

PROVINCE OF BRITISH COLUMBIA
Ministry of Forests, Lands and Natural Resource Operations
PULPWOOD AGREEMENT NO. 20

THIS AGREEMENT, dated May 16, 2013

BETWEEN:

THE "MINISTER" OF FORESTS, LANDS, AND
NATURAL RESOURCE OPERATIONS
OF BRITISH COLUMBIA, on behalf of
HER MAJESTY THE QUEEN IN RIGHT
OF THE PROVINCE OF BRITISH COLUMBIA,

(the "Minister")

AND:

Canadian Forest Products Ltd.
#100 -1700 West 75th Avenue
Vancouver, British Columbia
V6P 6G2

E-Mail Address- David.Calabrigo@canfor.com

(the "Licensee")

WHEREAS

- A. Canadian Forest Products Ltd. requested the subdivision of Pulpwood Agreement 12 on January 31, 2013 to accommodate the sale of their 50% interest in the Peace Valley OSB plant to an affiliate of Louisiana-Pacific Corporation.
- B. The Peace Valley "OSB plant" at Fort St John, British Columbia will now be supported by the new Pulpwood Agreement 20 using 66 percent of the available

volume from the old Pulpwood Agreement 12.

- C. Under Section 43 of the "*Forest Act*", Pulpwood Agreement 12, Amendment Number 6 version dated December 13, 2002 is sub-divided and Pulpwood Agreement 20 is created

THE PARTIES AGREE AS FOLLOWS

1.00 GRANT OF RIGHTS

1.01 Subject to

- (a) this Agreement and the Acts, regulations and standards referred to in paragraph 8.01, and
- (b) the "availability of deciduous leading stands".

the "Minister" grants to the Licensee the option to obtain from the "District Manager" under section 47.6(2)(c) of the "*Forest Act*", without advertising or competition from other applicants, "forestry licences to cut" authorizing the Licensee to "harvest" timber, specified under paragraph 7.01, from Crown land in the "Pulpwood Area", as identified by the yellow hatched area identified on the attached exhibit "A" map.

1.02 In accordance with Part 5 of the Agreement and subject to sub-paragraph 2.05(a), for each harvest control year, the total volume of timber "harvested" under "forestry licences to cut" must not exceed the lesser of 330 000 m³ and the "availability of deciduous leading stands".

1.03 The volume referred to in paragraph 1.02 is deemed to be reduced according to any reduction made under this Agreement.

1.04 In accordance with the decision to subdivide Pulpwood Agreement 12, the effective date of this Agreement is May 16, 2013.

1.05 Subject to sub-paragraph 2.05(b), the expiry date of this Agreement is October 31, 2024.

1.06 This Agreement is not replaceable under the "*Forest Act*".

1.07 The "District Manager" will determine on an annual basis:

- a) the total volume "harvested" under "forestry licences to cut" and road permits issued in connection with this Agreement, including waste,

- b) the status of the current "harvest control period",
 - c) "the annual harvest level" for the upcoming "harvest control year", in accordance with Part 5 of the Agreement and subject to paragraphs 1.02, and 1.03, and
 - d) volume identified as an "overcut adjustment" that is applied to the "harvest control period".
- 1.08 The "District Manager" must provide the Licensee with a notice of his determinations under paragraph 1.07 and detail the level of harvest approved for the current "harvest control year"
- 1.09 The first "harvest control period" for the purposes of the Agreement will commence on January 1, 2014.

2.00 TIMBER PROCESSING

- 2.01 In this Part, a force majeure event means any of the following which is beyond the control of the Licensee and could not reasonably have been foreseen by the Licensee
- (a) acts of God, acts of the public enemy, riots, fires, storms, floods, or explosions,
 - (b) labour disputes,
 - (c) inability to obtain any approvals required from any regulatory authority,
 - (d) the invoking of a force majeure clause by a customer for the product produced by the "OSB plant", except where the clause is invoked because of lack of markets or uneconomic market conditions, and,
 - (e) any similar event other than lack of markets or uneconomic market conditions.
- 2.02 The Licensee must ensure that the "OSB plant" is not "closed" or its production "reduced" below an input of 970 000 m³/year of timber, in either case, for a period of longer than 90 consecutive days, except as a consequence of a force majeure event or unless the "Minister" exempts the Licensee in whole or in part from the requirements of this paragraph.
- 2.03 The Licensee must give the "Minister" at least 90 days notice prior to any "closure" of the "OSB plant" or any "reduction" in its production if the Licensee knows or should reasonably expect that the "closure" or "reduction" might extend beyond 90 consecutive days.

