

PROVINCE OF BRITISH COLUMBIA

Ministry of Forests

IN THE MATTER OF TREE FARM LICENCE NUMBER 46

INSTRUMENT NUMBER 13

Amendment

THIS AGREEMENT is dated the 19 day of December, 1991.

BETWEEN:

THE MINISTER OF FORESTS, on behalf of HER MAJESTY
THE QUEEN IN RIGHT OF THE PROVINCE OF
BRITISH COLUMBIA, Parliament Buildings, Victoria,
British Columbia, V8V 1X4

(the "Licensor")

AND:

Fletcher Challenge Canada Limited
9th Floor
700 West Georgia Street
Vancouver, British Columbia
V7Y 1J7

(the "Licensee")

WHEREAS:

- A. The Licensor and British Columbia Forest Products Limited have entered into Tree Farm Licence Number 46, dated July 1, 1983, pursuant to Section 33.1 of the Forest Act.

Section 33 of the Forest Amendment Act, 1988 reduced the allowable annual cut available under the Licence from Schedule "B" Land by 2 1/2 percent, effective January 1, 1988 and a further 2 1/2 percent, effective January 1, 1989.

- B. This Agreement, as required by Section 33 of the Forest Amendment Act 1988, evidences the reduction which was made in the allowable annual cut available under the Licence from Schedule "B" Land, effective January 1, 1988 and January 1, 1989, respectively.
- C. The deletion of the land within the boundaries set out in this Agreement would result in a reduction in the allowable annual cut available under the Licence from Schedule "B" Land equal to the 5 percent reduction implemented, pursuant to Section 33 of the Forest Amendment Act 1988.
- D. The timber within the boundaries set out in this Agreement is representative of the kind and quality of timber found on the land subject to the Licence.
- E. Under Section 33.1 of the Forest Act, the Licensor may, with the consent of the Licensee, delete part of the licence area from Tree Farm Licence Number 46.

THE PARTIES AGREE AS FOLLOWS:

1. Pursuant to Section 33.1 of the Forest Act, Tree Farm Licence Number 46, dated January 1, 1983 (the "Licence") is amended by deleting from the Schedule "B" Land, the land (the "Deleted Land") within the boundaries described on the attached Schedule I, more particularly shown as outlined in bold black on the maps attached.
2. All other terms and conditions of the Licence remain in full force, except as specifically provided in this Agreement.
3. Any cutting permits issued to the Licensee with respect to the Deleted Land are hereby cancelled.
4. Any outstanding silviculture obligations of the Licensee with respect to the Deleted Land, whether these obligations arose under the Licence or under the Forest Act, remain in full force and are in no way affected by the deletion of the Deleted Land from the Schedule 'B' Land.
5. The Licensee will permit every person entitled to access to the Deleted Land to use any road owned by the Licensee which provides access to the Deleted Land, and where such use relates to forest harvesting on or other industrial use of the Deleted Land, the Licensee will not require any payment in respect of such use other than a reasonable payment in respect of the actual maintenance costs of the road.

6. The parties hereby confirm that the allowable annual cut available under the Licence from Schedule "B" Land was reduced by 2 1/2 percent, effective January 1, 1988 and by a further 2 1/2 percent, effective January 1, 1989.
7. Subject to Paragraphs 8 and 11, the Licensor will make no further reduction in the allowable annual cut available under the Licence from Schedule "B" Land by reason only of the deletion of the Deleted Land.
8. Nothing in this Agreement in any way affects any right or duty the Licensor may have under the Licence or the Forest Act to reduce the allowable annual cut available under the Licence from Schedule "B" Land for any reason other than the deletion of the Deleted Land.
9. If the Licensor determines at any time that the deletion of the Deleted Land would, but for Paragraph 7, result in a reduction in the allowable annual cut (the "Actual Reduction") which is less than the 5 percent reduction referred to in Paragraph 6 (the "Intended Reduction"), the Licensor may at its sole discretion, but only after consultation with the Licensee, delete additional land from the Schedule "B" Land to the extent required to make up the difference between the Actual Reduction and the Intended Reduction.
10. Except where the Licensor deletes additional land from the Schedule "B" Land under Paragraph 9, if the Actual Reduction is less than the Intended Deduction, the timber comprised in the reduction in allowable annual cut remaining after the Actual Reduction is deducted from the Intended Reduction is available for disposition by the Licensor to persons other than the Licensee.
11. If the Licensor determines at any time that the Actual Reduction is greater than the Intended Reduction, the Licensor may at its sole¹⁹⁸ discretion, but only after consultation with the Licensee.
Rue.
John
A.M.
 - (a) add land from the Deleted Land back into the Schedule "B" Land to the extent required to make up the difference between the Actual Reduction and the Intended Reduction; or
 - (b) if the Licensor does not add land from the Deleted Land back into the Schedule "B" Land, reduce the allowable annual cut available under the Licence from Schedule "B" Land by the amount by which the Actual Reduction exceeds the Intended Reduction.*A.M.*
John

