

COMMUNITY FOREST AGREEMENT K3F

Ministry of Forests, Lands, Natural Resource Operations and Rural Development

THIS AGREEMENT, dated for reference November 27, 2020

BETWEEN:

HER MAJESTY THE QUEEN IN RIGHT
OF THE PROVINCE OF BRITISH COLUMBIA,
as represented by the Minister,
MINISTRY OF FORESTS, LANDS,
NATURAL RESOURCE OPERATIONS
AND RURAL DEVELOPMENT
7077 DUNCAN STREET
POWELL RIVER, BRITISH COLUMBIA
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Phone: 604 485-0700 Fax: 604 485-0799

EMAIL: FTA.DSC@gov.bc.ca

(the "Minister")

AND:

SUNSHINE COAST COMMUNITY FOREST LTD. PO BOX 215 UNIT C – 5588 INLET AVENUE SECHELT, BRITISH COLUMBIA VON 3A0

Phone: 604 885-7809 Fax: N/A

EMAIL: dlasser@sccf.ca (the "Agreement Holder")

WHEREAS:

- A. Pursuant to section 43.4(4) of the *Forest Act*, the Minister offered the Agreement Holder a replacement for Community Forest Agreement No. K3F which term began on May 30, 2011.
- B. The Agreement Holder accepted the replacement offer,
- C. The parties have entered into this Agreement pursuant to section 43.4(9) of the *Forest Act*.

The Table of Contents and headings in this Agreement are included for convenience only and do not form a part of this Agreement and in no way define, limit, alter or enlarge the scope or meaning of any provision of this Agreement.

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0.00 AGREEMENT

0.01 This Agreement is a Community Forest Agreement issued in accordance with the *Forest Act*.

THE PARTIES agree as follows:

1.00 GRANT OF RIGHTS AND TERM

- 1.01 The term of this Agreement is **25 years**, beginning on **May 30, 2021**.
- 1.02 Subject to the provisions of the forestry legislation and this Agreement, the Minister grants the Agreement Holder:
 - (a) the exclusive right to harvest Crown timber from Schedule B Land;
 - (b) the right to manage Schedule B Land according to:
 - (i) this Agreement;
 - (ii) the management plan in effect under this Agreement; and
 - (iii) operational plans approved in respect of this Agreement;
 - (c) the right to harvest, manage and charge fees for the botanical forest products as listed in Schedule C from the Community Forest Agreement Area.
- 1.03 The Agreement Holder must not harvest timber:
 - (a) from Schedule A Land except under a cutting permit; or
 - (b) from Schedule B Land except under a cutting permit or road permit;
- 1.04 Subparagraph 1.03 (a) does not apply to:
 - (a) the harvest of timber from a reserve as defined under the *Indian Act* (*Canada*); or
 - (b) the harvest of timber from a corridor of land no greater in width than that required to construct a road and which is undertaken as part of the construction of a road on the non-Crown land.

1.1 TIMBER DISPOSITION

1.1.01 Each year during the term of this Agreement, in accordance with section 49.1 of the *Forest Act*, the Agreement Holder consents to the Minister disposing of Crown timber referred to in Subparagraph 1.02(a) of this Agreement through free use permits to persons other than the Agreement Holder up to a volume not exceeding one half of one percent (0.5%) of the portion of the allowable annual cut otherwise available to the Agreement Holder under this Agreement from Schedule B Land.

1.1.02 The Crown timber disposed of under Paragraph 1.1.01 shall be taken from areas determined by the District Manager under Paragraph 2.1.01.

2.00 OTHER CONDITIONS AND REQUIREMENTS

- 2.01 Subject to Paragraph 2.02, the Agreement Holder will not enter, use or occupy Schedule B Land:
 - (a) except under and in accordance with a cutting permit, road permit associated with the Agreement, special use permit, or an activity described in an approved management plan; or other legal authority authorizing such use or occupation; or
 - (b) as otherwise authorized under the forestry legislation.
- 2.02 Paragraph 2.01 does not apply to temporary use or occupation of Schedule B Land for the purpose of:
 - (a) carrying out silviculture treatments;
 - (b) collecting inventory information;
 - (c) carrying out engineering layouts and surveys;
 - (d) carrying out protection and forest health activities under the forestry legislation; or
 - (e) fulfilling other obligations or conducting other activities incidental to the operations of the Agreement Holder under or associated with this Agreement.
- 2.03 The Agreement Holder must conduct at least one formal public meeting each calendar year in a format satisfactory to the District Manager for the purposes of informing the general public of the activities the Agreement Holder proposes to undertake with respect to this Agreement.
- 2.04 The Agreement Holder, in conducting a formal public meeting(s) under Paragraph 2.03 will:
 - (a) actively promote ongoing public awareness of the community forest activities and governance processes, and
 - (b) report on the Agreement Holder's performance in relation to the values, principles and goals referred to in Subparagraphs 6.02 (i), (j) and (k) of this Agreement.
- 2.05 The Agreement Holder must not harvest timber if the timber is specified as reserved timber in a cutting permit, or under an operational plan approved in respect of this Agreement or the forestry legislation.

