

Guidance for the Completion of a Request for Approval of an Intended Transfer (RAIT) and Supplementary Information Section

If you have any questions or need assistance with the completion of the RAIT, please contact the Ministry of Forests, Forest Tenures Branch at ForestTenuresBranch@gov.bc.ca or 778-974-2475

The template has been designed to facilitate the collection and evaluation of information required for the review of a requested disposition of a forest tenure agreement under Section 54 of the Forest Act. The *Forest Act* (FA) uses the word “disposition” to describe a transfer of an agreement. Information additional to what is requested in this document may be required for the purposes of the Minister or Minister’s delegate in their consideration of whether to approve a requested transfer (S. 54 (2.1) of FA).

Statutory Decision Maker (SDM) for your transfer approval

Under the *Forest Act* the Statutory Decision Maker (SDM) to approve a requested transfer of an agreement is the Minister of Forests. However, this authority has been delegated to other official’s dependent upon the size and form of the agreement proposed for transfer. This means there may be a Delegated Decision Maker who will be rendering a decision on the approval of your request. For information on the delegation of the Minister’s authority under the *Forest Act* and its regulations, refer to the website for the [Transfer of Authority for Natural Resource Management](#) to view the latest version of the Delegation of Minister of Forests Powers and Duties Under the *Forest Act* and Regulations. *Forest Act* and Regulations.

The disposition of a forest tenure agreement through a transfer requires prior written approval to proceed, and must undergo a review of the effect of the transfer on the marketing of fibre in British Columbia and the public interest. The information you provide in the RAIT allows this review to be completed more efficiently.

The province also has a duty to consult with and, when required, accommodate First Nations whenever it proposes a decision or activity that could potentially impact treaty rights or aboriginal rights (including title) claimed or proven. This duty stems from court decisions and is consistent with the province’s commitment to implement the United Nations Declaration on the Rights of Indigenous Peoples.

Although provincial decision-makers are responsible for ensuring adequate consultation with potentially affected First Nations is carried out, proponents seeking decisions from the province such as a transfer are encouraged to engage with the appropriate First Nations as early as possible in the process.

Waste

A waste assessment must be carried out in accordance with the Provincial Logging Residue and Waste Measurements Procedures Manual(s) as amended from time to time by the Director, Timber Pricing Branch. Waste assessments are carried out to quantify the volumes of waste and residue remaining on harvested areas following the completion of harvesting operations. The waste volume data compiled

from the assessments are used to invoice licensees for monetary and cut control charges. Each waste assessment area has a unique due date for final submission to the Waste System, based on its Primary Logging Completion (PLC) date. Completion and Submission into the waste System due date can be 12 months after the PLC. Proponents may want to consider the submission timeline and potential invoices to the new holder of the agreement as part of the business arrangement between, the seller and purchaser of the agreements.

Submission and Contact Information

The authority to collect the information you provide in this template is under section 26(c) of the *Freedom of Information and Protection of Privacy Act* for the purpose of processing your request. For any questions about the collection or use of this information please contact: Ivan.Eggers@gov.bc.ca

The reference date on the front page should be the same as, or as close as possible to, the date of submission.

PART 1 – Transfer Application description

1. Current Holder of the Agreement(s) to be transferred:

A CLIENT Number is a mandatory requirement for each legal entity or individual it does business with. Upon application it is assigned by the Ministry of Forests. It is used for various purposes including invoicing clients, awarding contracts, making payments, and sending correspondence. All corporate entities need to be in good standing as per the requirements of [BC Registry](#). CLIENT number application information may be found here: [Ministry of Forests client number - Province of British Columbia](#)

2. Intended Recipient of the Agreement(s):

As with the Current Holder, if a corporation is the Intended Recipient it must be registered with BC Online, have a CLIENT number and be in good standing. Documentation may be requested.

3. Band Council Resolution or similar documentation (optional attachment):

In the case where the Current Holder of the agreement or the Intended Recipient is a First Nation, or a legal entity held by a First Nation, documentation such as a Band Council Resolution (BCR) will be required to confirm that the request to transfer or receive a transferred agreement is being done under the authority of the Nation.

A **Band Council Resolution** (BCR) is a legal instrument that reflects a Band Council's decisions made in accordance with the *Indian Act* and its Regulations. BCRs do not expire upon the election of a new Chief and Council. However, there may be other Indigenous governing bodies in place that are not formed under the provisions of the *Indian Act*, and they can also provide documentation that serves the same purpose as a BCR. The ultimate purpose is to have verification by the governing body of the Nation that the individuals or organization listed in the RAIT have the authority to act on behalf of the Nation.

