

shíshálh Nation Interim Forestry Agreement

Between:

Sechelt Indian Band, as represented by Chief and Council (“shíshálh 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 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. The Supreme Court of Canada in *Tsilhqot’in Nation v. British Columbia*, 2014 SCC 44, found that Tsilhqot’in Nation had established Aboriginal title in British Columbia.
- C. British Columbia recognizes that shíshálh peoples’ Aboriginal rights and title exist in the Territory and that it is in the interests of both Parties to foster a stronger and more collaborative government-to-government relationship for the land, resources, and economic development opportunities within the Territory.
- D. The Parties wish to set out a process for consultation regarding forest and range resource development on lands within the Territory.
- E. This Agreement is intended to assist in achieving stability and greater predictability for forest and/or range resource development within the Territory by establishing an interim forestry relationship between the Parties while negotiations regarding establishing a comprehensive forestry relationship are on-going.

THEREFORE THE PARTIES AGREE AS FOLLOWS:

1.0 Definitions

1.1. Definitions. For the purposes of this Agreement, the following definitions apply:

“Aboriginal Rights” means:

- a) asserted aboriginal rights, including aboriginal title, or
- b) determined aboriginal rights, including aboriginal title, which are recognized and affirmed under section 35(1) of the *Constitution Act, 1982*.

“Agreement” means this Interim Forestry Agreement;

“Administrative or Operational Decision” means a decision made by the Minister or a Delegated Decision Maker related to forest and range resources under provincial legislation.

“BC Fiscal Year” means a period beginning on April 1 of a calendar year and ending on March 31 of the next calendar year.

“Delegated Decision Maker” and **“DDM”** means a person with authority to make statutory decisions with respect to forest and range resources under provincial legislation as amended from time to time.

“Designate” has the meaning given to that term in section 3.1.1.

“Effective Date” means the date this Agreement is fully executed by both Parties.

“Engagement Process” means the framework in Appendix B which will be used to define consultation between the Parties with respect to Proposed Decisions.

“Forestry Term Sheet” means the term sheet which sets out the Parties’ intentions with respect to certain forestry related measures and negotiations.

“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*.

“Licensee” means a holder of a forest tenure or a range tenure.

“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.

“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 shíshálh Nation Territory.

“Payment Account” has the meaning given to that term in section 3.1.3.

“Proponent” means a company or individual who holds or is applying for an Administrative or Operational Decision.

“Proposed Decision” means an Operational Plan or an Administrative or Operational Decision that may have an adverse impact on shíshálh Nation’s Aboriginal Rights within the Territory.

“Reconciliation Agreement” means a reconciliation agreement between British Columbia and shíshálh Nation that provides a foundation for further reconciliation between the Parties.

“Revenue Sharing Contribution” means each payment to be made by British Columbia to shíshálh Nation in accordance with Section 3.0 of this Agreement.

“Term” has the meaning given to that term in section 11.1.

“Timber Harvesting Land Base” means the portion of the total land area of a management unit considered by Ministry of Forest, Lands and Natural Resource Operations to contribute to, and be available for, long-term timber supply.

“Territory” means shíshálh Nation’s claimed or asserted Territory as shown in bold black on the map attached in Appendix A.

“Treasury Board” means the cabinet committee of British Columbia defined in the *Financial Administration Act*.

1.2 Interpretation. For purposes of this Agreement:

- a) “includes” and “including” are not intended to be limiting;
- b) the recitals and headings are inserted for convenience of reference only, do not form part of this Agreement and are not intended to define, enlarge or restrict the scope or meaning of this Agreement or any provision of it;

- c) any reference to a statute in this Agreement includes all regulations made under that statute and any amendments or replacement of that statute or its regulations;
- d) unless the context otherwise requires, words expressed in the singular include the plural and *vice versa*;
- e) any reference to a corporate entity includes any predecessor or successor to such entity; and
- f) there will be no presumption that doubtful expressions, terms or provisions in this Agreement are to be resolved in favour of any Party.