2.1 AREA SELECTION PROCESS

- 2.1.01 The District Manager will determine areas for the purposes of issuing free use permits to persons other than the Agreement Holder under Paragraph 1.1.02 of this Agreement having regard to:
 - (a) the management plan in effect under this Agreement and the operational plan approved in respect of this Agreement;
 - (b) rights being exercised on the Community Forest Agreement area by persons other than the Agreement Holder; and
 - (c) an aboriginal group claiming an aboriginal interest in the Community Forest Agreement area.

3.00 TIMBER VOLUME CHARGED TO THE AGREEMENT

- 3.01 The definition of volume of timber harvested under Part 4, Division 3.1 of the *Forest Act* applies to timber harvested under this Agreement.
- 3.02 The determination of the volume of timber harvested under this Agreement includes the volume of waste determined under Part 5.00 of this Agreement.
- 3.03 The Timber Merchantability Specifications in the Provincial Logging Residue and Waste Management Procedures Manual that was in effect on the date of issuance of a cutting permit or road permit shall govern.

4.00 CUT CONTROL

- 4.01 Part 4, Division 3.1 of the *Forest Act* (the Cut Control Provisions) applies to this Agreement.
- 4.02 For the purposes of the application of the Cut Control Provisions to this Agreement, this Agreement is deemed to be a licence defined under section 75.4 (1) of the *Forest Act* and a forest licence for the purposes of that definition.

5.00 WASTE ASSESSMENT FOR MERCHANTABLE CROWN TIMBER

- 5.01 The Agreement Holder must conduct a waste assessment of the volume of merchantable timber.
- 5.02 If the Agreement Holder fails to comply with paragraph 5.01, the District Manager may, after the expiry of the term of a cutting permit or Agreement, conduct a waste assessment of the volume of merchantable timber.
- 5.03 A waste assessment conducted under paragraph 5.01 or 5.02 must be in accordance with the Provincial Logging Residue and Waste Measurement Procedures Manual, as amended or replaced from time to time.

5.04 If the District Manager carries out a waste assessment under paragraph 5.02, the District Manager, in a notice given to the Agreement Holder, may require the Agreement Holder to pay the costs incurred by the District Manager in carrying out the assessment.

6.00 MANAGEMENT PLAN

- 6.01 The Agreement Holder must submit a proposed management plan to the Minister by the date specified by the Minister.
- 6.02 A proposed management plan submitted under Paragraph 6.01 or Subparagraph 6.04(b) must:
 - (a) be prepared in accordance with any directions of the Minister;
 - (b) be consistent with:
 - (i) this Agreement;
 - (ii) the forestry legislation;
 - (iii) higher level plans under the Forest and Range Practices Act; and
 - (c) include:
 - (i) inventories of the timber resources in the Community Forest Agreement area, prepared in the manner, presented in the format and meeting the specifications referred to in any directions of the Minister
 - (ii) inventories of the botanical forest products listed in Schedule C in the Community Forest Agreement area, prepared in the manner, presented in the format and meeting the specifications referred to in any directions of the Minister.
 - (d) include any other inventories and information regarding the development, management and use of the Community Forest Agreement area that the Minister requires to determine the allowable annual cut for the Community Forest Agreement Area and rate of harvest of the botanical forest products listed in Schedule C;
 - (e) propose an allowable annual cut for the Community Forest Agreement area which considers the following:
 - (i) inventories and other information referred to in Subparagraph 6.02 (c) and (d);
 - (ii) timber specifications proposed for the timber resources in the Community Forest Agreement area;

- (iii) reductions that are necessary to facilitate the management and conservation of non-timber resource values in the Community Forest Agreement area, including visual quality, biological diversity, soils, recreation resources, cultural heritage resources, range land, wildlife, water and fish habitats;
- (iv) silviculture practices and forest health factors that may impact timber production;
- (v) the anticipated impact of the reductions to the productive portion of the Community Forest Agreement area due to permanent roads, landings, pits and trails; and
- (vi) any other factors that may impact on the allowable annual cut.
- (f) contain a rationale for the allowable annual cut referred to in Subparagraph 6.02 (e) prepared in accordance with any directions of the Minister.
- (g) specify measures to be taken by the Licensee to identify and consult with persons using the Community Forest Agreement Area for purposes other than timber production and the harvesting of the botanical forest products listed in Schedule C, including
 - (i) trappers, guide outfitters, range tenure holders, and other authorized resource users;
 - (ii) an aboriginal group who may be exercising or claiming to hold aboriginal interest or treaty rights; and
 - (iii) community members, local governments and government agencies.
- (h) contain, if required by the Minister, any outstanding commitments made in the Agreement Holder's application for the Community Forest Agreement or as identified in previous Management Plans for the Agreement.
- (i) include the values or guiding principles to be applied to the management of the Community Forest Agreement area,
- (j) contain the broad social, economic and resource management goals proposed for the Community Forest Agreement area,
- (k) identify the linkage between the Agreement goals and the goals set by the Province for Community Forest Agreements, and
- (l) include a plan for annual reporting out to the community on the performance in relation to the values, principles and goals referred to in Subparagraphs 6.02 (i), (j) and (k).

