement is subject to:
 - 3.10.1 there being sufficient monies available in an appropriation, as defined in the Financial Administration Act, to enable British

Columbia in any BC Fiscal Year or part thereof when any such payment may be required, to make that payment; and

3.10.2 Treasury Board not having controlled or limited, pursuant to the *Financial Administration Act*, expenditure under any appropriation referred to in section 3.10.1.

4.0 Consultation Process

- 4.1 The Parties recognize that the Gwa'sala-'Nakwaxda'xw First Nation entered into the SEA which includes a consultation process that addresses forest and range management and decision-making. If the SEA is subsequently terminated, or the Gwa'sala-'Nakwaxda'xw First Nation withdraws from the SEA prior to the end of the term of this Agreement, this Agreement will be amended within 60 days of the date of termination or withdrawal from the SEA to include a consultation process in this Agreement.
- 4.2 The Parties agree that in the event the Gwa'sala-'Nakwaxda'xw First Nation enters into an RA with British Columbia after the Effective Date which includes a consultation process which addresses forest and range management and decision making, the consultation process set out in the RA will supersede and replace the consultation process set out in the SEA if the RA so provides; and in any such case, RA terminates, or the Gwa'sala-'Nakwaxda'xw First Nation withdraws from the RA prior to the end of the Term, the Parties agree that this Agreement will be amended within 60 days of the date of termination or withdraws from the RA to include a consultation process in this Agreement.
- 4.5 In the event that the Effective Date falls after the date on which Gwa'sala-'Nakwaxda'xw First Nation enters into an RA with British Columbia that includes a consultation process which addresses forest and range management and decision making, and the RA is subsequently terminated prior to the end of the Term; the Gwa'sala-'Nakwaxda'xw First Nation agrees that this Agreement will be amended within 60 days of the date of termination of the RA to include a consultation process in this Agreement.

5.0 Acknowledgments and Covenants by Gwa'sala-'Nakwaxda'xw First Nation

- 5.1 The Gwa'sala-'Nakwaxda'xw First Nation acknowledges that forest revenues received by British Columbia fluctuate and that the Revenue Sharing Contributions under this Agreement will vary over time.

- 5.2 The Gwa'sala-'Nakwaxda'xw First Nation agrees that the Revenue Sharing Contributions made under section 3 of this Agreement constitute an accommodation for impacts on the Gwa'sala-'Nakwaxda'xw First Nation's Section 35 Rights of Administrative Decisions, Operational Decisions and/or Operational Plans in the Traditional Territory.
- 5.3 The Gwa'sala-'Nakwaxda'xw First Nation agrees that during the term of this Agreement, if the consultation process set out in this Agreement is followed, British Columbia has adequately consulted and has provided an accommodation with respect to potential infringements of Gwa'sala-'Nakwaxda'xw First Nation's Section 35 Rights in the context of Operational Decisions and Administrative Decisions that British Columbia will make and any forest or range practices that may be carried out under an Operational Plan in the Traditional Territory.

6.0 Transformative Change Accord Socio-Economic Issues

- 6.1 The SEA provides that one of the government-to-government functions under that Agreement is that the parties work towards the implementation of the principles of the Transformative Change Accord, and in addition, section 6.1 of the SEA commits the Parties to pursue through the Nanwakolas Strategic Forum, opportunities to achieve the goal of closing the social and economic gap between the Gwa'sala-'Nakwaxda'xw First Nation and other British Columbians.

The Nanwakolas Strategic Forum established under the terms of the SEA is the appropriate government-to-government body to collaboratively work towards implementing the principles of the Transformative Change Accord and to pursue opportunities to achieve the goal of closing the social and economic gap between the Gwa'sala-'Nakwaxda'xw First Nation and other British Columbians. The Gwa'sala-'Nakwaxda'xw First Nation covenants and agrees as follows:

- 6.1.1 The Gwa'sala-'Nakwaxda'xw First Nation will abide by any performance measures and monitoring and reporting standards developed through the Nanwakolas Strategic Forum to help achieve the goals outlined in section 6.1 of the SEA, including community priorities funded from the Revenue Sharing Contribution provided in this Agreement.
- 6.1.2 Within 90 days of the end of each BC Fiscal Year, the Gwa'sala-'Nakwaxda'xw First Nation or its Designate will prepare and submit any reports agreed to by the Nanwakolas Strategic Forum in the format determined by the Nanwakolas Strategic Forum.
- 6.1.3 British Columbia retains the right at its sole discretion, such discretion to be exercised reasonably, to require an audit of expenditures made from the Payment Account to ensure that all such expenditures were

made for appropriate purposes under this Agreement, such audit to be at the expense of the Gwa'sala-'Nakwaxda'xw First Nation or its Designate.