1.3 Appendices. The following Appendices are attached to and form part of this Agreement:

Appendix A - Map of Territory

Appendix B - Engagement Process

Appendix C - Revenue Sharing Contribution Methodology

Appendix D - Annual Report

2.0 Purpose and Objectives

The purposes and objectives of this Agreement are:

- 2.1 to establish an interim forestry relationship that includes a consultation process between shíshálh Nation and British Columbia through which the Parties will engage on Proposed Decisions;
- 2.2 to provide a Revenue Sharing Contribution:
 - 2.2.1 to support the capacity of the shíshálh Nation to participate in the consultation process herein, and
 - 2.2.2 as an accommodation for any adverse impacts to shíshálh Nation's Aboriginal Rights resulting from forest and range resource development within the Territory; and
- 2.3 to assist in achieving stability and greater predictability for forest and range resource development within the Territory.

3.0 Forest Revenue Sharing Contribution

3.1 Recipient Entity:

3.1.1 Unless shíshálh Nation elects to have another entity (its “Designate”) receive Revenue Sharing Contributions pursuant to section 3.1.2, recognizing that any such election does not relieve Shíshálh Nation of its obligation under this agreement, shíshálh Nation will be the recipient of the Revenue Sharing Contributions.

3.1.2 Where shíshálh 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 2.0 to receive the Revenue Sharing Contribution on behalf of shíshálh Nation.

3.1.3 shíshálh Nation will establish and throughout the Term maintain a bank account in the name of shíshálh 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”). shíshálh 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 10.0 of this Agreement, British Columbia will during the Term make a Revenue Sharing Contribution, calculated in accordance with Appendix C, to shíshálh Nation, or to its Designate, as the case may be, and, subject to section 3.4, the Revenue Sharing Contribution for the first fiscal year of the Term will be disbursed as follows:

3.2.1 the first payment of \$419,835.00 to be paid within 30 days of this Agreement being executed by the Parties; and

3.2.2. the second payment of \$64,302.00 to be paid on or before March 31, 2016, provided the Parties have entered into a Reconciliation Agreement on or before March 31, 2016.

3.3 Subject to section 3.1.2 and section 10.0 of this Agreement, British Columbia will during the Term make a Revenue Sharing Contribution, calculated in accordance with Appendix C, to shíshálh Nation, or to its Designate, as the case may be, and, subject to section 3.4, the Revenue Sharing Contribution for the second fiscal year of the Term will be disbursed on or before September 30, 2016 and on or before March 31, 2017.

- 3.4 Notwithstanding any other provisions of this Agreement, the payment of money by British Columbia to the shíshálh Nation pursuant to this Agreement is subject to:
- 3.4.1 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
 - 3.4.2 Treasury Board not having controlled or limited, pursuant to the *Financial Administration Act*, expenditure under any appropriation referred to in section 3.4.1.
 - 3.4.3 shíshálh Nation having published all of the necessary statements and reports before the applicable dates as set out in section 6 of this Agreement; and
 - 3.4.4 Revenue Sharing Contributions not having been suspended under section 10 of this Agreement.

4.0 Engagement Process

- 4.1 The Parties agree that the process set out in Appendix B will be the means by which British Columbia will consult on proposed Operational Plans or proposed Administrative or Operational Decisions and, where appropriate, is the means by which British Columbia will identify potential measures to accommodate any potential adverse impacts on the shíshálh Nation's Aboriginal Rights resulting from Operational Plans or Administrative or Operational Decisions
- 4.2 British Columbia will use the map of shíshálh Nation's Territory set out in this Agreement at Appendix A.
- 4.3 shíshálh Nation agrees that British Columbia may share the map of the Territory as set out in Appendix A with another provincial government agency and/or a Licensee responsible for information sharing associated with a decision that is subject to this Agreement.
- 4.4 The Parties agree that in the event shíshálh Nation enters into a shared decision-making agreement or Reconciliation Agreement 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 Reconciliation Agreement or shared decision-making agreement will supersede and replace the consultation process set out in this Agreement for the term of the shared decision-making agreement if the shared decision-making agreement so provides; and in any such case, if the shared decision-making agreement or Reconciliation Agreement terminates prior to the end of the Term, the Parties

agree that the consultation process set out in Appendix B of this Agreement will apply for the remainder of the Term.