12. Where, under Paragraph 11(b), the Licensor reduces the allowable annual cut available under the Licence from Schedule "B" Land, the Licensor will compensate the Licensee in respect of the reduction.

13. In the event that:

- (a) legislation is enacted which deems a reduction in allowable annual cut, effected by means of a deletion of an area of Crown land within a tree farm licence, to be equal to the 5 percent reduction implemented under the Forest Amendment Act, 1988; and
- (b) the deletion of the Deleted Land falls within the scope of the legislation, Paragraphs 9 to 12, inclusive will cease to have any force or effect as of the day on which the legislation comes into force, and this Agreement will be deemed to have been amended accordingly by agreement of the parties.

IN WITNESS WHEREOF the parties have executed this Agreement the day and year first above written.

SIGNED on behalf of Her Majesty the Queen in Right of the Province of British Columbia, by the Minister of Forests in the presence of:
[Signature]

_____)
_____)

[Signature]

Minister of Forests

The Corporate Seal of _____)
Fletcher Challenge Canada Limited)
was affixed hereto in the presence of: [Signature])
[Signature])
_____)

C/S

SCHEDULE I

Deleted Lands From Schedule "B"
Lands of Tree Farm Licence Number 46

Block 7 - 1	Draw Lake
Block 7 - 2	Clayoquot Arm
Block 7 - 3	McCaw Peninsula
Block 7 - 4A	Meares Island
Blocks 7 - 4B and 7 - 4C	Meares Island
Block 7 - 5A	Hesquiat Harbour
Block 7 - 5B	Sydney River
Block 7 - 7	Hesquiat Harbour
Block 7 - N	Escalante River