- (m) propose management objectives for the Community Forest Agreement Area regarding the harvesting and management of the botanical forest products listed in Schedule C.
- (n) propose a fee structure for charging third parties who harvest botanical forest products listed in Schedule C, from Schedule B lands.
- 6.03 If satisfied that the proposed management plan meets the requirements of Paragraph 6.02, the Minister will, in a notice given to the Agreement Holder, approve the proposed management plan, subject to such conditions as the Minister considers necessary or appropriate.
- 6.04 If the Minister does not approve a proposed management plan under Paragraph 6.03:
 - (a) the Minister will specify in a notice given to the Agreement Holder the reason why the proposed management plan was not approved; and
 - (b) on receipt of the notice referred to in Subparagraph (a), the Agreement Holder must, within 30 days, or an alternative period of time specified in the notice, submit a new or revised proposed management plan to the Minister for the Minister's approval.
- 6.05 Subject to Paragraph 6.06, a management plan in effect under this Agreement will expire 90 days after the date on which a proposed management plan is required to be submitted under Paragraph 6.01.
- 6.06 If:
 - (a) the Minister does not issue a notice under either Paragraph 6.03 or Subparagraph 6.04 (a) within 90 days of receipt of the proposed management plan, and
 - (b) there is a management plan in effect under this Agreement,

then the term of the management plan referred to in Subparagraph (b) is deemed to be extended until such time as the Minister approves the proposed management plan in a notice under Paragraph 6.03 or does not approve the proposed management plan in a notice referred to in Subparagraph 6.04 (a), as the case may be.

- 6.07 Unless otherwise agreed to in writing by the Minister, the Licensee must manage Schedule A and Schedule B land in accordance with, and comply with, the management plan in effect under this Agreement.
- 6.08 A management plan approved by the Minister under Paragraph 6.03 is deemed to be part of this Agreement during the period the management plan remains in effect.

6.09 The Minister, in a notice given to the Agreement Holder, may require the Agreement Holder to submit an amendment to the management plan.

7.00 CUTTING PERMITS AND ROAD PERMITS

- 7.01 Subject to Paragraph 7.02, the Agreement Holder may submit an application to the District Manager for:
 - (a) a cutting permit meeting the requirements referred to in Parts 1.0 and 2.0 and the applicable Appraisal Manual in effect on the date of submission of the application,
 - (b) an amendment to an existing cutting permit, or
 - (c) a road permit,

to authorize the Agreement Holder to operate upon one or more proximate areas of Schedule A or B land, that are:

- (i) exempted under the *Forest and Range Practices Act* from the requirement for an operational plan; or
- (ii) located within an operational plan approved in respect of this Agreement.
- 7.02 For those areas of Schedule B Land to be included in the application under Paragraph 7.01, the Agreement Holder must ensure that data submitted is gathered and compiled according to that Appraisal Manual.
- 7.03 An application under Paragraph 7.01 must:
 - (a) be in a form established by the District Manager;
 - (b) for a cutting permit, state a proposed term that does not exceed four years;
 - (c) include:
 - (i) a map to a scale acceptable to the District Manager showing the area(s) referred to in the application;
 - (ii) the information referred to in Paragraph 7.02; and
 - (iii) a description acceptable to the District Manager of any timber that is reserved from harvest.
- 7.04 The area(s) of land shown on the map referred to in Clause 7.03 (c) (i) must be:
 - (a) the area(s) referred to in Subparagraph 7.01(c)(i); or
 - (b) the area(s) referred to in Subparagraph 7.01(c)(ii);

allowing for any difference in scale between maps used in the operational plan, or exemption, and the map referred to in Clause 7.03 (c) (i).