- 4.5 In the event that the Effective Date falls after the date on which shíshálh Nation enters into a shared decision-making agreement with British Columbia that includes a consultation process which addresses forest and range management and decision making, and the shared decision-making agreement is subsequently terminated prior to the end of the Term, Shíshálh Nation agrees that this Agreement will be amended within 60 days of the date of termination of the shared decision-making agreement to include a consultation process in this Agreement.

5.0 Acknowledgments and Covenants by shíshálh Nation

- 5.1 shíshálh Nation agrees that the Revenue Sharing Contributions made under section 3.0 of this Agreement are an economic accommodation and constitute a component of any accommodation or compensation that may be required for any impacts on shíshálh Nation Aboriginal Rights of Administrative or Operational Decisions or Operational Plans in the Territory from April 1, 2015 to the end of the term of this Agreement.
- 5.2 shíshálh Nation agrees that if the consultation process set out in Appendix B is followed, British Columbia has consulted and, where appropriate, has identified potential measures to accommodate potential adverse impacts of Administrative or Operational Decisions, and any forest or range development practices that may be carried out under an Operational Plan, on shíshálh Nation's Aboriginal Rights.

6.0 Community Priorities, Annual Reports and Records

- 6.1 shishalh Nation is responsible and accountable to its members through the provisions of the Sechelt Indian Band Constitution. By implementing shishalh Nation procedures already in place, shishalh Nation will prepare annual spending plans and annual reports for the Revenue Sharing Payments (the "Reports"), as part of the annual budgeting and reporting processes described in the Sechelt Indian Band Constitution. Subject to the Sechelt Indian Band Constitution, the Reports will be published by shishalh Nation in a manner that can reasonably be expected to bring the information to the attention of shishalh Nation members.
- 6.2 If requested by British Columbia, shíshálh Nation will provide a summary report substantially in the form set out in Appendix D regarding the projects or initiatives to which Revenue Sharing Payments have been allocated.
- 6.3 The report referred to in section 6.2 will be provided to British Columbia within 120 days.
- 6.4 Notwithstanding the termination or expiry of this Agreement, shíshálh Nation or its Designate will continue to comply with the provisions of section 6.1 until 120 days

after it receives the last Revenue Sharing Contribution from British Columbia.

7.0 Security Deposits

- 7.1 In recognition of shíshálh 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 shíshálh Nation (or a legal entity controlled by the Shíshálh Nation) and British Columbia.
- 7.2 shíshálh Nation agrees that British Columbia may apply any payment that shíshálh 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 shíshálh 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 shíshálh Nation (or a legal entity controlled by the shíshálh Nation) and British Columbia.
- 7.3 Prior to British Columbia applying any payment to satisfy unfulfilled Shíshálh Nation financial obligations arising from a licence(s) in accordance with section 7.2, British Columbia will notify the shíshálh Nation of the unfulfilled financial obligation(s).