MAP OF: **Block 7-5B (Schedule B TFL 46)**

Date

FOREST REGION: **01 Vancouver**
LAND DISTRICT: **Clayoquot**

DISTRICT: **17 Port Alberni**
OUTLINE: _____

Drawn by

Revised by Date

U.T.M. Zone East North
Grid 9 692 5492

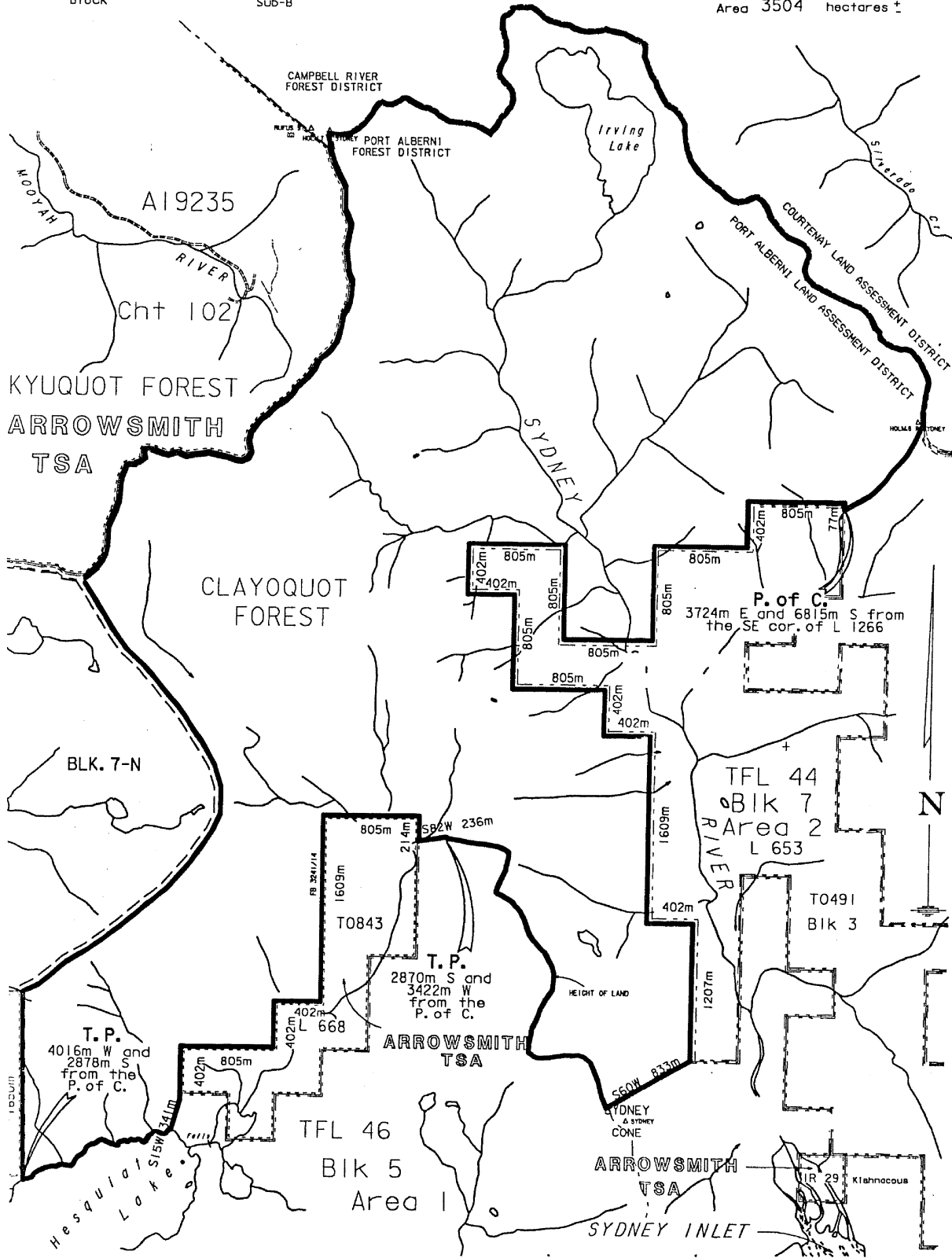
Reg. Compt. L
5 21

MANAGEMENT UNIT
Type T
Number 46
Block

TIMBER SUPPLY AREA
Number 38
Block A
Sub-B

PULPWOOD CASCADES
AGREEMENT East