- 7.05 Subject to Paragraphs 7.06 through 7.09 inclusive and 7.04, upon receipt of an application under Paragraph 7.01, the District Manager will issue a cutting permit to the Agreement Holder if the District Manager is satisfied that:
 - (a) there is a management plan in effect under this Agreement;
 - (b) the requirements of Paragraphs 7.01, 7.02, 7.03, and 7.04 have been met; and
 - (c) the District Manager is satisfied that activities and operations under or associated with the cutting permit will be consistent with this Agreement, higher level plans, the management plan referred to in Subparagraph 7.05 (a), and any operational plans approved in respect of the areas of land referred to in the cutting permit.
- 7.06 The District Manager may consult aboriginal group(s) who may be exercising or claiming to hold an aboriginal interest(s) if in the opinion of the District Manager, issuance of the cutting permit or an amendment to a cutting permit as submitted and/or operations under the cutting permit may result in:
 - (a) an adverse impact to an aboriginal interest(s) or
 - (b) an infringement of a determined aboriginal right(s), or treaty right(s).
- 7.07 The District Manager may impose conditions in a cutting permit issued under Paragraph 7.05 to address an aboriginal interest(s), if in the opinion of the District Manager, issuance of the cutting permit as submitted would result in:
 - (a) an adverse impact to that aboriginal interest(s); or
 - (b) an infringement of a determined aboriginal right(s), or treaty right(s).
- 7.08 The District Manager may refuse to issue a cutting permit or an amendment to a cutting permit if in the opinion of the District Manager issuance of the cutting permit or an amendment to a cutting permit would result in:
 - (a) an adverse impact to an aboriginal interest(s) that cannot be reasonably accommodated; or
 - (b) an infringement of a determined aboriginal right(s), or a treaty right(s) that cannot be justified.
- 7.09 If the District Manager:
 - (a) determines that a cutting permit may not be issued because the requirements of Paragraph 7.05 have not been met;
 - (b) is carrying out consultations under Paragraph 7.06; or
 - (c) refuses to issue a cutting permit under Paragraph 7.08;

the District Manager will notify the Agreement Holder within 45 days of the date on which the application for the cutting permit, or an amendment to the cutting permit was received.

- 7.10 A cutting permit must:
 - (a) identify the boundaries of the Schedule A or B Land in which, subject to this Agreement, the Agreement Holder is authorized to conduct operations;
 - (b) specify the term stated in the application;
 - (c) specify a timber mark to be used in conjunction with the timber removal carried on under the cutting permit;
 - (d) specify for Schedule B Land whether, for the purpose of determining the amount of stumpage payable in respect of timber removed under the cutting permit, the volume and quantity of timber is to be determined using information provided by:
 - (i) a scale of the timber; or
 - (ii) a cruise of the timber conducted before the timber is cut;
 - (e) specify any timber that is reserved from harvest; and
 - (f) include those conditions imposed under Paragraph 7.07 and any other condition or provision, consistent with this Agreement and the forestry legislation, as determined by the District Manager.
- 7.11 The District Manager may amend a cutting permit only with the consent of the Agreement Holder.
- 7.12 An application to extend a cutting permit must be made at least 45 days before the expiry of the cutting permit to the District Manager and in a form acceptable to the District Manager.
- 7.13 A cutting permit is deemed to be part of this Agreement.
- 7.14 All cutting permits in effect that were issued under the community forest agreement that is replaced by this Agreement continue under this Agreement for the duration of their respective terms.

8.00 ACCESS

- 8.01 Nothing in this Agreement affects the right of access to Crown lands by any other party.
- 8.02 Any Ministry employee may:
 - (a) enter onto Schedule A Land; and
 - (b) use roads owned or deemed to be owned by the Agreement Holder; for any purpose arising out of the administration of this Agreement.
- 8.03 The Agreement Holder will allow any person who has been granted rights to timber referred to in Part 1.00 in accordance with this Agreement or under any authority granted under the forestry legislation to use any road referred to in Subparagraph 8.02 (b) for the purpose of exercising rights or fulfilling obligations under that Part or legislation.
- 8.04 The Agreement Holder will not require any payment from a person referred to in Paragraph 8.03 other than a reasonable payment in respect of the actual maintenance costs of the road where allowed under the forestry legislation or as otherwise permitted under forestry legislation.
- 8.05 The Ministry may carry out on Crown lands:
 - (a) silviculture operations the Province is required to carry out under the forestry legislation; and
 - (b) Subject to Paragraph 8.06, any other silviculture operations, provided, in the opinion of the Regional Executive Director, District Manager or Timber Sales Manager, it does not:
 - (i) compromise the management plan in effect under this Agreement or operational plan approved in respect of this Agreement; or
 - (ii) unreasonably interfere with the Agreement Holder's operations under this Agreement.
- 8.06 Where the Regional Executive Director, District Manager or Timber Sales Manager carries out silviculture referred to in Paragraph 8.05, the Regional Executive Director, District Manager or Timber Sales Manager, as the case may be, will ensure the silviculture is consistent with the intent of the operational plan and management plan in effect under this Agreement, except where the Regional Executive Director, District Manager or Timber Sales Manager is required to depart from the intent of the management plan or operational plan because of the requirements pursuant to forestry legislation.

- 8.07 Upon reasonable notice from the Regional Executive Director, District Manager or Timber Sales Manager, the Agreement Holder will provide a Ministry employee with reasonable office and living accommodation on premises owned or operated by the Agreement Holder in or near the Community Forest Agreement area, to enable the Ministry employee to fulfill an obligation or exercise a right under this Agreement.
- 8.08 The Agreement Holder may charge the Regional Executive Director, District Manager or Timber Sales Manager, as the case may be, for costs reasonably incurred in providing the accommodation referred to in Paragraph 8.07.