- 6.1.4 The documents and reports referred to in sections 6.1.1, and 6.1.2 will be published by the Gwa'sala-'Nakwaxda'xw First Nation or its Designate in a manner that can reasonably be expected to bring the information to the attention of its communities and the public.
 - 6.1.5 Notwithstanding the termination or expiry of this Agreement, the Gwa'sala-'Nakwaxda'xw First Nation or its Designate will continue to comply with the provisions of section 6.1 of this Agreement until 90 days after it receives the last Revenue Sharing Contribution from British Columbia.
- 6.2 If the Gwa'sala-'Nakwaxda'xw First Nation requires funding ("capacity") to engage in consultation processes on forest and range decisions, or with other provincial Ministries where the Gwa'sala-'Nakwaxda'xw First Nation has entered into an SEA and/or an RA with British Columbia, up to \$35,000 annually of the Revenue Sharing Contribution will be used by the Gwa'sala-'Nakwaxda'xw First Nation for that capacity during the term of this Agreement.

7.0 Security Deposits

- 7.1 In recognition of the Gwa'sala-'Nakwaxda'xw First Nation entering into this Agreement, British Columbia may choose not to request a silviculture deposit(s) pertaining to licence(s) entered into as a result of the invitation to apply under a Forest Tenure Opportunity Agreement entered into between Gwa'sala-'Nakwaxda'xw First Nation (or a legal entity and controlled by the Gwa'sala-'Nakwaxda'xw First Nation) and British Columbia.
- 7.2 The Gwa'sala-'Nakwaxda'xw First Nation agrees that British Columbia may apply any payment that the Gwa'sala-'Nakwaxda'xw First Nation is entitled to receive under this Agreement, to a maximum of the amounts that British Columbia would have obtained in a silviculture deposit, in order to fully or partially satisfy any unfulfilled financial obligations of the Gwa'sala-'Nakwaxda'xw First Nation to British Columbia arising from a licence(s) entered into as a result of the Invitation to apply under a Forest Tenure Opportunity Agreement entered into between the Gwa'sala-'Nakwaxda'xw First Nation (or a legal entity controlled by the Gwa'sala-'Nakwaxda'xw First Nation) and British Columbia.
- 7.3 Prior to British Columbia applying any payment to satisfy unfulfilled Gwa'sala-'Nakwaxda'xw First Nation financial obligations arising from a licence(s) in accordance with section 7.2, British Columbia will notify the Gwa'sala-

'Nakwaxda'xw First Nation of the unfulfilled financial obligation(s) and will discuss the proposed action with the Gwa'sala-'Nakwaxda'xw First Nation.

8.0 Stability for Land and Resource Use

- 8.1 The Gwa'sala-'Nakwaxda'xw First Nation will respond immediately to any discussions sought by British Columbia in relation to any acts of intentional interference by members of the Gwa'sala-'Nakwaxda'xw First Nation with provincially authorized forest and/or range activities and will work co-operatively with British Columbia to assist in resolving any such matters.

9.0 Dispute Resolution

- 9.1 If a dispute arises between British Columbia and the Gwa'sala-'Nakwaxda'xw First Nation regarding the interpretation of a provision of this Agreement, the duly appointed representatives of the Parties will meet as soon as is practicable to attempt to resolve the dispute.
- 9.2 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 the Gwa'sala-'Nakwaxda'xw First Nation.
- 9.3 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 issue.

10.0 Suspension and Termination

- 10.1 British Columbia may suspend the making of further Revenue Sharing Contributions under this Agreement if it determines, acting reasonably, that the Gwa'sala-'Nakwaxda'xw First Nation is not fulfilling its obligations under sections 4 and 6 or sections 8.1 or 10.3 of this Agreement, or where the Gwa'sala-'Nakwaxda'xw First Nation has outstanding unfulfilled financial obligations to British Columbia arising from a licence(s) issued further to an agreement between the Gwa'sala-'Nakwaxda'xw First Nation and British Columbia. Upon making any such determination, British Columbia will provide notice to the Gwa'sala-'Nakwaxda'xw First Nation of the alleged non-compliance, and the Parties will then attempt to resolve their differences.
- 10.2 If the alleged non-compliance by the Gwa'sala-'Nakwaxda'xw First Nation is not resolved within 60 days of the notice provided in section 10.1, British Columbia will notify the Gwa'sala-'Nakwaxda'xw First Nation that the alleged non-compliance remains unresolved and, without limiting the actions that may be taken by British Columbia, may terminate this Agreement.