- 2.04 If the "OSB plant" is "closed" or its production is "reduced" and the "closure" or "reduction" continues or, in the opinion of the "Minister", will continue for a period longer than 90 days, the Licensee must on request of the "Minister" provide information regarding,
- a) the volume of timber and wood residue processed through the "OSB plant", as the case may be, during the 24 month period immediately preceding the "closure" or "reduction" in production level, and
 - b) in the case of a "reduction", the amount by which production has been "reduced".
- 2.05 If the "OSB plant" is "closed" or its production "reduced" for a period longer than 90 consecutive days, except as a consequence of a force majeure event, the "Minister" at any time within 12 months after the "closure" or "reduction" may,
- a) reduce the volume of timber specified under paragraph 1.02 by not more than the difference between
 - (i) the average annual volume of timber and wood residue processed through the "OSB plant", in the 24 month period immediately before the "closure" or "reduction", and
 - (ii) the average annual volume of timber and wood residues that would have been processed through the "OSB plant", during the 24 month period immediately before the "closure" or "reduction" if the "closure" or "reduction" had been in effect throughout that period, or
 - b) proceed with suspension and/or cancellation provisions in Division 4 of Part 4 of the "Forest Act".

3.00 UTILIZATION OF TIMBER HARVESTED UNDER A FORESTRY LICENCE TO CUT

- 3.01 The Licensee must process all timber "harvested" under a "forestry licence to cut" issued under this Agreement or under a road permit, or equivalent volumes, in the "OSB plant".
- 3.02 The Licensee may trade timber "harvested" under a "forestry licence to cut" issued under this Agreement for an equal or greater volume of "pulp logs" or wood residue which is processed in the "OSB plant".
- 3.03 The "District Manager", in a notice given to the Licensee, may require the Licensee to notify the "District Manager" of all trades referred to in

paragraph 3.02.

4.00 UTILIZATION OF PULP LOGS AND WOOD RESIDUE

4.01 The Licensee must ensure all

- a) pulp logs suitable for processing in the "OSB plant" that are "harvested" by the Licensee and its affiliates under forest tenures held by them from the "Pulpwood Area" otherwise than under a "forestry licence to cut", and
- b) wood residue suitable for processing in the "OSB plant" that is produced from timber "harvested" by the Licensee and its affiliates under forest tenures held by them from the "Pulpwood Area" otherwise than under a "forestry licence to cut",

or equivalent volumes, are processed in the "OSB plant".

4.02 The Licensee must ensure

- a) pulp logs unsuitable for processing in the "OSB plant" that are "harvested" by the Licensee and its affiliates under forest tenures held by them from the "Pulpwood Area" otherwise than "harvested" under a "forestry licence to cut", and
- b) wood residue unsuitable for processing in the "OSB plant" that is produced from timber "harvested" by the Licensee and its affiliates under forest tenures held by them from the "Pulpwood Area" otherwise than "harvested" under a "forestry licence to cut",

are traded for all available pulp logs or wood residue suitable for processing in the "OSB plant".

4.03 Subject to paragraph 4.04, the Licensee must purchase, or cause to be purchased, the lesser of;

- a) all available "pulp logs" and wood residue suitable for processing in the "OSB plant";
- b) 300 300 m³ of "pulp logs" and wood residue, suitable for processing in the "OSB plant" annually.

4.04 The Licensee need not purchase, or cause to be purchased, "pulp logs" or wood residue under paragraph 4.03 if the "Regional Executive Director" determines that the asking price for the "pulp logs" or wood residue is unreasonable.