West C

Ref. Map 92E058,E059
Scale 1: 40000
Area 3504 hectares ±



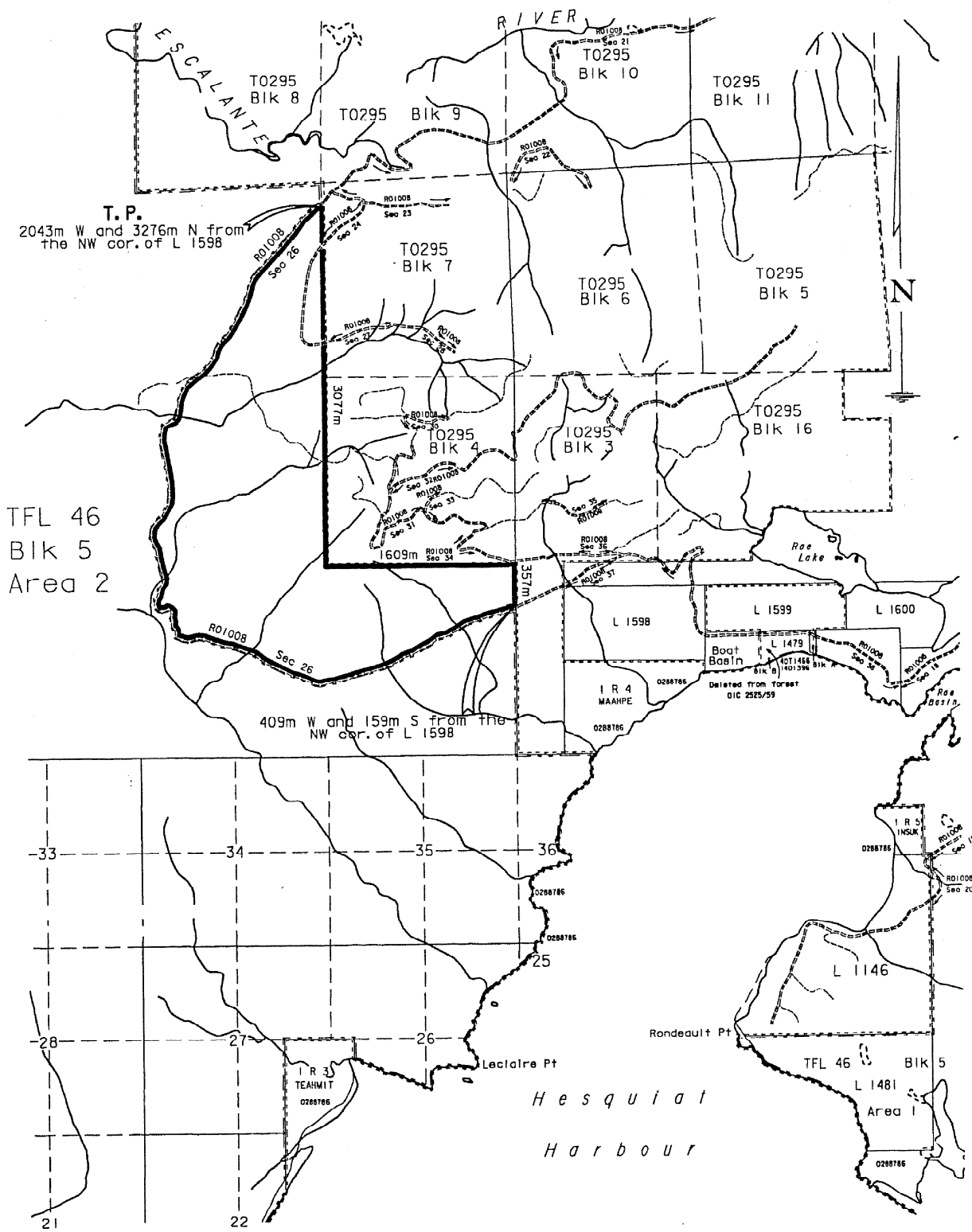
FOREST REGION: **01 Vancouver**
 LAND DISTRICT: **Clayoquot**

DISTRICT: **17 Port Alberni**
 OUTLINE: _____

U.T.M. Zone East North Reg Compt. L
 Grid 9 682 5486 5 22

MANAGEMENT UNIT TIMBER SUPPLY AREA PULPWOOD CASCADES
 Type T Number 38 AGREEMENT East
 Number 46 Block A West C
 Block Sub-B