4. Jointly request approval to dispose of the following *Forest Act* Agreement(s) including associated Road Permit(s):

All agreements that are to be transferred should be listed. In the case of Road Permits (RPs), which can be transferred on their own or in conjunction with the transfer of a tenure agreement, the final disposition of all complete RPs or sections from existing RPs must be confirmed and included as part of the RAIT. If there are circumstances that may prevent this information from being available before the RAIT is submitted, the circumstances should be identified in the RAIT and an estimation made as to when this information will be made available. All agreements to be transferred must be confirmed before a decision on the requested transfer can be rendered.

PART 2 - Business & Contact Information

Provide contact information for persons authorized to represent the Current Holder and Intended Recipient who are authorized to provide information and respond to matters related to the review of the proposed transfer.

A **Direct Contact** is an individual designated as the primary point of communication for the organization. This person is responsible for handling inquiries, providing information, and addressing concerns.

PART 3 - Confirm the proposed transfer is permitted under *Forest Act* (FA) and the *Disposition and Change of Control Regulation* (DCCR)

Most agreements can be transferred. However, the FA and the DCCR identify specific forms of agreements that cannot be transferred, can only be transferred under certain conditions, or can only be transferred in accordance with the DCCR. Please review section [Disposition and Change of Control Regulation](#). If uncertain contact the Forest Tenures Branch.

PART 4 – Information Related to the Consideration of the Marketing of Fibre

The FA requires the decision-maker to consider the effect of the transfer on the marketing of fibre in B.C. The Ministry of Forests, Compensation and Business Analysis Branch is responsible to conduct a market competition assessment. The assessment leads to a determination of whether the proposed transfer may be detrimental to the marketing of fibre in B.C.

The DCCR requires specific assessments for the transfer of a tree farm licence, forest licence or pulpwood agreement.

1. Contact Information:

Identify the individual to be contacted by staff from the Ministry of Forests, Compensation and Business Analysis Branch regarding information needed for the determination of the effect on the marketing of fibre in British Columbia under Section 54.02(2) of the FA. You may state that the contact information is the same as for the person identified in Part 2 – Business and contact Information.

2. Comprehensive List of Agreements:

Please provide a list of all agreements held under the FA by the Current Holder (including the agreement(s) proposed for transfer), and all agreements held under the FA by the Intended Recipient. You must include all agreements held by any affiliated corporations. Please expand these tables or attach additional pages if necessary.

In all tables the “form of agreement” should match the wording used under FA section 12.

A – List of all Agreements held by the Current Holder

B – List of all Agreements held by the Intended Recipient

C – All Agreements held by all affiliates of the Intended Recipient

D – Timber Processing Facilities

Please provide a comprehensive list of all timber processing facilities owned by both the Current Holder and the Intended Recipient, as well as those owned by affiliated corporations. For each facility detail their capacity, consumption, and output levels in the in appropriate units. Please expand these tables or attach additional pages if necessary.

D1 – All Timber Processing Facilities held by the Current Holder, including those held by affiliates

D2 – All Timber Processing Facilities held by the Intended Recipient, including those held by affiliates

PART 5 – Consideration of the Public Interest

In considering whether to approve a tenure transfer, the decision maker must consider the effect of the transfer on the public interest. If it would not be in the public interest for the intended recipient to hold the tenure, then the decision maker must not approve the transfer, or may only approve the transfer if conditions are attached that mitigate the public interest concerns.

Both the Intended Recipient and the Current Holder may wish to provide submissions regarding their assessment of how the proposed transfer is in the public interest. It is more commonly the role of the Intended Recipient to identify the benefits they feel will be achieved as a result of the transfer. Submissions may include letters of support, and address specific areas of public concern. The RAIT should indicate if a public interest submission is being provided with the RAIT, or will be provided at a later date. Please consult [Preparing a Public Interest Submission in Support of a Requested Tenure Agreement Transfer](#) for additional information.

PART 6 – First Nation Engagement

In British Columbia, the legal duty to consult First Nations is primarily the responsibility of the provincial government, and, where appropriate, provide accommodation. However, various ministries and agencies can play roles in the process.

Ministry of Water, Land and Resource Stewardship:

- Provides overall guidance and tools to support provincial Indigenous consultation.

Ministry of Indigenous Relations and Reconciliation:

- Leads the negotiation of reconciliation agreements, some of which have specific consultation process agreements, that may include applications and decisions under forestry legislation.

Ministry of Forests:

- Leads the consultation process for operational, strategic and administrative decisions and authorizations that fall under provincial forestry legislation.
- Ensures consultation is consistent with legal and contractual (i.e., consultation framework agreement) obligations and is guided by the principles and intentions of the UN Declaration on the Rights of Indigenous Peoples and the [Draft Principles that Guide the Province of British Columbia's Relationship with Indigenous Peoples](#).
- Conducts impact and strength of claim assessments as required, to inform depth of consultation and/or accommodation/mitigation considerations.