- 4.05 Upon the request of the Licensee, or at his own discretion, the "Regional Executive Director" may refer the question of whether the asking price for "pulp logs" or wood residue is unreasonable to an independent expert acceptable to the Licensee, such acceptance not to be unreasonably withheld, and, if the "Regional Executive Director" does so, the determination of the independent expert is deemed to be the determination of the "Regional Executive Director" for the purpose of paragraph 4.04.
- 4.06 Subject to paragraph 4.07, the Licensee must take delivery of "pulp logs" or wood residue purchased under paragraph 4.03 within 3 months or within such longer period as is agreed to by the "District Manager".
- 4.07 The "District Manager", in a notice given to the Licensee, may specify a period that is shorter than the 3 months referred to in paragraph 4.06 if the timber from which the "pulp logs" or wood residue will be produced, must be "harvested" and utilized expeditiously to prevent the reduction in volume or the loss or destruction of timber.
- 4.08 For the purposes of this Agreement all "pulp logs" or wood residues are deemed to be suitable for processing in the OSB plant unless the "District Manager" determines that a species or type of "pulp logs" or wood residue is unsuitable for processing in the "OSB plant" having regard to the design and technological capability of the "OSB plant" to manufacture a marketable end product from the pulp logs or wood residues.
- 4.09 Upon the request of the Licensee, or at his own discretion, the "District Manager" may refer the question of whether a species or type of "pulp log" or wood residue is unsuitable for processing in the "OSB plant" to an independent expert acceptable to the Licensee, such acceptance not be unreasonably withheld, and, if the District Manager does so, the determination of the independent expert is deemed to be the determination of the "District Manager" for the purpose of paragraph 4.08.
- 4.10 The Licensee must pay all costs and expenses of an independent expert referred to in paragraph 4.05 or 4.09, where the Licensee has requested the review by an independent expert.

5.00 HARVEST CONTROL

5.01 In this Part,

- a) "volume of timber "harvested" during a "harvest control year" means, the

total of such of the following as are charged to the Licensee in a calendar year in statements or invoices issued on behalf of the government:

- (i) the volume of "merchantable timber" cut and removed under "forestry licences to cut" and "road permits", issued under this Agreement,
- (ii) the volume of "merchantable timber" estimated to be wasted or damaged under "forestry licences to cut" and "road permits", issued under this Agreement,
- (iii) the volume of timber the "Regional Executive Director" has determined must have been purchased under paragraph 4.03, which was not purchased by the Licensee, and
- (iv) volume identified as an "overcut adjustment".

5.02 For the purposes of paragraph 1.06, the following will apply:

- a) A five year "harvest control period" specified by the "District Manager" will be used as a benchmark for performance of volume allotments under the Agreement;
- b) The total volume available during the "harvest control period" will be five times the "availability of deciduous leading stands";
- c) Volume of timber "harvested" during a "harvest control period" means, the cumulated volume as determined yearly under paragraph 5.01, charged to the Licensee over a 5 year period in statements or invoices issued on behalf of the government.

5.03 If the volume of timber "harvested" during a "harvest control period" is more than the maximum allowed during that period under paragraph 5.02, the "District Manager" will apply the volume as an "overcut volume adjustment" to the next "harvest control period."

5.04 If the volume of timber "harvested" during a "harvest control period" is more than the maximum allowed during that period, the "District Manager" in a notice given to the Licensee, may also vary or suspend, in whole or in part, or refuse to issue, a forestry licence to cut or road permit to the extent necessary to offset the difference between the volume of timber "harvested" during the "harvest control period" and the volume levels approved under sub-paragraph 1.06(c) for the next following "harvest control period."

5.05 The powers conferred on the "Regional Executive Director" or "District Manager" under this Part may be exercised separately, concurrently or cumulatively.