8.0 Stability for Land and Resource Use

- 8.1 shíshálh Nation will respond promptly to any discussions sought by British Columbia in relation to any acts of intentional interference by members of shíshálh 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 shíshálh 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 shíshálh 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 shíshálh Nation is not fulfilling its obligations under sections 4.0 and 6.0 or sections 8.1 or 10.3 of this Agreement, or where the shíshálh Nation has outstanding unfulfilled financial obligations to British Columbia arising from a licence(s) issued further to an agreement between the shíshálh Nation and British Columbia. Upon making any such determination, British Columbia will provide notice to shíshálh Nation of the alleged non-compliance, and the Parties will then attempt to resolve their differences.
- 10.2 If the alleged non-compliance by shíshálh Nation is not resolved within 60 days of the notice provided in section 10.1, British Columbia will notify shíshálh 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, shíshálh Nation:
- 10.3.1 challenges or supports a challenge to an Administrative 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 5.1, the Revenue Sharing Contribution provided for in section 3.0 of this Agreement does not provide an accommodation for impacts on shíshálh Nation's Aboriginal Rights; or
 - 10.3.2 supports or participates in any acts that frustrate, delay, stop or otherwise physically interfere with provincially authorized forest activities
- then, without limiting any actions that may be taken by British Columbia, the Revenue Sharing Contribution provided for in section 3.0 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 10.0; 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

11.1 The term of this Agreement:

11.1.1 commences on the Effective Date; and

11.1.2 will end twelve months from the Effective Date, unless terminated earlier in accordance with section 10.

11.2 Prior to the end of the term of this Agreement, the Parties will meet to review the status of the comprehensive forestry agreement negotiations pursuant to the Forestry Term Sheet, and subject to each Party obtaining all required mandates and approvals, the Parties may agree to negotiate a renewal of this Agreement or a new agreement.

12.0 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.

12.3 Where there are changes to the Province's approach to forest revenue and consultation agreements as a result of the discussions with the First Nations Forestry Council, negotiations with another First Nation or British Columbia making policy changes, the Parties will discuss those changes with the intention of providing shíshálh Nation with the opportunity to benefit from any improvements and may agree to amend this agreement.

13.0 Entire Agreement

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

14.0 Notice

14.1 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.

14.2 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.

14.3 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
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shíshálh Nation

Chief Calvin Craigan
shíshálh Nation
PO Box 740
Sechelt, B.C., V0N 3A0
Telephone: 604-885-2273
Fax: 604-885-3490

15.0 General Provisions

15.1 **Governing law.** This Agreement will be governed by and construed in accordance with the laws of British Columbia.

15.2 **Not a Treaty.** This Agreement does not:

- (a) constitute a treaty or a lands claims agreement within the meaning of sections 25 or 35 of the *Constitution Act, 1982*; or
- (b) establish, affirm, recognize, define, limit, abrogate or derogate from any shíshálh Nation rights recognized and affirmed by section 35(1) of the *Constitution Act, 1982*.

15.3 **No Admissions.** Nothing in this Agreement will be construed as:

- (a) an admission of the validity or invalidity of, or any fact or liability in relation to, any claims relating to alleged past or future infringements of any shíshálh Nation rights recognized and affirmed by section 35(1) of the *Constitution Act, 1982*;
- (b) an admission or acknowledgement of any obligation to provide any financial, economic or other compensation, including those in this Agreement, as part

of British Columbia's obligation to consult and, as appropriate, accommodate;

- (c) in any way limiting the position the Parties may take in any proceedings or in any discussions or negotiations between the Parties, except as expressly contemplated in this Agreement
- (d) an acceptance by a Party of the position of the other Party regarding its jurisdiction, responsibilities and decision-making authority; or
- (e) preventing any Party from commencing a legal proceeding which it deems necessary in the circumstances.

15.4 **No Fettering.** Nothing in this Agreement is to be construed as fettering in any manner, the exercise of any statutory, prerogative, executive or legislative power or duty.

15.5 **No Implied Waiver.** Any waiver of any term or breach of this Agreement is effective only if it is in writing and signed by the waiving Party and is not a waiver of any other term or breach.

15.6 **Assignment.** shíshálh Nation must not assign, either directly or indirectly, this Agreement or any right of First Nation under this Agreement without the prior written consent of British Columbia.

15.7 **Emergencies.** Nothing in this Agreement affects the ability of either Party to respond to any emergency circumstances.