- 10.3 If, during the term of this Agreement, the Gwa'sala-'Nakwaxda'xw First Nation challenges or supports a challenge to an Administrative Decision and/or Operational Decision or an Operational Plan or activities carried out pursuant to those decisions or plans, by way of legal proceedings or otherwise, on the basis that, contrary to section 5.2, the Revenue Sharing Contribution provided for in section 3 of this Agreement does not provide an accommodation for impacts on the Gwa'sala-'Nakwaxda'xw First Nation's Section 35 Rights then, without limiting any actions that may be taken by British Columbia, the Revenue Sharing Contribution provided for in Section 3 may be suspended or this Agreement may be terminated by British Columbia.
- 10.4 This Agreement will terminate prior to the end of the Term in any one of the following circumstances; 90 days' written notice of termination is given by one Party to the other; termination occurs in accordance with any of the provisions of section 10; or upon mutual agreement of the Parties. In the event of such early termination of this Agreement, the Revenue Sharing Contribution for the BC Fiscal Year in which termination becomes effective will be prorated to the termination date.
- 10.5 If a Party gives written notice of its intention to terminate this Agreement effective 90 days from the date of the notice, the Parties will, prior to the end of the 90-day period, meet and will attempt to resolve any issue that may have given rise to the termination notice.

11.0 Term

The term of this Agreement commences on the Effective Date and, unless terminated earlier in accordance with any of the provisions hereof, will end on the day immediately before the third anniversary of the Effective Date.

12.0 Renewal of the Agreement

12.1 Prior to the expiry of the Term, if the terms and conditions of this Agreement are being met, British Columbia and the Gwa'sala-'Nakwaxda'xw First Nation will, if each party has received such authorizations as it may require, begin negotiations for the renewal of this Agreement or for a new agreement.

13.0 Amendment of Agreement

- 13.1 Any alteration or amendment to the terms and conditions of the Agreement must be in writing and duly executed by the Parties.
- 13.2 Either party may request the participation of the other Party to review and to consider amendments to this Agreement if an RA is signed.

13.3 Either Party may request the participation of the other Party to review the effectiveness of this Agreement annually and consider amendments to this Agreement.

14.0 Entire Agreement

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

15.0 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 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. If received after 4:00 p.m., it will be deemed to have been received on the next business 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

Deputy Minister
Ministry of Aboriginal Relations and Reconciliation
P.O. Box 9100 STN PROV GOVT
Victoria B.C. V8W 9B1
Telephone: (250) 356-1394
Facsimile: (250) 387-6594

Gwa'sala-'Nakwaxda'xw First Nation

Chief Paddy Walkus
Gwa'sala-'Nakwaxda'xw First Nation
Box 998
Port Hardy, BC V0N 2P0
Telephone: (250) 949-8343
Facsimile: (250) 949-7402

16.0 Miscellaneous

- 16.1 This Agreement shall be interpreted in a manner consistent with provincial and federal law.
- 16.2 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.
- 16.3 This Agreement does not address or prejudice conflicting interests or competing claims between First Nations.
- 16.4 Subject to paragraph 10.3, this Agreement will not limit the positions that a Party may take in future negotiations or court actions.
- 16.5 British Columbia acknowledges and enters into this Agreement on the basis that the Gwa'sala-'Nakwaxda'xw First Nation has Section 35 Rights within their Traditional Territory but that the specific nature, scope or geographic extent of Section 35 Rights of the Gwa'sala-'Nakwaxda'xw First Nation have yet to be determined. Broader processes engaged in to bring about reconciliation will result in a common understanding of the nature, scope and geographic extent of Section 35 Rights or treaty interests of the Gwa'sala-'Nakwaxda'xw First Nation.
- 16.6 References in this Agreement to Crown lands are without prejudice to the Gwa'sala-'Nakwaxda'xw First Nation's Aboriginal title and/or rights claims over those lands.
- 16.7 With the exception of matters or decisions dealt with in section 3.9, this Agreement does not address or affect any claims by the Gwa'sala-'Nakwaxda'xw First Nation regarding impacts on its Section 35 Rights resulting from past Operational or Administrative Decisions made by British Columbia prior to the effective date of this Agreement.
- 16.8 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.
- 16.9 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.
- 16.10 There will be no presumption that any ambiguity in any of the terms of this Agreement should be interpreted in favour of either Party.
- 16.11 The applicable laws of British Columbia and Canada shall govern this Agreement.
- 16.12 This Agreement is not intended to limit any obligation of forest or range Licensees or other third parties to the Gwa'sala-'Nakwaxda'xw First Nation.
- 16.13 This Agreement does not exclude the Gwa'sala-'Nakwaxda'xw First Nation from accessing forestry economic opportunities and benefits, which may be available to the Gwa'sala-'Nakwaxda'xw First Nation, other than those expressly set out in this Agreement.