6.00 APPLICATION FOR A FORESTRY LICENCE TO CUT

- 6.01 The Licensee may only apply for a "forestry licence to cut"; if the "District Manager" is satisfied the Licensee has met all of its obligations under Parts 2.00, 3.00, and 4.00 of the Agreement.
- 6.02 Subject to paragraphs 6.01, and 6.03 through 6.05 inclusive, the Licensee may submit an application to the "District Manager" on one or more areas of Crown land within the "Pulpwood Area" for a "forestry licence to cut" meeting the requirements referred to in parts 1.00 and 2.00 of the Agreement and the "Appraisal Manual" in effect on the date of submission of the application for a "forestry licence to cut", an application to amend a "forestry licence to cut", or a "road permit", to authorize the Licensee to operate upon one or more proximate areas of Crown land, that are:
- a) exempted under the "*Forest and Range Practices Act*" from the requirement for a "forest stewardship plan"; or
 - b) located within a forest development unit of an approved "forest stewardship plan"; or
 - c) exempted under the "*Fort St. John Pilot Project Regulation*"; or
 - d) identified on a "Forest Operations Schedule" as harvest blocks
- 6.03 For those areas to be included in the application under paragraph 6.02, the Licensee must ensure that cruise and appraisal data submitted is gathered and compiled according to the "Appraisal Manual."
- 6.04 An application for a "forestry licence to cut" must
- a) be in a form acceptable to the "District Manager",
 - b) include
 - (i) any information the "District Manager" may require to determine whether the Licensee has complied with Parts 2.00, 3.00 and 4.00,
 - (ii) a map to a scale acceptable to the "District Manager" showing the areas referred to in the application, and
 - (iii) the cruise data and appraisal data referred to in paragraph 6.03, and
 - c) comply with Part 8 of this Agreement
- 6.05 The areas of land shown on the map referred to in clause 6.04(b)(ii) must be consistent with
- a) cutblocks referred to in subparagraph 6.02(d), or

b) areas referred to in subparagraph 6.02(b), allowing only for any difference in scale between maps used in the "Forest Operations Schedule" or exemption and the map referred to in clause 6.04(b)(ii).

6.06 Subject to paragraphs 6.07 through 6.10 inclusive, upon receipt of an application for a "forestry licence to cut" submitted under paragraph 6.02, the "District Manager" will enter into a "forestry licence to cut" with the Licensee if,

- a) the "District Manager" is satisfied that
- (i) the requirements of paragraphs 6.01 and 6.03 through 6.05 inclusive have been met,
 - (ii) the areas of land referred to in the application for the "forestry licence to cut" contain timber stands specified under Part 7.00 of the Agreement, and
 - (iii) the cruise data and appraisal data referred in clause 6.04(b)(iii) meet the requirements of paragraph 6.03

6.07 The "District Manager" may consult an aboriginal group who may be exercising or claiming to hold aboriginal interests, or treaty rights, who may be affected directly or indirectly by activities or operations under or associated with a "forestry licence to cut".

6.08 The "District Manager" may refuse to issue a "forestry licence to cut" if, in the opinion of the "District Manager", issuance of the "forestry licence to cut" would result in an unjustifiable infringement of an aboriginal interest or treaty right.

6.09 If the "District Manager"

- a) determines that a "forestry licence to cut" may not be entered into because the requirements of paragraph 6.06 have not been met,
- b) is carrying out consultations under paragraph 6.07, or
- c) refuses to enter into a "forestry licence to cut" under paragraph 6.08, the "District Manager" will notify the Licensee within 45 days of the date on which the application for the "forestry licence to cut" was submitted.

6.10 A "forestry licence to cut" will meet the content requirements of Section 47.7 of the "*Forest Act*".

7.00 TIMBER STANDS AVAILABLE FOR HARVEST

- 7.01 Timber stands in the "Pulpwood Area" where the cruise under Part 6.00 of the Agreement has confirmed that at least 51 percent (%) or greater of the net cruise volume of the stand is deciduous will be available for "harvest" by the Licensee.
- 7.02 The "Regional Executive Director" or "District Manager" may notify the Licensee to submit applications for "forestry licences to cut" for areas of Crown land meeting the requirements set out in the notice.

8.00 LEGISLATIVE FRAMEWORK

- 8.01 This Agreement is subject to
- a) the "*Forest Act*" and the regulations made under that Act, and
 - b) the "*Forest and Range Practices Act*" of British Columbia and the regulations and standards made under that Act.
 - c) the "*Wildfire Act*" and the regulation under that Act.
- 8.02 The Licensee must
- a) comply with the Acts, regulations and standards referred to in paragraph 8.01, and
 - b) ensure that its employees, agents and contractors comply with these Acts, regulations and standards when engaging in or carrying out activities or operations under or associated with this Agreement or a subsequent "forestry licence to cut".