15.8 **Acknowledgment.** The Parties acknowledge and enter into this Agreement on the basis that shíshálh Nation has Aboriginal Rights within the Territory but that the specific nature, scope or geographic extent of those Aboriginal interests have yet to be determined.

15.9 **Third Parties.** This Agreement is not intended to limit any obligation of forest or range licensees or other third parties to shíshálh Nation.

15.10 **Other Economic Opportunities and Benefits.** This Agreement does not preclude shíshálh Nation from accessing forestry economic opportunities and benefits, which may be available to it, other than those expressly set out in this Agreement.

15.11 **Validity of Agreement.** If any provision of this Agreement or the application of it to any person or circumstance is invalid or unenforceable to any extent, the remainder of this Agreement and the application of it to any person or circumstance will not be affected or impaired and will be valid and enforceable to the extent permitted by law.

- 15.12 **Entire Agreement.** This Agreement and any amendment to it constitute the entire agreement between the Parties with respect to the subject matter of this Agreement.
- 15.13 **Further Acts and Assurances.** Each Party must perform the acts, execute and deliver the writings, and give the assurances as may be reasonably necessary to give full effect to this Agreement.
- 15.14 **Legal power, capacity and authority.** shíshálh Nation represents and warrants to British Columbia, with the intent and understanding that they will be relied on by British Columbia in entering into this Agreement, that it enters into this Agreement for, and on behalf of itself and its members and that as represented by its Chief and Council, it has the legal power, capacity and authority to enter into and to carry out its obligations under this Agreement.
- 15.15 **Execution in Counterpart.** This Agreement may be entered into by a separate copy of this Agreement being executed by each Party and that executed copy being delivered to the other Party by a method provided for in section 15 or any other method agreed to by the Parties.
- 15.16 **Own Source Revenue.** With respect to Canada's Own Source Revenue (OSR) policy and provincial transfers, British Columbia will:
- a) Not take into account any own source revenue capacity that may be acquired by shíshálh Nation as a result of this Agreement; and
 - b) Make reasonable efforts to obtain the agreement of Canada to similarly not take any such own source revenue capacity into account; and
 - c) If necessary, pursuant to section 12.2 of this Agreement, accede to a request by shíshálh Nation to consider amendments to the Agreement that would ensure that payments made from British Columbia under this Agreement do not result in reductions of payments by Canada to shíshálh Nation.


Signed on behalf of:

shísháhl Nation


Chief Calvin Craigan

March 30, 2016
Date



Councillor


Councillor


Witness of shísháhl Nation signatures

Signed on behalf of:

Government of British Columbia

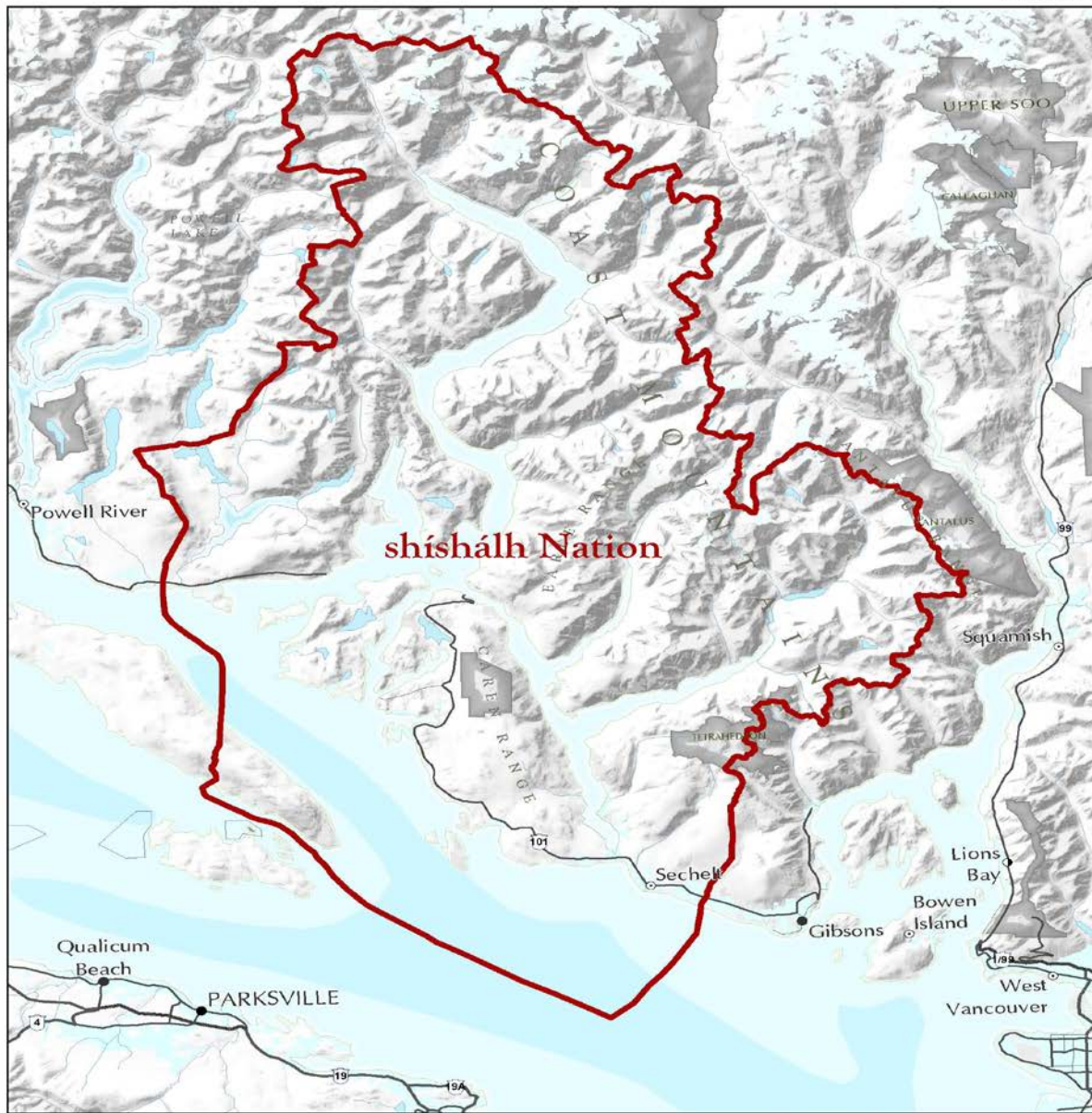

John Rustad
Minister of Aboriginal Relations and
Reconciliation

June 20, 2016
Date


Witness of Minister signature

Appendix A Map of shíshálh Nation Territory

Date: November 24, 2015



Shíshálh Nation Traditional Territory

Forest, Consultation and Revenue Sharing Boundary



Ratio scale is correct at 11"x17" page size.

This map has been prepared for information purposes only and it not intended to create, recognize, limit or deny any aboriginal rights, including title, that any First Nation may have, or impose any obligations on British Columbia or alter the legal status of resources within the Province or the existing legal authority of British Columbia.

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 Created by: Decision Support Section, SIS
 Coordinate System: BCAlbers
 Date: November 24, 2015
 Produced for:
 Ministry of Aboriginal Relations and Reconciliation



Ministry of
 Aboriginal Relations
 and Reconciliation



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APPENDIX B

Engagement Process

1.0 Engagement Process

- 1.1 British Columbia will consult with shíshálh Nation on Proposed Decisions in accordance with this Engagement Process.
- 1.2 shíshálh Nation will participate in consultation with British Columbia or with Licensees or licence proponents on Proposed Decisions in accordance with this Engagement Process.
- 1.3 The Parties will follow the Engagement Process for Proposed Decisions where that consultation is initiated after the Effective Date of the Agreement.
- 1.4 The Parties agree that the Engagement Process will not apply to the following Proposed Decision types, and British Columbia will provide an annual summary report to shíshálh Nation prior to March 31, 2016, indicating how many such decisions were made:
 - 1.4.1 Free Use Permits, other than those for First Nation Cultural use;
 - 1.4.2 Christmas Tree Permits;
- 1.5 The Parties will review the list under subsection 1.4 four months after the Effective Date to determine whether additional Proposed Decision types can be added.