Ref. Map 92E048,E058
 Scale 1: 40000
 Area 522 hectares ±



MAP OF: **Block 7-N (Schedule B TFL 46)**

Date

Drawn by

Revised by Date

FOREST REGION: **01 Vancouver**
LAND DISTRICT: **Clayoquot**

DISTRICT: **17 Port Alberni**
OUTLINE: _____

U.T.M. Zone East North
Grid 9 687 5491

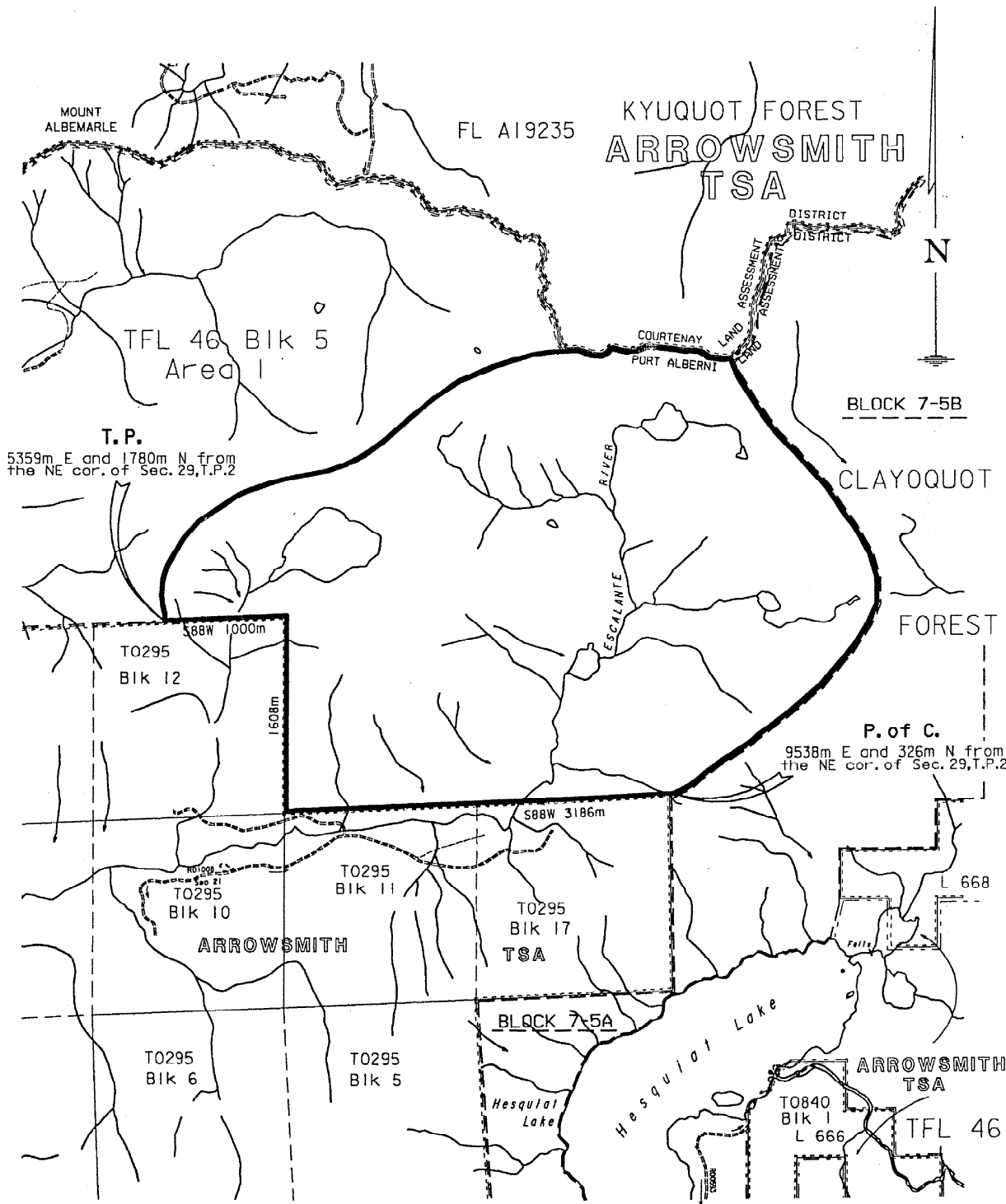
Reg. Compt. L
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MANAGEMENT UNIT
Type T
Number 46
Block