- 16.14 Nothing in this Agreement is to be construed as an acceptance of or admission by a Party of the position of the other Party or as an admission of fact or liability.
- 16.15 This Agreement does not constitute an admission of an obligation to provide financial or economic benefits, as provided in this Agreement, as part of the British Columbia's obligation to consult and accommodate.
- 16.16 If any part of this Agreement is void or unenforceable at law, that part shall be severed from this Agreement and the rest of the Agreement shall remain in effect and fully enforceable.
- 16.17 If any part of this Agreement is void or unenforceable at law, the Parties agree to negotiate and attempt to reach agreement, to the extent reasonably possible and as their respective interests may require, on a replacement for the severed part with a view to achieving the intent of the Parties as expressed in this Agreement.
- 16.18 All headings in this Agreement are for convenience only and do not form a part of this Agreement and are not intended to interpret, define, limit, enlarge, modify or explain the scope, extent or intent of this Agreement or any of its provisions.
- 16.19 In this Agreement, words in the singular include the plural, and words in the plural include the singular unless the context or any specific definition otherwise requires.
- 16.20 The appendices to this Agreement form part of the Agreement.
- 16.21 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.

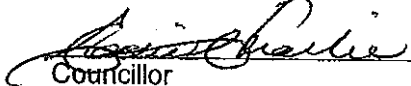
Signed on behalf of:

Gwa'sala-Nakwaxda'xw First Nation

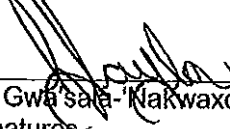

Chief Paddy Walkus

Date

March 29/2011

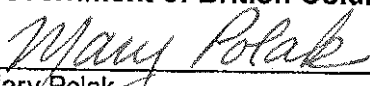

Councillor


Councillor


Witness of Gwa'sala-Nakwaxda'xw First Nation signatures

Signed on behalf of:

Government of British Columbia


Mary Polak
Minister of Aboriginal Relations and Reconciliation

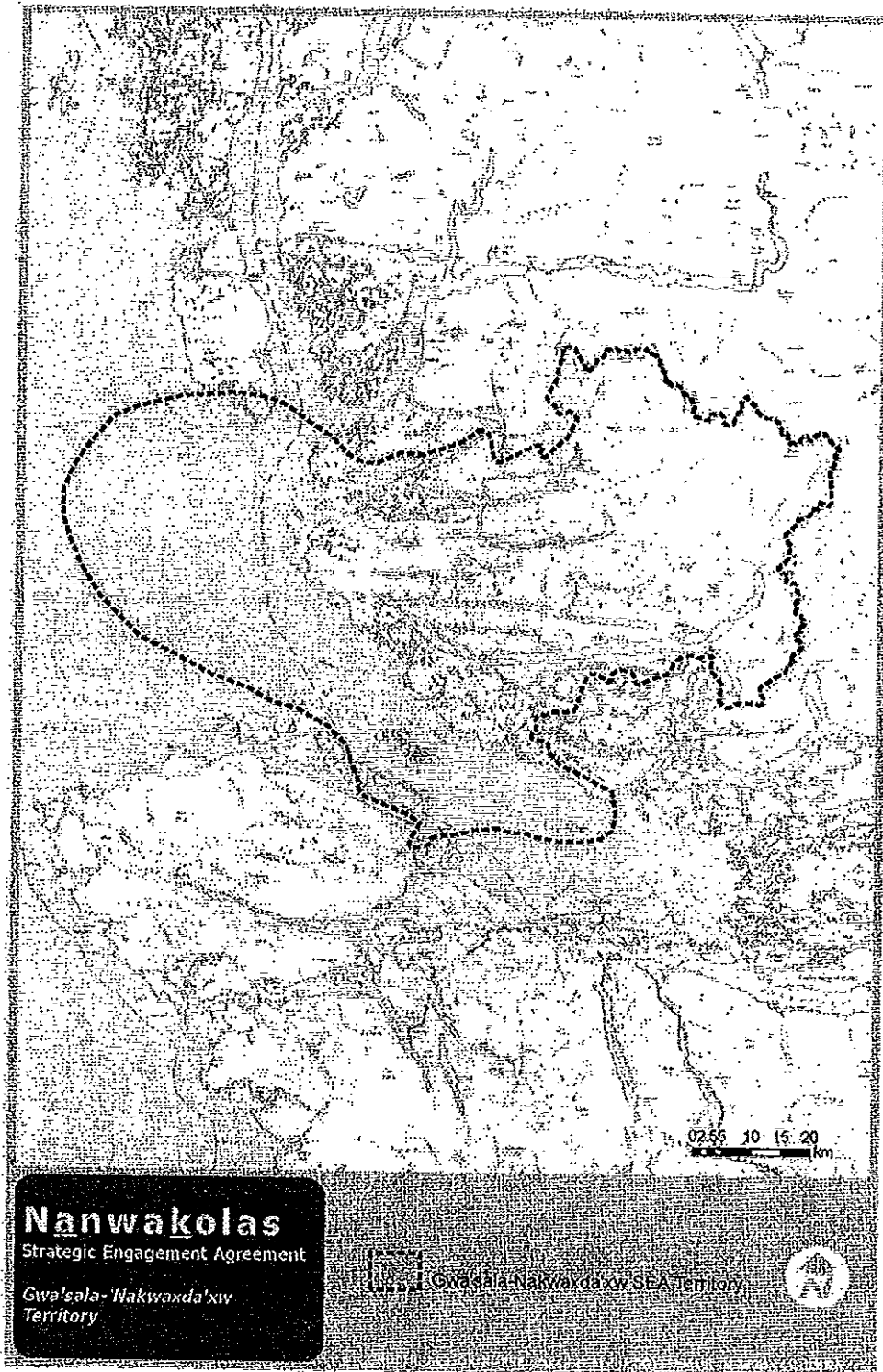
Date

04.26.11


Witness of Minister signature

APPENDIX A

Map of Gwa'sala-'Nakwaxda'xw First Nation's Traditional Territory



APPENDIX B

Consultation

On Operational and Administrative Decisions and Operational Plans

Appendix B is superseded by the consultation processes set out in the SEA, while the SEA is in effect.

APPENDIX C

Revenue Sharing Contribution Methodology

Traditional Territory Forest Revenue Sharing Component

- 1.0 In each BC Fiscal Year that this Agreement is in effect, and subsequent to the release by the Minister of Finance of the previous BC Fiscal Year's public accounts of British Columbia, a summary document will be prepared of the North Island – Central Coast Resource District (DNI) forest revenue, defined as the total of stumpage, waste and annual rent payments received by the Crown for the previous 2 BC Fiscal Years. An average amount over 2 years will be calculated for the North Island – Central Coast Resource District (DNI).
- 1.1 For the purposes of the summary document in section 1.0 of this Appendix, the stumpage, waste and any annual rent payments from Gwa'sala-'Nakwaxda'xw First Nation's Forest Licence (A75918) will not be included in the calculations of forest revenue.
- 1.2 The amount of the forest revenue attributed to the Gwa'sala-'Nakwaxda'xw First Nation's Traditional Territory will be calculated by determining the percent of Gwa'sala-'Nakwaxda'xw First Nation's Traditional Territory that falls within the Timber Harvesting Land Base in North Island – Central Coast Resource District (DNI), applied against the forest revenue described in section 1.0 of this Appendix. This calculation will prorate for overlapping territories of other First Nations, and for the purposes of this calculation British Columbia will use the same map of the Gwa'sala-'Nakwaxda'xw First Nation's Traditional Territory as is set out in the SEA and that map will form Appendix A of this Agreement.
- 1.3 The Traditional Territory Forest Revenue Sharing Component will be calculated by multiplying 4 percent of the forest revenue attributed to the Gwa'sala-'Nakwaxda'xw First Nation as described in section 1.2 of this Appendix. Should the Parties enter into an RA, the Traditional Territory Forest Revenue Sharing Component will be calculated by multiplying 5 percent of the forest revenue attributed to the Gwa'sala-'Nakwaxda'xw First Nation as described in section 1.2 of this Appendix.
- 1.4 Where the calculation in section 1.3 of this Appendix is less than \$35,000, the Gwa'sala-'Nakwaxda'xw First Nation will receive a maximum of \$35,000 to provide capacity to participate in the consultation process in accordance with section 6.2 of this Agreement.
- 1.5 For each BC Fiscal Year that this Agreement is in effect, the calculations outlined in sections 1.0 to 1.4 of this Appendix will be performed.
- 1.6 The Province agrees to discuss with the Gwa'sala-'Nakwaxda'xw First Nation potential opportunities to review the revenue sharing contribution methodology that more closely reflects with revenue collected from the Gwa'sala-'Nakwaxda'xw First Nation's Traditional Territory.