9.00 COURT DETERMINED ABORIGINAL RIGHTS AND/OR TITLE

- 9.01 Notwithstanding any other provision of this Agreement, if a court of competent jurisdiction:
 - (a) determines that activities or operations under or pursuant to this Agreement will unjustifiably infringe an aboriginal right, including aboriginal title, or treaty right;
 - (b) grants an injunction further to a determination referred to in Subparagraph 9.01 (a); or
 - (c) grants an injunction pending a determination of whether activities or operations under or pursuant to this Agreement will unjustifiably infringe an aboriginal right, including aboriginal title, or treaty right;

the Minister, in a notice given to the Agreement Holder, may with respect to a cutting permit, road permit, special use permit associated with the Agreement and issued to the Agreement Holder, vary or suspend, in whole or in part, or refuse to issue such permit to the Agreement Holder, so as to be consistent with the court determination.

- 9.02 Subject to this Agreement and the forestry legislation, if:
 - (a) under Paragraph 9.01, the Regional Executive Director or District Manager has varied a cutting permit, road permit or special use permit issued to the Agreement Holder;
 - (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 Regional Executive Director or District Manager, at the request of the Agreement Holder, will vary the permit to reflect as closely as possible, for the remainder of its term, the terms and conditions of the permit prior to the variation under Paragraph 9.01.

- 9.03 Subject to this Agreement and the forestry legislation, if:
 - (a) under Paragraph 9.01, the Regional Executive Director or District Manager has suspended a cutting permit, road permit or special use permit issued to the Agreement Holder;
 - (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 Regional Executive Director or District Manager, at the request of the Agreement Holder, will reinstate the permit for the remainder of its term.

- 9.04 Subject to this Agreement and the forestry legislation, if:
 - (a) under Paragraph 9.01, the Regional Executive Director or District Manager has refused to issue a cutting permit, road permit, special use permit or other permit to the Agreement Holder;
 - (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 Regional Executive Director or District Manager, at the request of the Agreement Holder, will issue the permit.

10.00 REPORTING

- 10.01 The Regional Executive Director or District Manager, in a notice given to the Agreement Holder, may at any time, require the Agreement Holder to carry out audits and submit reports containing such information as the Province requires concerning:
 - (a) the Agreement Holder's performance of its obligations under or in respect of this Agreement, the approved management plan and conditions relating to the approval of the management plan;
 - (b) the processing, use or disposition of timber harvested under this Agreement;
 - (c) the services or opportunities provided by the Agreement Holder such as wildlife viewing, hiking, and nature interpretation; and
 - (d) financial statements prepared by a qualified accountant capturing economic activity attributable to the operation of this Agreement;
 - (e) the processing, use or disposition of botanical forest products listed in Schedule C which are harvested under this Agreement;

- (f) the fees collected by the Licensee for any types of activities conducted or occurring on Schedule B Land;
- in the previous calendar year if the information is not included in any other reports which the Agreement Holder must submit under the forestry legislation.
- 10.02 Upon receipt of a notice referred to in Paragraph 10.01 the Agreement Holder, on or before the date specified in the notice, must submit a report to the Regional Executive Director or District Manager containing the required information.
- 10.03 Subject to Paragraph 10.04, the Regional Executive Director or District Manager may include the information contained in a report submitted under Paragraph 10.02 in any reports prepared by the Ministry for public review.
- 10.04 Disclosure of the information submitted under Paragraph 10.02 is subject to the *Freedom of Information and Protection of Privacy Act* and to Section 136.1 of the *Forest Act*.

11.00 FINANCIAL

- 11.01 In addition to any money payable under the forestry legislation in respect of this Agreement, a cutting permit, road permit or special use permit associated with this Agreement and issued to the Agreement Holder, the Agreement Holder will pay to the Province, immediately upon receipt of a notice, statement or invoice issued on behalf of the Province:
 - (a) stumpage under Part 7 of the *Forest Act* in respect of timber removed:
 - (i) under a cutting permit for Schedule B Land; or
 - (ii) under a road permit;

at rates determined, redetermined and varied under section 105 of that Act:

(b) costs incurred by the District Manager in carrying out an assessment under Part 5.00 of this Agreement.

12.00 REPRESENTATIONS

- 12.01 The Agreement Holder represents and warrants that it:
 - (a) is a company registered under the *Business Corporations Act* and it will maintain such registration in good standing throughout the term of the Agreement,
 - (b) has the ability to undertake and complete its obligations under the Agreement and while doing so comply with all applicable safety and environmental laws and regulations.
 - (c) has reviewed the Community Forest Agreement area and has fully informed itself of all matters relating to the Agreement.