9.00 REPORTING

- 9.01 The "Regional Executive Director", in a notice given to the Licensee, may require the Licensee to submit a report containing such information as the "Regional Executive Director" requires, including information regarding the Licensee's performance of its obligations under this Agreement or a "forestry licence to cut" if the information is not included in any other reports which the Licensee must submit under this Agreement or the Acts or regulations referred to in paragraph 8.01.
- 9.02 Upon receipt of a notice referred to in paragraph 9.01, the Licensee, on or before the date specified in the notice, will submit a report to the "Regional Executive Director" containing the required information.
- 9.03 Subject to paragraph 9.04, the "Regional Executive Director" may include the

information contained in a report submitted under paragraph 9.02 in any reports prepared by the Ministry of Forests, Lands and Natural Resource Operations for public review.

- 9.04 Subject to the *Freedom of Information and Protection of Privacy Act*, the "Regional Executive Director" will not disclose information provided in confidence by the Licensee in a report submitted under paragraph 9.02.

10.00 TERMINATION AND SURRENDER

- 10.01 If this Agreement expires, or is surrendered, cancelled or otherwise terminated

- a) all "forestry licences to cut" entered into pursuant to this Agreement are terminated, and
- b) title to all
 - (i) improvements, including roads and bridges, constructed by the Licensee under the authority of a "forestry licence to cut", and
 - (ii) timber, including logs and special forest products, "harvested" under the authority of a "forestry licence to cut" and still located on Crown land,will vest in the Crown, without right of compensation to the Licensee.

- 10.02 The Licensee must not remove any improvements, logs or special forest products referred to in subparagraph 10.01(b), unless first authorized to do so by the "District Manager".

11.00 NOTICE

- 11.01 A notice given under this Agreement must be in writing.

- 11.02 A notice given under this Agreement may be

- a) delivered by hand,
- b) sent by mail, or
- c) subject to paragraph 11.05, sent by electronic transmission, to the address, as applicable, specified on the first page of this Agreement, or to such other address or e-mail address as is specified in a notice given in accordance with this Part.

- 11.03 If a notice is given under this Agreement, it is deemed to have been given

- a) if it is given in accordance with subparagraph 11.02(a), on the date it is

- delivered by hand,
- b) if it is given in accordance with subparagraph 11.02(b), subject to paragraph 11.04, on the eighth day after its deposit in a Canada Post Office at any place in Canada, and
- c) if it is given in accordance with subparagraph 11.02(c), subject to paragraph 11.05, on the date it is sent by electronic transmission as evidenced by normally acceptable internet notations.

11.04 If, between the time, a notice is mailed in accordance with subparagraph 11.02(b) and the time it is actually received, there occurs a postal strike, lockout or slowdown that might reasonably affect delivery of the notice, the notice is not deemed to be given until the party actually receives it.

11.05 If a notice is sent by electronic transmission, the party sending the notice must take reasonable steps to ensure that the transmission has been successfully completed in a format suitable to both parties.

12.00 MISCELLANEOUS

12.01 This Agreement will inure to the benefit of, and be binding on, the parties and their respective heirs, executors, successors and permitted assigns.

12.02 Any power conferred or duty imposed on the "Regional Executive Director" or "District Manager" by this Agreement may be exercised or fulfilled by a person authorized to do so by the "Regional Executive Director" or "District Manager", as the case may be.

12.03 The laws of British Columbia will govern the interpretation of this Agreement and the performance of the parties' obligations under this Agreement.

13.00 ABORIGINAL RIGHTS, ABORIGINAL TITLE, TREATY RIGHTS

13.01 Notwithstanding any other provision of this Agreement, if a court of competent jurisdiction

- a) determines that activities or operations under or associated with this Agreement will unjustifiably infringe an aboriginal right and/or title, or a treaty right,
- b) grants an injunction further to a determination referred to in subparagraph (a), or

- c) grants an injunction pending a determination of whether activities or operations under or associated with this Agreement will unjustifiably infringe an aboriginal right and/or title, or a treaty right,

the "District Manager", in a notice given to the Licensee, may vary or suspend this Agreement, in whole or in part, or refuse to issue a "forestry licence to cut", "road permit" or other permit given to the Licensee, to be consistent with the court determination.