2.0 Engagement Process Steps

- 2.1 British Columbia or the Proponent will provide an information package on a Proposed Decision(s) to shíshálh Nation.
- 2.2 Consultation begins when shíshálh Nation has received an information package and British Columbia's letter initiating consultation on the Proposed Decision(s). shíshálh Nation will be deemed to have received British Columbia's letter three calendar days after the letter is sent.
- 2.3 Shíshálh Nation may respond in writing within 21 calendar days of receiving British Columbia's letter under subsection 2.2 by providing:
 - 2.3.1 general confirmation of the potential for adverse impacts to shíshálh Nation's Section 35 Rights,

- 2.3.2 confirmation of its intention to engage in consultation, and
- 2.3.3 any requests for additional information relating to the Proposed Decision(s).
- 2.4 If Shíshálh Nation does not provide a response within 21 calendar days, or where shíshálh Nation indicates no interest in further consultation, British Columbia may proceed to a decision on the Proposed Decision(s).
- 2.5 Where Shíshálh Nation confirms that it intends to engage in consultation, shíshálh Nation may, within 45 calendar days from the date it received the letter from British Columbia under subsection 2.2, provide in writing:
 - 2.5.1 any additional information regarding potential impacts to shíshálh Nation's Aboriginal Rights, and
 - 2.5.2 any recommendations to avoid, mitigate, or otherwise address those impacts.

This time period will be extended in situations where shíshálh Nation has requested additional information reasonably required to respond to the referral and British Columbia has not provided reasonably available information within 10 calendar days of the request.

- 2.6 Upon written notice from shíshálh Nation of readiness to begin discussion or upon expiry of the 45 day period, the Parties will engage to the extent reasonably required to achieve the following objectives:
 - 2.6.1 ensure that British Columbia understands shíshálh Nation's concerns and any recommendations by shíshálh Nation to avoid, mitigate, or otherwise address potential impacts to Shíshálh Nation's Aboriginal Rights;
 - 2.6.2 ensure that shíshálh Nation understands British Columbia's views regarding potential adverse impacts to shíshálh Nation's Aboriginal Rights (including strength of claim where it is at issue) and any Shíshálh Nation proposals or recommendations;
 - 2.6.3 seek a common understanding of shared or respective interests.
 - 2.6.4 where British Columbia agrees that shíshálh Nation has identified reasonable concerns that are not fully addressed by economic accommodation provided for under this Agreement, work towards a mutually agreeable course of action to meaningfully address those concerns through appropriate accommodation tools which, depending on the circumstances, may include, but are not limited to:

- 2.6.4.1 non-economic accommodation measures such as avoidance or mitigation measures;
 - 2.6.4.2 potential for additional economic accommodation;
 - 2.6.4.3 a decision by British Columbia to defer a Proposed Decision until such time as appropriate accommodation or other suitable agreements or arrangements are identified; or
 - 2.6.4.4 a decision not to authorize a particular activity.
- 2.7 The Parties will make reasonable efforts to complete dialogue described under subsection 2.6.4.1 to 2.6.4.4 within 30 days. Where the proposed decision carries the potential for serious adverse impacts on shíshálh Nation's Aboriginal Rights, and more time is reasonably required to meet the objectives under subsection 2.6, the Parties will extend consultation for an additional time period, including a target end date, to be determined by the Parties.
- 2.8 Where there are several Proposed Decisions contained in one information package, shíshálh Nation may decide that further engagement on particular individual Proposed Decisions is not required, and will provide notice in writing to British Columbia.
- 2.9 Where British Columbia and shíshálh Nation reach agreement on accommodations to meaningfully address the concerns raised by shíshálh Nation, British Columbia may proceed with the Proposed Decision(s).
- 2.10 Where British Columbia and shíshálh Nation fail to reach agreement on appropriate accommodation tools to meaningfully address the concerns raised by Shíshálh Nation and where British Columbia proceeds with a Proposed Decision that is inconsistent with the accommodations proposed by shíshálh Nation, British Columbia will provide shíshálh Nation with written reasons for its decision(s).