- (d) has no legal or other reason why it cannot enter into this Agreement.
- 12.02 All representations and warranties made under paragraph 12.01 are material and will conclusively be deemed to have been relied upon by the Crown, notwithstanding any prior or subsequent investigations by the Crown.

13.00 LIABILITY AND INDEMNITY

- 13.01 The Agreement Holder must indemnify the Province against and save it harmless from all claims, demands, suits, actions, causes of action, costs, expenses and losses faced, incurred or suffered by the Province as a result, directly or indirectly, of any act or omission of:
 - (a) the Agreement Holder;
 - (b) an employee or agent of the Agreement Holder;
 - (c) a contractor of the Agreement Holder who engages in any activity or carries out any operation, including but not restricted to the Agreement Holder's operations, under or associated with this Agreement or a cutting permit, road permit or special use permit associated with the Agreement and issued to the Agreement Holder; or
 - (d) any other person who on behalf of or with the consent of the Agreement Holder engages in any activity or carries out any operation, including but not restricted to the Agreement Holder's operations, under or associated with this Agreement, or a cutting permit, road permit or special use permit associated with the Agreement and issued to the Agreement Holder.
- 13.02 For greater certainty, the Agreement Holder has no obligation to indemnify the Province under Paragraph 13.01 in respect of any act or omission of:
 - (a) an employee, agent or contractor of the Province, in the course of carrying out his or her duties as employee, agent or contractor of the Province; or
 - (b) a person, other than the Agreement Holder, to whom the Province has granted the right to occupy Crown land, including a person who has been granted the right to harvest timber referred to in Part 1.00 of this Agreement in the course of exercising those rights.
- 13.03 The Province is not liable to the Agreement Holder for injuries, losses, expenses, or costs incurred or suffered by the Agreement Holder as a result, directly or indirectly, of an act or omission of a person who is not a party to this Agreement, including but not restricted to an act or omission of a person disrupting, stopping or otherwise interfering with the Agreement Holder's operations under this Agreement by road blocks or other means.

13.04 Any payments required under Part 11.00, and payments required further to the indemnity referred to in Paragraph 13.01 are in addition to and not in substitution for any other remedies available to the Province in respect of a default of the Agreement Holder.

14.00 TERMINATION

- 14.01 If this Agreement expires or is not replaced under section 43.4 of the *Forest Act*, or is surrendered, cancelled or otherwise terminated:
 - (a) all cutting permits will immediately terminate;
 - (b) timber, including logs, special forest products or botanical forest products listed in Schedule C, cut under the authority of this Agreement and which are still located on Crown land, vest in the Province, without right of compensation to the Agreement Holder;
 - (c) unless otherwise agreed to between the District Manager and the Agreement Holder prior to the surrender, cancellation or termination of this Agreement, title to all improvements, including roads and bridges, constructed by the Agreement Holder on Crown land under the authority of this Agreement vest in the Province, without right of compensation to the Agreement Holder; and
 - (d) subject to Subparagraphs 14.01 (b) and (c) the Agreement Holder may continue to enter and use Crown Land for a period of one month after the expiry or termination of this Agreement for the purpose of removing the Agreement Holder's property.
- 14.02 The Agreement Holder will not take away any improvements or remove any timber or other forest products referred to in Subparagraphs 14.01 (b) or (c), unless authorized to do so by the Regional Executive Director.
- 14.03 If the Agreement Holder commits an act of bankruptcy, makes a general assignment of its creditors or otherwise acknowledges its insolvency the Agreement Holder is deemed to have failed to perform an obligation under this Agreement and the Province may suspend or cancel this Agreement.

15.00 WAIVER

15.01 No waiver by the Province of any default or non-compliance by the Agreement Holder in the strict and literal performance of or compliance with any provision of the Agreement will be deemed to be a waiver of the strict and literal performance of or compliance with any other provision, condition or requirement of the Agreement or to be a waiver of, or in any manner release the Agreement Holder from compliance with any provision, condition or requirement in the future, nor will any delay or omission by the Province in the exercising of any right hereunder in any manner with respect to non-compliance impair the exercise of any such rights in the future.

16.00 NOTICE

- 16.01 A notice given under this Agreement must be in writing.
- 16.02 A notice given under this Agreement may be:
 - (a) delivered by hand;
 - (b) sent by mail;
 - (c) subject to Paragraph 16.05, email address, or
 - (d) subject to Paragraph 16.05, sent by facsimile transmission;

to the mailing address, email address or facsimile number, as applicable, specified on the first page of this Agreement, or to such other mailing address, email address or facsimile number as is specified in a notice given in accordance with this Part.

- 16.03 A notice given under this Agreement, is deemed to have been given:
 - (a) if it is given in accordance with Subparagraph 16.02 (a), on the date it is delivered by hand;
 - (b) if it is given in accordance with Subparagraph 16.02 (b), subject to Paragraph 16.04, 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 16.02 (c), subject to Paragraph 16.05, on the date it is sent by email;
 - (d) if it is given in accordance with Subparagraph 16.02 (d), subject to Paragraph 16.05, on the date it is sent by facsimile transmission.
- 16.04 If, between the times a notice is mailed in accordance with Subparagraph 16.02(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.