TIMBER SUPPLY AREA
Number 38
Block A
Sub-B

PULPWOOD AGREEMENT
CASCADDES
East
West C

Ref. Map 92E058,E059
Scale 1: 40000
Area 1571 hectares ±

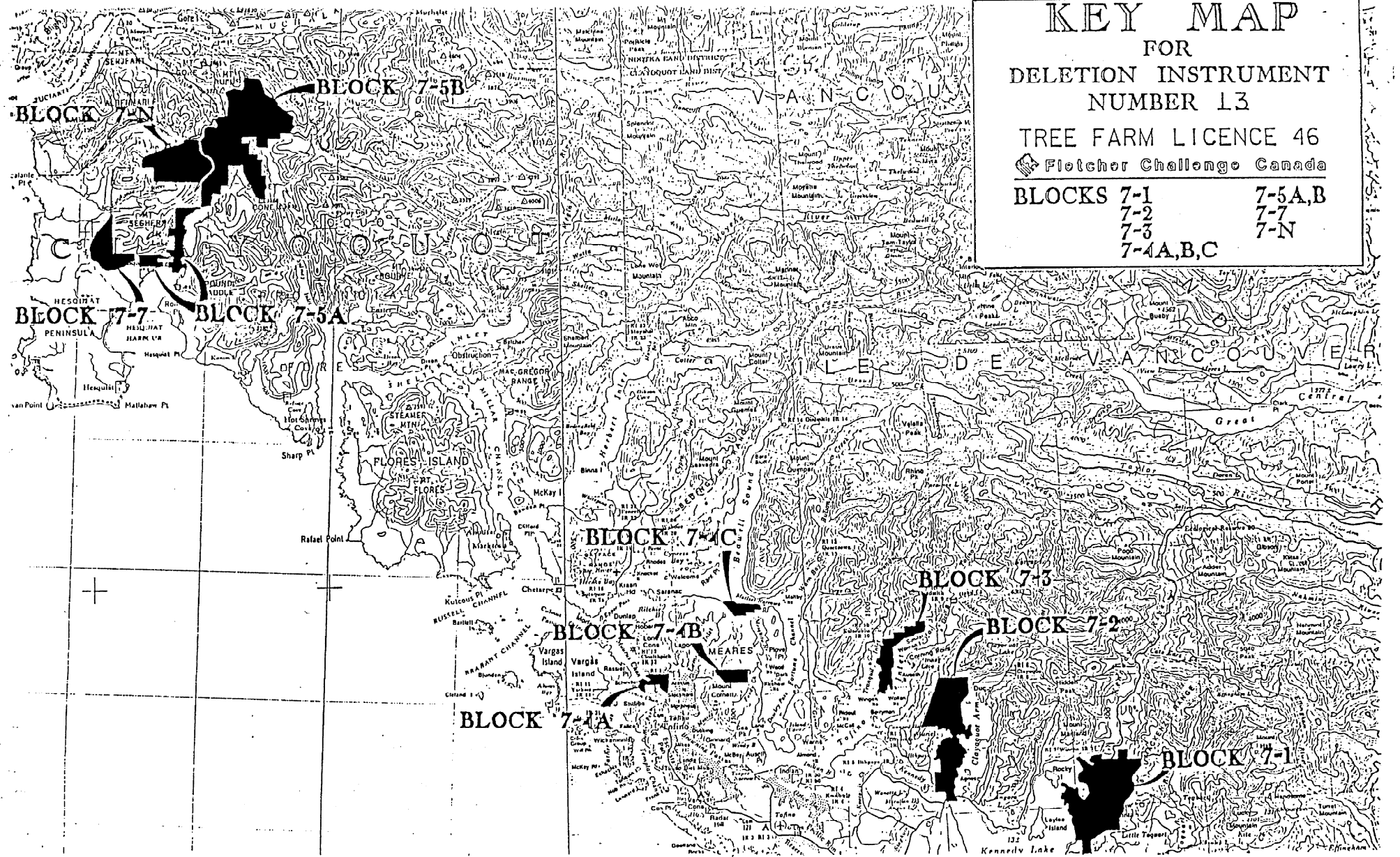


KEY MAP

FOR
DELETION INSTRUMENT
NUMBER 13

TREE FARM LICENCE 46
Fletcher Challenge Canada

BLOCKS 7-1	7-5A,B
7-2	7-7
7-3	7-N
7-4A,B,C	



MAP OF: **Block 7-2 (Schedule B TFL 46)**

Date

Drawn by

Revised by Date

FOREST REGION: **01 Vancouver**
LAND DISTRICT: **Clayoquot**

DISTRICT: **17 Port Alberni**
OUTLINE: _____

U.T.M. Zone East North
Grid 10 311 5447

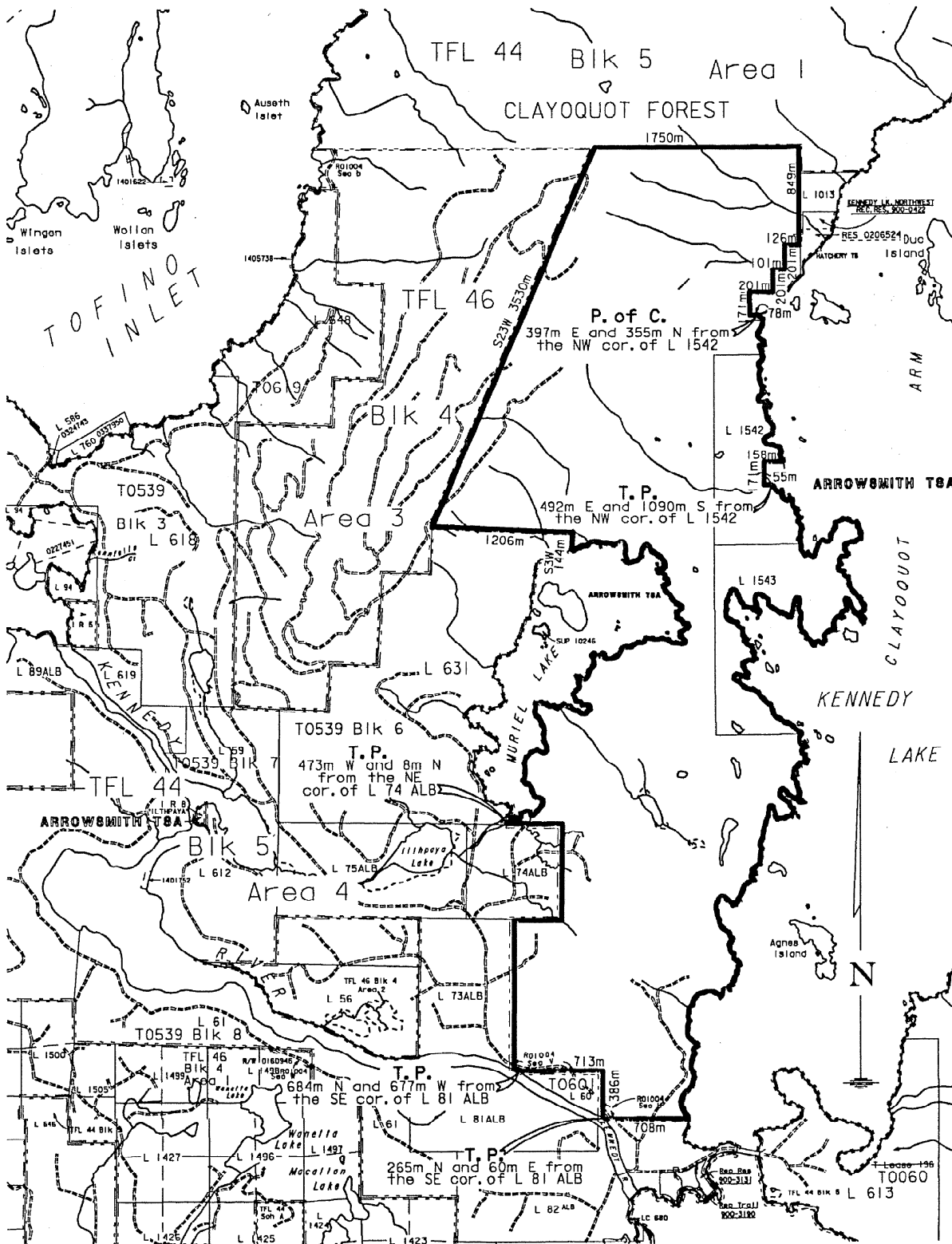
Reg. Compt. L
5 11 B

MANAGEMENT UNIT
Type T
Number 46
Block

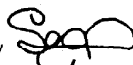
TIMBER SUPPLY AREA
Number 38
Block A
Sub-B

PULPWOOD CASCADES
AGREEMENT East
West C

Ref. Map 92F012,F022
Scale 1: 40000
Area 1551 hectares ±



MAP OF: **Block 7-4B, 7-4C (Schedule B TFL 46)**

Drawn by 
Revised by Date

FOREST REGION: **01 Vancouver**
LAND DISTRICT: **Clayoquot**

DISTRICT: **17 Port Alberni**
OUTLINE: _____

U.T.M. Zone East
Grid 10 296

North
5457

Reg Compt. L
5 14 A

MANAGEMENT UNIT
Type T
Number 46
Block

TIMBER SUPPLY AREA
Number 38
Block A
Sub-B

PULPWOOD AGREEMENT
EAST
West C

CASCADES
East
West C
Ref. Map 92F011, F021
Scale 1: 40000
Area 355 hectares ±