13.02 Subject to this Agreement and the Acts, regulations and standards referred to in paragraph 8.01, if

- a) the "District Manager" has varied a "forestry licence to cut", "road permit" or other permit under paragraph 13.01
- b) a court of competent jurisdiction subsequently overturns, sets aside or dissolves the determination or injunction referred to in that paragraph, and
- c) it is practical to do so,

the "District Manager", at the request of the Licensee, will vary the "forestry licence to cut", "road permit" or other permit to reflect as closely as possible, for the remainder of its term, the terms and conditions of the permit or authorization given prior to the variation under paragraph 13.01.

13.03 Subject to this Agreement and the Acts, regulations and standards referred to in paragraph 8.01, if

- a) the "District Manager" has suspended a "forestry licence to cut" or "road permit" or other permit given to the Licensee under paragraph 13.01,
- b) a court of competent jurisdiction subsequently overturns, sets aside or dissolves the determination or injunction referred to in that paragraph, and
- c) it is practical to do so,

the "District Manager", at the request of the Licensee, will reinstate the "forestry licence to cut", "road permit" or other permit for the remainder of its term.

13.04 Subject to this Agreement and the Acts, regulations and standards referred to in paragraph 8.01, if

- a) the "District Manager" has refused to issue a "forestry licence to cut" or "road permit" or other permit under paragraph 13.01,
 - b) a court of competent jurisdiction subsequently overturns, sets aside or dissolves the determination or injunction referred to in that paragraph, and
 - c) it is practical to do so,
- the "District Manager", at the request of the Licensee, will issue the "forestry

licence to cut", "road permit" or other permit

14.00 INTERPRETATION

14.01 In this Agreement, unless the context otherwise requires

- a) "aboriginal interests" refers to potentially existing aboriginal rights and/or title;
- b) "aboriginal group" includes registered and non-registered Indians, Inuit and Metis;
- c) "affiliate" means affiliate within the meaning of section 53 of the "*Forest Act*";
- d) "annual harvest level" means the volume approved for harvest for each of the "harvest control years";
- e) "Appraisal Manual" means the policies and procedures approved by the "Minister" from time to time under section 105 of the "*Forest Act*" for the forest region in which the timber supply area is located;
- f) "availability of deciduous leading stands" means the portion of the allowable annual cut of the Fort St John Timber Supply Area that is apportioned to pulpwood agreement forestry licences to cut by the "Minister" under section 10 of the "*Forest Act*";
- g) "closed" or "closure" means cessation of production of the principal forest products normally produced by the "OSB plant";
- h) "District Manager" means a "District Manager" appointed under the Ministry of Forests Act for a forest district in which all or part of the "Pulpwood Area" is situated;
- i) "*Forest Act*" means the Forest Act, R.S.B.C. 1996, c. 157, as amended from time to time, or the successor to this act, if it is repealed;
- j) "Forest Operations Schedule" means the plan which is effective under Division 5 of the *Fort St. John Pilot Project Regulation*;
- k) "*Forest and Range Practices Act*" means the Forest and Range Practices Act, R.S.B.C. 2002, c.69 as amended from time to time, or the successor to this act if it is repealed;
- l) "forestry licence to cut" means a forestry licence to cut referred to in paragraph 6.02;
- m) "forest stewardship plan" means a forest stewardship plan referred to in the "*Forest and Range Practices Act*", that is prepared or approved by the "Minister";
- n) "*Fort St. John Pilot Project Regulation*" means the Fort St. John Pilot Project Regulation, Reg.278/2001, as amended from time to time, or the successor to this regulation if it is repealed;
- o) "harvest" or "harvested" means
 - (i) cut; or
 - (ii) remove; or