- 16.05 If a notice is sent by email or facsimile transmission, the Party sending the notice must take reasonable steps to ensure that the transmission has been successfully completed.
- 16.06 Either Party may, from time to time, advise the other Party by notice in writing, of any change of address, email address or facsimile number of the Party giving such notice and, from and after the giving of such notice, the address, email address or facsimile number specified will, for purposes of this Agreement, be considered to be the mailing address, email address or facsimile number of the Party giving such notice.

17.00 MISCELLANEOUS

- 17.01 This Agreement will enure to the benefit of, and be binding on, the Parties and their respective heirs, executors, successors and permitted assigns.
- 17.02 The laws of British Columbia will govern the interpretation of this Agreement and the performance of the Agreement Holder's obligations under this Agreement.
- 17.03 Any power conferred or duty imposed on the Regional Executive Director,
 District Manager or Timber Sales Manager under this Agreement may be
 exercised or fulfilled by any person authorized to do so by the Regional Executive
 Director, District Manager or Timber Sales Manager.
- 17.04 The schedules attached to this Agreement are deemed to be part of this Agreement.
- 17.05 Nothing in this Agreement or a cutting permit issued under this Agreement is to be construed as authorizing the Agreement Holder to engage in any activities or carry out any operations otherwise than in compliance with the requirements of the forestry legislation.
- 17.06 The Agreement Holder must:
 - (a) comply with the forestry legislation; and
 - (b) ensure that its employees, agents and contractors comply with the forestry legislation when engaging in or carrying out activities or operations under or associated with the Agreement.
- 17.07 Nothing in this Agreement entitles the Agreement Holder to have an area of Schedule B Land replaced with another area, or to have rights awarded under another Agreement under the *Forest Act*, in the event:
 - (a) timber is damaged or destroyed by pests, fire, wind or other natural causes;
 - (b) an area of land is deleted from the Community Forest Agreement area under the forestry legislation, or under any other Act or regulation; or
 - (c) this Agreement expires, is surrendered, is cancelled or otherwise terminated.

- 17.08 At the request of the Regional Executive Director or District Manager, the Agreement Holder will survey and define on the ground any or all boundaries of the Community Forest Agreement area.
- 17.09 Where harvesting of timber has been authorized under this Agreement, the Regional Executive Director or District Manager in a notice to the Agreement Holder, may require the Agreement Holder to carry out a legal survey on the portions of the area to be operated upon that are adjacent to any Community Forest Agreement area boundaries.
- 17.10 This document contains the entire agreement and no additional terms are to be implied.

18.00 INTERPRETATION & DEFINITIONS

18.01 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 Paragraph, Subparagraph, Clause or Subclause is to be construed as a reference to a Paragraph, Subparagraph, Clause or Subclause of the Part, Paragraph, Subparagraph or Clause, as the case may be, in which the reference occurs.

18.02 In this Agreement, unless the context otherwise requires:

"aboriginal interest" means

- (a) an asserted treaty right(s) or aboriginal right(s), including aboriginal title, or
- (b) a determined treaty right(s) or aboriginal right(s), including aboriginal title, which is recognized and affirmed by section 35(1) of the *Constitution Act*, 1982;

"alienated Crown land" means Crown land, which:

- (a) is, as of the effective date of this Agreement, within the area of:
 - (i) a park, ecological reserve or conservancy;

[&]quot;Agreement" means this Community Forest Agreement;

- (ii) an interest in land registered under the *Land Title Act* and held by the Crown for a conservation, wildlife or environmental management purpose;
- (iii) a lease, licence of exclusive occupation, or timber licence held by a person other than the Agreement Holder; or
- (iv) a highway or road right of way where the highway or road is, or is deemed, declared or determined to be a public highway under the *Highway Act* or a forest service road under the *Forest Act*; or
- (b) becomes vested in or returns to the Crown by way of lease, purchase, escheat, reversion, transfer, surrender, cancellation or other process during the term of this Agreement, except as otherwise provided in Schedule B of this Agreement;
- (c) became vested in or returned to the Crown under a process referred to in Subparagraph (b) during the term of an Agreement replaced by this Agreement, or a precursor to that Agreement, except as otherwise provided in Schedule B of this or those Agreements;
- "Appraisal Manual" means the policies and procedures approved by the Minister from time to time under section 105 of the *Forest Act* for the area in which this Agreement is located.
- **"botanical forest product"** means any or all flora and fungi of the forest other than timber that occurs naturally on Crown forest land;
- "Community Forest Agreement area" means the areas of land identified in Schedules A and B to this Agreement;
- "Crown" means Her Majesty the Queen in Right of the Province of British Columbia;
- "cutting permit" means a cutting permit issued under this Agreement or an amendment to a cutting permit as the context requires;
- **"District Manager"** means a person appointed in accordance with the *Ministry of Forest and Range Act* and to whom a power or duty of the Minister has been delegated under section 1.1(1)(a) or (3) of the *Forest Act*;
- "forestry legislation" includes, but is not restricted to:
- (a) the Forest Act;
- (b) the Forest Practices Code of British Columbia Act;
- (c) the Forest and Range Practices Act;
- (d) the Wildfire Act;

and the regulations under those Acts, and, as amended from time to time;