Proponents (Current Holder and Intended Recipient):

- Proponents seeking decisions from the province, such as a transfer, are encouraged to engage with the appropriate Nations as early as possible in the process. Please specify any intention to engage with First Nations in this section.
- Engagement should be done as early as possible in the process.
- Documentation of the efforts made to engage with First Nations must be submitted to the province.

PART 7 – Replaceable Contracts and Subcontracts

Where there are no replaceable contracts under the Agreement, please indicate “No replaceable contracts.”

The Timber Harvesting Contract and Subcontract Regulation (THCSR) under the FA (S. 157) specifies obligations for certain agreement holders where the provision of certain forestry services are required to be under contract or subcontract to the holder of the agreement. The THCSR is often called “Bill 13”. This colloquial term refers to the Bill enacted in 1991 that created extensive new Regulation making powers in the Forest Act, which were then relied upon by Cabinet to implement the THCSR.

Determining what contracts and subcontracts may be subject to the provisions of the THCSR can be complex. If uncertain whether or not the THCSR applies to a replaceable contract under an agreement, proponents should obtain legal advice.

Replaceable subcontracts with replaceable contractors work in substantially the same way. If you have a subcontract that falls within the definition of “subcontract” in the THCSR and that subcontract pertains to timber harvested under a replaceable contract, then you have a replaceable subcontract.

A key component of a transfer is that, where they exist, all replaceable contracts under an Agreement must be assumed by the Intended Recipient of the Agreement.

In the tables, identify the agreement under which the replaceable contract exists, the name of the company and the contact name, identify the type of contracted provided by the contractor and the amount of work that the agreement identifies should be made available to the contractor. This is often identified under the agreement as a proportion of the AAC of the agreements, or of the amount of cubic metres being harvested.

If there will be adjustments made to the replaceable contract, and the contractor has clearly accepted these changes in writing, where work is to be split up among several agreements or established under a different agreement please provide this information in an additional table.

A [list of replaceable contractors and subcontractors.pdf](#) is available that can help identify if a replaceable contract is related to the agreement being transferred. However, this list may not be current and is for reference only. Additional guidance can also be found in the following documents:

[Timber Harvesting Contract and Subcontract Regulation Summary](#)

[Timber Harvesting Contracts: A Guide to Replacing, Implementing and Monitoring](#)

PART 8 – Cutting Permits

Cutting Permits that are issued under an agreement are integral parts of the agreement. Cutting Permits can not be transferred separately from an agreement. When an agreement is transferred, all active (issued) Cutting Permits are treated as if they form part of the agreement. Active (issued) Cutting Permits include those that are partially harvested or where no harvesting has yet occurred. The transfer of an agreement does not affect the conditions or timelines of a Cutting Permit. It is not possible to transfer a portion of a Cutting Permit.

Please indicate if there are no active Cutting Permits currently under the agreement to be transferred.

PART 9 – Licence Deposits

Clearly identify how the Current Holder and Intended Recipient wish to handle the licence deposit after the transfer is completed. **Appendix A** of this guide provides a list of approved forms of securities.

PART 10 – Silviculture Securities

Under the Security for Forest and Range Practice Liabilities Regulation, the holder of a non-replaceable forest licence, a Woodlot Licence, or a Community Forest Agreement may have been required to provide security for the performance of the obligations to establish a free growing stand.

As with a licence deposit in Part 9 above, this security must be replaced by or transferred to the new holder of the agreement. Clearly identify how the Current Holder and Intended Recipient wish to handle any securities related to the Agreement(s) being transferred after the transfer is completed.

PART 11 – Administrative Acknowledgment

Information in this section relates to the proponents understanding of certain requirements related to the transfer of a forest tenure agreement. Please do not delete this section.

PART 12 – Signing and Declaration

The RAIT must be signed by both the Current Holder who is requesting the transfer of the Agreement(s) and the Intended Recipient of the Agreement(s). It is understood that the date of the signatures may differ from each other, and that the dates may differ from the date for reference on the front page of the RAIT and the date of submission. Where necessary, a second signature page may be used in order to

accommodate instances where the Current Holder and the Intended Recipient can not conveniently affix their signatures to the same page.

Signing Authority Matrix

A **signing authority matrix** is a document that delineates the levels of authority and responsibility within an organization, specifying who is authorized to sign or approve various types of documents and decisions. For **forest agreement holders**, such a matrix is essential for ensuring that all actions and decisions comply with legal and regulatory requirements.

Upon approval of a requested transfer a signing authority matrix template will be provided with a notice of approval. The signing matrix will be required from the Intended Recipient upon completion of the transfer.

