

COPY

PROVINCE OF BRITISH COLUMBIA

Ministry of Forests

IN THE MATTER OF TREE FARM LICENCE NUMBER 56

INSTRUMENT NUMBER 1

Amendment

THIS AGREEMENT is dated the 7th day of July, 1993.

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:

REVELSTOKE COMMUNITY FOREST CORPORATION
P.O. Box 3199
Revelstoke, British Columbia
V0E 2S0

(The "Licensee")

WHEREAS:

- A. The Licensor and Westshore Terminals Ltd. (Westshore) entered into Tree Farm Licence Number 55, dated April 6, 1992 ("old TFL 55"), pursuant to Section 33.1 of the *Forest Act*.
- B. Westshore consented to the subdivision of old TFL 55 into two tree farm licences, one continuing to be identified as Tree Farm Licence Number 55 ("TFL 55") and the other to be identified as Tree Farm Licence Number 56 ("TFL 56"), pursuant to Section 33.1 of the *Forest Act*, on May 15, 1993.
- C. The Licensor has consented to the transfer of TFL 56 to the Licensee on condition that certain changes to TFL 56 be made and agreed to by the Licensee.

THEREFORE, in consideration of the mutual covenants set out below, the parties agree to amend TFL 56 (the "Licence") as follows.

Add the following conditions:

1. The Management Plan for old TFL 55 continues to be the interim Management Plan for this Licence, subject to modifications specifically related to the subdivision of old TFL 55, including but not restricted to the Allowable Annual Cut, and a new Management Plan specific to this Licence must be prepared and submitted for approval, as per current policy, by December 31, 1993, unless otherwise extended by the Chief Forester.
2. The Licensee will fulfill all outstanding silvicultural obligations of Westshore as Licensee and permittee, in respect of this Licence and the permits listed in the appendix to this document, as well as those obligations arising under Part 10.1 of the *Forest Act*, including existing pre-harvest silviculture prescriptions.
3. The Licensee will fulfill all contractual obligations which are subject to the *Timber Harvesting Contracts and Sub-Contracts Regulation*, entered into by Westshore for the purposes of this Licence and the permits listed in the appendix to this document.
4. The Licensee will fulfill Westshore's obligations arising under road use agreements existing for the purposes of this Licence and the permits listed in the appendix to this document, until such time as the Licensee successfully replaces those road use agreements or those road use agreements expire.
5. The Licensee will make available for purchase by traditional local buyers, volumes of cedar suitable for the manufacture of shakes, harvested from the Licence Area to the extent possible under the requirement of Condition 11.01.
6. The Licensee will use its best effort to ensure that all chips resulting from whole log chipping of volume from the Licence Area, being transported to Castlegar, will be transported by a route other than Highway 6.
7. The Licensee will respect existing sub-unit planning and will become and remain an active participant in further sub-unit plans within the Licence Area.

8. The Licensee will provide reasonable access to the road system within the Licence Area to third party users.

Replace the following:

9. Schedule "C" to this Licence is replaced by the following:

Cutting Permits

"2	28	688	690	700	703	705	718	726	728	735
7	686	689	698	702	704	712	724	727	734	742"

10. Condition 1.05 of this Licence is replaced by the following:

"The Licensor retains the right to authorize third parties to harvest 11 480 m³ of the Allowable Annual Cut from Schedule "B" land in each year during the term of this Licence."

11. Condition 11.01 of this Licence is replaced by the following:

- (a) "During the term of this Licence, the Licensee will make no less than 50 percent of the annual "bush run" volume, sorted or unsorted, representing a cross section of species, size and quality for the Licence Area, available for competitive sale on the open market.
- (b) The pulpwood component of the volume referred to in (a) is recognized as being committed through the existing agreement between the Licensee and Georgia Pacific, until the earlier of either the termination of that agreement or its expiry on April 30, 1996.
- (c) The volumes referred to in (a) will be sold by sealed tender with the highest bidder, if any bid is to be accepted, being awarded the timber.
- (d) Records of all bids received as per (c) and volumes sold thereunder by the Licensee will be forwarded quarterly to the District Manager.
- (e) The volumes not sold as per (a) or their equivalent must be processed in the Revelstoke area."

12. Condition 8.04 is replaced by the following:

"The plan for elimination of backlog "not satisfactorily restocked" areas entitled "Forest Renewal Initiative", dated April 1990, prepared by T.M. Thomson and Associates Ltd. for Westar Timber Ltd., the title page and table of contents of which are attached to this Licence (for purposes of identification) as Schedule "D", shall be deemed to be an integral part of this Licence and the Licensee agrees to carry out obligations therein which pertain to the Licence Area by January 1, 1995."

13. Condition 14.02 is replaced by the following:

"At all times, the Licensee will employ or contract for the services of, or both, one or more Registered Professional Foresters as reasonably required to manage the Licence Area accordingly to this Licence."

14. Condition 16.01 is replaced by the following:

"The Licensee waives any right the Licensee may have to compensation from the Licensor, and releases the Licensor from any claims the Licensee might have, as a result of any deletion from the Licence Area, pursuant to Section 53 of the *Forest Act*, of the areas the approximate boundaries of which are indicated on Schedule "E" attached to this Licence as Proposed Serenity Peaks Wilderness Area."

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

SIGNED, SEALED AND DELIVERED)
by the Minister of Forests on behalf of)
Her Majesty the Queen in Right of the)
Province of British Columbia in the)
presence of:)

Acosta)
_____)
_____)



Minister of Forests

THE COMMON SEAL (C/S) of the)
Licensee was affixed in the presence of:)

_____)
Authorized Signatory)
Mattusky)
_____)
Authorized Signatory)

C/S

W. J. King)
_____)

(OR)

SIGNED, SEALED AND DELIVERED)
by the Licensee in the presence of:)

_____)
_____)
_____)

Authorized Signatory

Title

APPENDIX

Cutting Permits

Road Use Permit

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1-8065-93-5

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