"free use permit" means a free use permit issued under the Forest Act;

"harvest" means:

- (a) cut;
- (b) remove;
- (c) cut and remove;

"management plan" means the management plan prepared and approved for this Agreement in accordance with Part 6.00 of this Agreement;

"merchantable timber" has the same meaning as described in the Provincial Logging Residue and Waste Measurements Procedures Manual, as amended from time to time;

"Minister" means the Minister responsible for administering the *Forest Act*;

"Ministry" means the Ministry of Forests, Lands, Natural Resource Operations and Rural Development or its successor;

"non-Crown land" means land that is private land or in a reserve as defined in the *Indian Act (Canada)* as described in the Schedule A to this Agreement;

"pest" means any animal, insect, fungus, bacteria, virus, nematode, or other organism which is detrimental to effective forest management;

"primary logging" includes felling timber and yarding or forwarding the timber to central landings or roadsides, but does not include the removal of the timber from those landings or roadsides;

"Province" means the Her Majesty the Queen in Right of the Province of British Columbia;

"remove" means the removal of timber from the Community Forest Agreement area and "removed", "removal" and "removing" have the corresponding meanings;

"Regional Executive Director" means a person to whom a power or duty of the Minister, in relation to this agreement, has been delegated under section 1.1(1)(a) or (3) of the *Forest Act*.

"road permit" means a road permit issued to the Agreement Holder under the *Forest Act* in relation to this Agreement;

"Schedule A Land" means the non-Crown lands held by the Agreement Holder described in Schedule A to this Agreement;

"Schedule B Land" means the Crown land described in Schedule B to this Agreement;

- "special use permit" means a special use permit issued to the Agreement Holder under the *Forest Practices Code of British Columbia Act* in relation to this Agreement;
- "waste" has the same meaning as defined in the Provincial Logging Residue and Waste Measurements Procedures Manual, as amended from time to time.
- 18.03 Unless otherwise provided in Paragraph 18.02, if a word or phrase used in this Agreement is defined in the forestry legislation, the definition in the Act or legislation applies to this Agreement, and where the word or phrase in the Act is replaced by a new word or phrase, this Agreement is deemed to have been amended accordingly.
- 18.04 If a provision of the forestry legislation referred to in this Agreement is renumbered, the reference in this Agreement is to be construed as a reference to the provision as renumbered.
- 18.05 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.

THIS AGREEMENT has been executed by the Minister and the Agreement Holder on the dates written below.

SIGNED on behalf of **Her Majesty the Queen in Right of the Province of British Columbia** by the Minister of Forests, Lands, Natural Resource Operations and Rural Development or the Minister's Authorized Representative

Derek Lefler, R.P.F

District Manager

Sunshine Coast Forest District

Jan. 11, 2021

Date

SIGNED on behalf of Sunshine Coast Community Forest Ltd. by a duly authorized signatory

Authorized Signatory

Warren Hansen, RPF - Operations Manager

Print Name and Title

Jun 06/2021

Date

SCHEDULE A — DESCRIPTION OF NON-CROWN LANDS

1.00 DESCRIPTION OF NON-CROWN LANDS

NIL – There is no non-Crown land associated with this Agreement.

SCHEDULE B — DESCRIPTION OF CROWN LANDS

1.00 DESCRIPTION OF CROWN LANDS

- 1.01 For the purposes of the definition of Schedule "B" Land in Paragraph 18.02 of the Agreement, "Crown land described in Schedule "B" to this Agreement" means all Crown land within the boundaries described in Paragraph 2.01 of this Schedule, except for:
 - (a) "alienated Crown land" as defined in Paragraph 18.02;
 - (b) Crown land owned by an agent of the Crown or vested in the federal Crown;
 - (c) all foreshore and land covered by water; and
 - (d) all surveyed rights of way.

2.00 BOUNDARIES AND MAP

- 2.01 The Agreement boundaries are as shown on the attached Exhibit "A" Map entitled: K3F Community Forest Agreement, Dated November 19, 2020.
- 2.02 All alienated Crown land may not be identified on the attached Exhibit 'A' Map.

SCHEDULE C — DESCRIPTION OF BOTANICAL FOREST PRODUCTS

1.00 BOTANICAL FOREST PRODUCTS

1.01 There are NO prescribed products associated with this agreement.

