

Memorandum

Date: February 10, 2021

To: Potential FLTC Holders in the Quesnel Natural Resource District

From: Dominique Bailey, Senior Authorization Technologist

Subject: Security Deposits on Forestry Licence to Cut

The Quesnel Natural Resource District will be requiring security deposits to be paid on Forestry Licence to Cuts (FLTC's) as per the requirements under the **Advertising, Deposits, Disposition and Extension Regulation (ADDER)** for the purposes of ensuring that obligations under the Forestry Licence to Cut are completed (Forest Act, 151 (11)).

As per the ADDER, FLTC's that are direct award to an applicant must have a security deposit taken on the licence prior to final approvals. This security deposit is an amount determined by the following calculation:

For FLTC's awarded under section 47.6 (2) (Small Scale Salvage, Decked wood, Fibre Recovery, Wildfire Fuel Mitigation)

- (i) subject to subparagraph (ii), the amount determined by the minister that is the sum of 10% of the first \$100 000 of the total estimated stumpage value plus 5% of the remaining total estimated stumpage value, and
- (ii) if the amount determined under subparagraph (i) is less than \$500, either \$500 or zero, as determined by the minister

Security Deposits will begin to be collected on any FLTC's issued after April 01, 2021.

If you have any questions or concerns, please don't hesitate to contact the office at 250-992-4400 and request to speak to James Carter or Dominique Bailey.