- (iii) cut and remove;
- p) "harvest control period" means the five year periods specified by the "District Manager" to be used as a benchmark for performance of volume allotments under the Agreement;
- q) "harvest control year" means the period from January 1 to December 31 during any of the five years which make up the harvest control period;
- r) "merchantable timber" means timber that meets or exceeds the timber merchantability specifications described in the Provincial Logging Residue and Waste Measurements Procedures Manual, as amended or replaced from time to time;
- s) "Minister" means the "Minister" responsible for administering the "*Forest Act*";
- t) "OSB plant" means the oriented strand board plant owned and operated by the Licensee in the vicinity of Fort St John, British Columbia;
- u) "overcut adjustment" means the part of the volume of timber "harvested" under this Agreement during the previous harvest control period in excess of the total volume allowed under subparagraph 5.02(b);
- v) "pulp logs" means logs which are primarily of a quality that is below the standard of utilization for sawmills within the Pulpwood Area as determined by the "Regional Executive Director" or "District Manager";
- w) "Pulpwood Area" means the area of "Pulpwood Area" No. 20 as hatched in yellow on the map attached to this Agreement;
- x) "reduced" or "reduction" means a reduction in input from the "OSB plant" below 970 000 m³/year of timber;
- y) "Regional Executive Director" means a person appointed under the *Public Service Act* and delegated by the "Minister" under section 1.1(1)(a) or 1.1(3) of the "*Forest Act*" to act in his or her capacity under section 41 of the "*Forest Act*", and
- z) "road permit" means a road permit granted to the Licensee under the "*Forest Act*".
- aa) "*Wildfire Act*" means the Wildfire Act, S.B.C 2004, c.31, as amended from time to time, or the successor to this act if it is repealed;

14.02 Unless otherwise provided in paragraph 14.01, if a word or phrase used in this Agreement is defined in the "*Forest Act*" or the "*Forest and Range Practices Act*", the definition in the "*Forest Act*" or the "*Forest and Range Practices Act*" applies to this Agreement, and where the word or phrase in the "*Forest Act*" or the "*Forest and Range Practices Act*" is replaced by a new word or phrase, this Agreement is deemed to have been amended accordingly.

14.03 Where a provision of the "*Forest Act*" or the "*Forest and Range Practices Act*" referred to in this Agreement is renumbered, the reference in this Agreement must be construed as a reference to the provision as renumbered.

14.04 In this Agreement, unless the context otherwise requires

- a) the singular includes the plural and the plural includes the singular, and
- b) the masculine, the feminine and the neuter are interchangeable.

14.05 This Agreement is divided into parts, paragraphs, subparagraphs, clauses and subclauses, illustrated as follows:

- 1.00 part,
 - 1.01 paragraph,
 - (a) subparagraph,
 - (i) clause,
 - (A) subclause;

and a reference to a subparagraph, clause or subclause must be construed as a reference to a subparagraph, clause or subclause of the paragraph, subparagraph or clause, as the case may be, in which the reference occurs.

IN WITNESS WHEREOF this Agreement has been executed by the "Minister" and the Licensee.

SIGNED on May 16 2013)
by the "Minister" of Forests, Lands &)
Natural Resource Operations)
on behalf of Her Majesty)
the Queen in Right of)
the Province of)
British Columbia in the)
presence of:)

Brad Harris)
.....)
(Print Name) Brad Harris)

J.P. Return
ACTING DEPUTY MINISTER

for The Honourable
"Minister" of Forests, Lands & Natural
Resource Operations

THE COMMON SEAL of)
the Licensee was affixed)
on MAY 16 2013)
in the presence of)

David Calabro)
.....)
(Print Name) DAVID CALABRO)

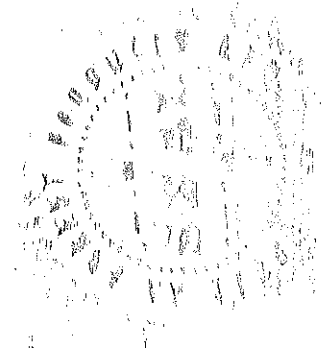
(or)

SIGNED on May 16 2013)
by the Licensee, in the)
presence of:)