RAIT Supplementary Information Document

This is a supporting document that can provide important additional information which may be relevant to the review of the requested approval for an intended transfer. Information provided in this document can be essential for reviewing your request. Please review the document and provide any information that seems relevant to your requested transfer.

Associated Subdivision Application

An Agreement being transferred may be dependent on the approval of a subdivision application. In some cases the Agreement(s) being transferred is a new Agreement created by the subdivision, or the Parent Agreement where the volume has been amended because of a subdivision. Identify the details of the subdivision associated with the Agreement(s) being transferred, including:

- Date of the subdivision application.
- Date of the subdivision approval (if complete).
- All new licences and/or the parent licence resulting from the subdivision that are associated with the Agreement(s) being transferred.

Please refer to the following documents for additional information:

[Tree Farm Licence and Forest Licence Subdivision and Consolidation Administrative Guide](#)

Associated agreements not issued under the *Forest Act* and intended for disposition alongside this application

There may be other forms of agreements, such as Land Act authorizations, which are being disposed to the Intended Recipient as part of the overall transaction under which the Forest Act Agreement(s) are being transferred. It is helpful to list these in the supplemental information document in order to ensure that they are not forgotten, and so that Ministry staff can be in a better position to help support the processing of those other dispositions.

Please Note: Specifying these agreement in this supplemental document does not replace any process required under their enabling enactments to request their transfer, reassignment or cancellation/ replacement. Please ensure that you follow the correct procedures necessary.

Silviculture Obligations – Transfer of Obligations to Establish a Free Growing Stand under Section 29.1 of *Forest and Range Practices Act (FRPA)*

When a forest tenure agreement is transferred, under section 54.6(1) of the Forest Act, the associated **silviculture obligations**, such as reforestation and stand tending, are automatically transferred to the new agreement holder. This means the new holder assumes responsibility for these obligations without the need for a separate agreement. However, although the transfer of an agreement under the Forest Act inherently includes the transfer of silviculture obligations, section 29.1 of FRPA offers a mechanism to transfer these obligations independently to another person. To do so, the following criteria must be met:

1. **Written Agreement:** The transfer must be formalized in writing.
2. **Compliance with Prescribed Requirements:** The transfer must adhere to specific requirements set forth in the regulations.
3. **Ministerial Approval:** The agreement must be submitted to the minister and receive official approval.

Please refer to [FRPA Administrative Bulletin Number 6](#) for more information.

Please identify if there is an intention of the Intended Recipient to request a transfer of the free growing obligations accrued under the Agreement(s) being transferred after the completion of the transfer.

Private Land (Tree Farm Licence Agreement only)

Section 54(2)(C) of the Forest Act stipulates that any disposition of a forest agreement is ineffective unless the private Lands that are currently subject to the agreement remain subject to the Tree Farm Licence.

APPENDIX A

APPROVED FORMS OF SECURITY

Cash, Certified Cheque, Bank Draft, Money Order
<p>Please note: Personal or Company cheques are not acceptable as securities. Interest is not paid on cash securities.</p> <p>When cash (certified cheque, money order or bank draft) is submitted, the security is held in the name of the agreement holder and returned to the agreement holder, upon satisfactory completion of all applicable obligations under the forest agreement, <i>Forest Act</i> and its regulations; <i>Forest Practices Code of British Columbia Act</i> and its regulations; and the <i>Forest and Range Practice Act</i> and its regulations. The refunded security will not be submitted to any other party.</p> <p>Certified cheques, bank drafts or money orders must be payable to the Minister of Finance.</p>
Irrevocable Letter of Credit
<p>Please note: The following “evergreen clause” must be included verbatim in an Irrevocable Letter of Credit in order for it to be acceptable as a security deposit:</p> <p>“This Letter of Credit shall be deemed to be automatically extended (for one year from the present or any future expiry date) without any formal amendment unless thirty days prior to the present expiry or any such future expiry date as automatically extended we shall notify you in writing that we elect not to extend the Letter of Credit for any further period and at the same time forward to you together with such written notice of election a bank draft payable to the Minister of Finance in the amount of \$ ___ less any amount previously paid under this Letter of Credit.” Irrevocable Letters of Credit that demand a draft or certificate will not be accepted.</p> <p>When an irrevocable letter of credit is submitted with an application, the applicant may be the agreement holder or any other party, as determined by the agreement holder. The irrevocable letter of credit is a bank document, and as such, is completed by the bank. The applicant is the party putting up the security and entered as such on the irrevocable letter of credit. The agreement number must be referred to in the irrevocable letter of credit and the beneficiary is to be made out to the Minister of Finance.</p>

***** Please Note ***** The Ministry of Forests **DOES NOT** accept Safekeeping Agreements as a form of security.