3.0 General Principles

- 3.1 The Parties will engage in a good faith and open dialogue. The Parties will choose their means of communication by agreement, except where this Process expressly requires written communication.
- 3.2 The Parties may communicate in writing by emailing the other Party's designated representative(s).
- 3.3 The Parties will make reasonable efforts to satisfy requests by the other party to meet in person.

- 3.4 The Parties will engage with each other in a timely fashion and will make reasonable efforts to meet agreed-upon timelines. Where additional engagement time is reasonably required under subsection 2.7, the extended timeline will take into account all relevant factors including any urgency for the decision and internal capacity of each Party.
- 3.5 Nothing in this process prevents either Party from responding to an emergency.

APPENDIX C

Revenue Sharing Contribution Methodology

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, a summary document will be prepared of the Sunshine Coast Natural Resource District 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 Sunshine Coast Natural Resource District.
- 1.1 For the purposes of the summary document in section 1.0 of this Appendix, the stumpage payments from shíshálh Nation's Forest License (if applicable) will not be included in the calculations of forest revenue.
- 1.2 The amount of the forest revenue attributed to shíshálh Nation's Territory will be calculated by determining the percent of shíshálh Nation's Territory that falls within the Timber Harvesting Land Base in the Sunshine Coast Natural Resource District, applied against the forest revenue described in section 1.0 of this Appendix. This calculation will prorate for overlapping territories of other First Nations.
- 1.3 The Territory Forest Revenue Sharing Component will be calculated by multiplying 3 percent of the forest revenue attributed to the shíshálh Nation as described in section 1.2 of this Appendix.
- 1.4 Provided the Parties have entered into a Reconciliation Agreement on or before March 31, 2016, the Territory Forest Revenue Sharing Component will be calculated by multiplying 5 percent of the forest revenue attributed to the shíshálh Nation as described in section 1.2 of this Appendix for the 2016/17 BC Fiscal Year.
- 1.5 If shíshálh Nation is not receiving capacity funding for forestry consultation through a SEA or RA, then it will receive \$35,000 or the amount calculated in accordance with section 1.3, whichever is greater, which may be used by shíshálh Nation as capacity funding to participate in the consultation process in accordance with section 6.0 of this Agreement.
- 1.6 For each BC Fiscal Year that this Agreement is in effect, the calculations outlined in sections 1.0 to 1.5 of this Appendix will be performed.

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, a summary document will be prepared of shíshálh Nation's Forest Licenses (if applicable) forest revenue, defined as the total of stumpage 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 35 percent of the forest revenue as described in section 2.0 of this Appendix.
- 2.2 For each Fiscal Year that this Agreement is in effect, the calculations outlined in sections 2.0, 2.1 and 2.2 of this Appendix will be performed.

Forest Revenue Sharing Transition

- 3.0 For each BC Fiscal Year that this Agreement is in effect, a portion of the Revenue Sharing Contribution is calculated by adding the total of the Territory Forest Revenue Sharing Component to the Direct Award Tenure Forest Revenue Sharing Component for that BC Fiscal Year.
- 3.1 For the first 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 shishalh Nation in any given full year under the *shíshálh Nation Interim Forestry Agreement* which expired on 3/31/2010 (“the Annual Amount”) and applying the following percentages to that Annual Amount:
 - 3.2.1 2015/16 BC Fiscal Year: 40 percent.