Jonnie Smartt)
.....)
(Print Name) JONNIE SMARTT)

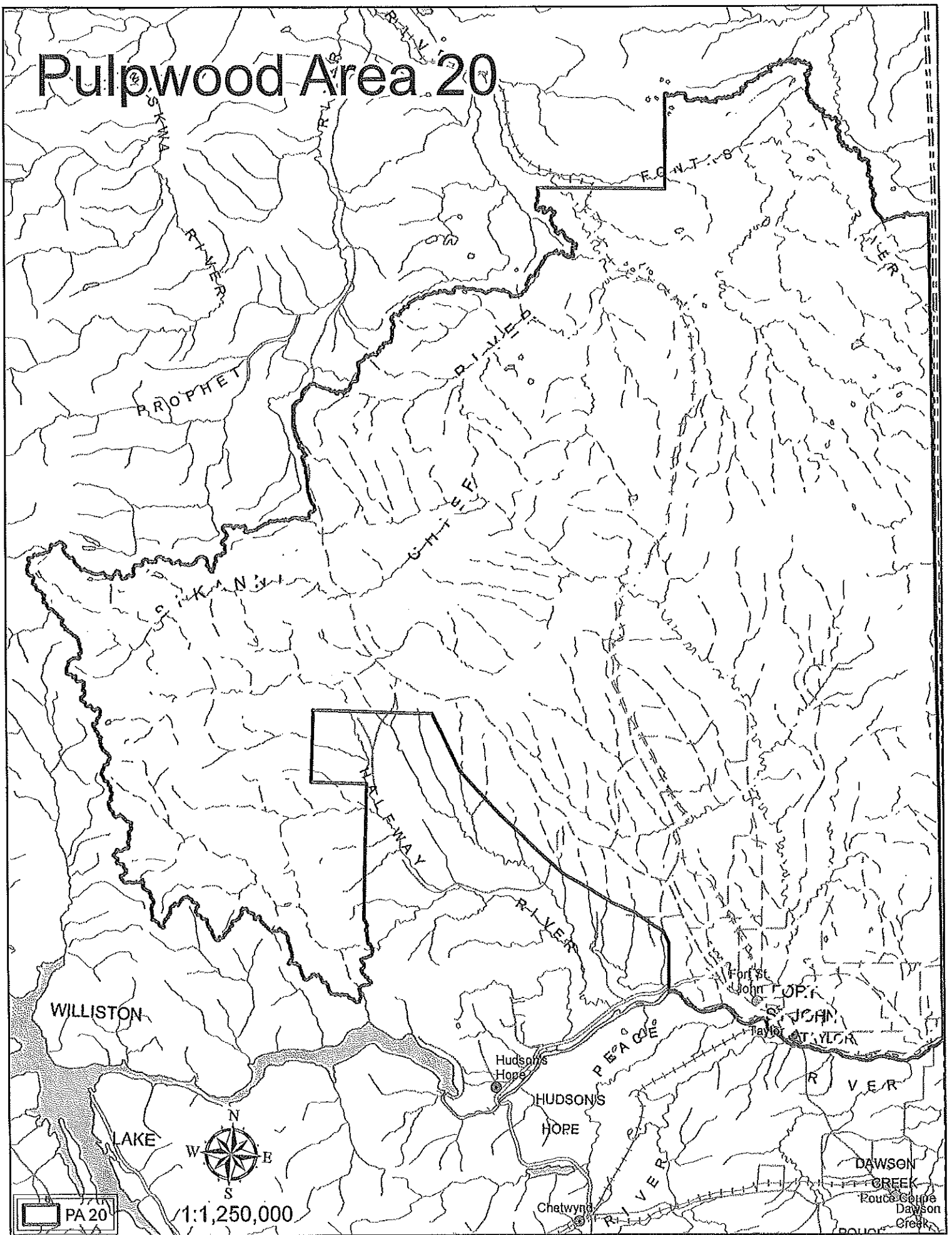
Jonnie Smartt

Canadian Forest Products Ltd.



c/s

Pulpwood Area 20



1:1,250,000

PA 20

DAWSON
CREEK
Rouge Coupe
Dawson
Creek