Direct Award Tenure Forest Revenue Sharing Component

- 2.0 Subsequent to the release by the Minister of Finance of the previous BC Fiscal Year's public accounts of British Columbia, a summary document will be prepared of the Gwa'sala-'Nakwaxda'xw First Nation's Forest Licence (A75918) forest revenue, defined as the total of stumpage, and waste payments received by the Crown for the previous BC Fiscal Year.
- 2.1 The Direct Award Forest Tenure Revenue Sharing Component will be calculated by multiplying 50 percent of the forest revenue as described in section 2.0 of this Appendix, unless the Parties enter into a RA, in which case the Direct Award Tenure Revenue Sharing Component will be calculated by multiplying 75 percent of the forest revenue as described in Section 2.0 of this Appendix.
- 2.2 For each BC Fiscal Year that this Agreement is in effect, the calculations outlined in sections 2.0 and 2.1 of this Appendix will be performed.

Forest Revenue Sharing Transition

- 3.0 The Parties agree that new methods to calculate the Revenue Sharing Contribution will be phased in over the next 4 years.
- 3.1 For each BC Fiscal Year that this Agreement is in effect, a portion of the Revenue Sharing Contribution is calculated by determining the total of the Traditional Territory Forest Revenue Sharing Component and the Direct Award Tenure Forest Revenue Sharing Component for that BC Fiscal Year ("the sum") and applying the following percentages to that sum:
 - 3.1.1 2010/11 BC Fiscal Year: 10 percent;
 - 3.1.2 2011/12 BC Fiscal Year: 50 percent; and
 - 3.1.3 2012/13 BC Fiscal Year: 80 percent.
- 3.2 For each BC Fiscal Year that this Agreement is in effect, the remaining portion of the Revenue Sharing Contribution is calculated by determining the value of the payments that were made by British Columbia to the Gwa'sala-'Nakwaxda'xw First Nation in any given full year under the *Gwa'sala-'Nakwaxda'xw Nation Forest Agreement* which expired on March 31, 2010 ("the Annual Amount") and applying the following percentages to that Annual Amount:
 - 3.2.1 2010/11 BC Fiscal Year: 69 percent;
 - 3.2.2 2011/12 BC Fiscal Year: 59 percent; and
 - 3.2.3 2012/13 BC Fiscal Year: 55 percent.
- 3.3 The Parties agree that if this Agreement is renewed in accordance with section 12.0 of this Agreement, or this Agreement expires in the 2013/2014 BC Fiscal Year, the Revenue Sharing Contribution for the 2013/14 BC Fiscal Year will be the sum of:
 - 3.3.1 the Traditional Territory Forest Revenue Sharing Component and the Direct Award Tenure Forest Revenue Sharing Component calculated in this Appendix; and

3.3.2 50 percent of the value of the Annual Amount identified in section 3.2 of this Appendix.

APPENDIX D

**Band Council Resolution Appointing
the
Recipient Entity for this Agreement ("Designate")**

APPENDIX E

Gwa'sala-'Nakwaxda'xw First Nation Statement of Community Priorities

(Example)

Socio-Economic Priority	Annual Amount			Specific Outcomes	Measurement Criteria
	2010/2011	2011/2012	2012/2013		
Total ¹	\$	\$	\$		

2010/2011 Revenue Sharing Contribution \$ 354,014

2011/2012 Revenue Sharing Contribution \$ To Be Determined

2012/2013 Revenue Sharing Contribution \$ To Be Determined

2013/2014 Revenue Sharing Contribution \$ To Be Determined

¹ Total for all three years must equal the amount of funding identified in section 3.0 of this Agreement.

APPENDIX F

Gwa'sala-'Nakwaxda'xw First Nation Statement of Community Priorities

Annual Report

(Example)

Socio-Economic Priority	2010/2011 Planned Expenditures	2010/2011 Actual Expenditures	Outcomes Achieved	Variance Explanation
Total ²	\$	\$		

² Total for year must equal the amount of funding identified in section 3.0 of this Agreement for that year.

