

GOVERNMENT OF BELIZE
FOREST RULES 1989, RULE 5 (1) (a)


LICENSE FOR SUSTAINED YIELD WORKING OF TIMBER
FOREST LICENSE NUMBER: LTFL1/02

SUMMARY OF THE LICENSE CONDITIONS

- The duration of this Forest License will be 40 years, commencing on 1st August 2002 and ending on 31st July 2042. The Licensee will be given the option to extend the license upon application for an additional 40 years, six months before the end of the current license period.
- The Licensee shall with the collaboration of the Forest Department develop a Sustained Forest Management Plan for Sustained Management of the licence area. The plan shall be reviewed and revised every ten years thereafter.
- The Licensee shall prepare an Annual Plan Of Operation that shall guide the implementation of the Sustained Forest Management Plan.
- X- This license applies to sub- compartments 5.4 to 5.11; 9.1, 9.2; and compartments 14, 35, 36, 37A, 37B, 37C, 38, 39, 40, 41A, 41B, 42, 43A, and 43B; as defined in the 1:20,000 compartment map of the Mountain Pine Ridge Forest Reserve, Ministry of Natural Resources, Belize, 1991 prepared by J.H. Sandom and S. Solis.
- The Licensee shall have exclusive rights to all timber and non-timber forest products (excluding germplasm) and the right of first refusal to any tourism venture. He will be able to transfer these rights, upon approval by the Minister responsible for Forestry.
- Nothing in this license shall be construed so as to negatively prejudice the objectives and technical guidelines of the Sustained Forest Management Plan.


AGREEMENT TO LICENSE CONDITIONS

Pine Lumber Company

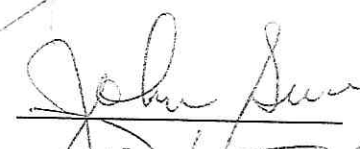

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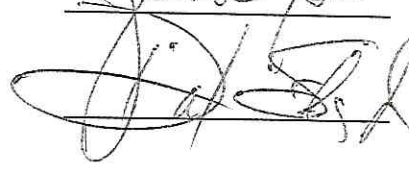
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Minister of Natural Resources


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GENERAL CONDITIONS

- 1) Fine Lumber Company, hereinafter called the "Licensee" is hereby licensed to cut and remove trees and to carry out such activities as are deemed necessary and appropriate for the maximum protection, optimum regeneration, general improvement and sustained utilization of the timber and non-timber resources in the license area in accordance with a Sustained Forest Management Plan approved by the Minister responsible for Forestry or such person or persons authorized by the Minister to approve the plan.

DURATION OF THE LICENSE AND ITS RENEWAL

- 2) This timber license will be of 40 years duration, commencing on 1st August, 2002 and ending on 31st July, 2042
- 3) The option to extend this license will be available 180 days before the date of expiry of this license. At such time the Licensee shall have the option to extend the license for a further 40-year period (i.e. until 31st July 2082), providing that the Sustained Forest Management Plans and the conditions of the license have been fulfilled to the satisfaction of the Chief Forest Officer and that there has been compliance with the Forest Act and Forest Rules.
- 4) The Licensee shall give written notice to the Chief Forest Officer no later than sixty (60) days before 31st July 2042 stating his intention to exercise or not to exercise the option given in paragraph 3. Failure to do so by the above stated date may render the option void if the Minister responsible for Forestry so decides.

DESCRIPTION OF LICENSE AREA

- 5) This license applies to the area contained in sub- compartments 5.4 to 5.11; 9.1, 9.2; and compartments 14, 35, 36, 37A, 37B, 37C, 38, 39, 40, 41A, 41B, 42, 43A, and 43B, as defined by the 1:20,000 compartment map of the Mountain Pine Ridge Forest Reserve, Ministry of Natural Resources, Belize, 1991 prepared by J.H. Sandom and S. Solis.
- 6) A copy of the map of the license area is available for inspection at the headquarters of the Forest Department in Belmopan and at the Divisional Forest Office at Douglas D'Silva Forest Station.

THE SUSTAINED FOREST MANAGEMENT PLAN

- 7) The Licensee shall develop a Sustained Forest Management Plan (SFMP) for the licensed area with the technical guidance and collaboration of the Forest Department. This SFMP, shall cover the entire period of the license in accordance with sustainable management principles. The plan shall be based upon a forest inventory and shall contain inter alia a division of the area into stands, and shall define the annual allowable cut, harvesting methods and standards for harvesting infrastructure, forest protection requirements and silvicultural interventions. The plan may also provide for the sustained management and utilization of non-timber forest products as well as sustainable and ecologically sound tourism activities within the licence area.

- 8) The SFMP shall be reviewed and revised every 10-years during the subsistence of the licence. However, in the event that natural (hurricanes, pests, disease, etc.) or anthropogenic (fire) occurrences render the SFMP irrelevant to the sustained management of the area, the Chief Forest Officer may recommend to the Minister responsible for Forestry that the SFMP be reviewed and revised or be invalidated before the end of the ten year period.
- 9) The SFMP shall be developed within the context of and shall be integrated into a wider macro plan that may be developed for the Mountain Pine Ridge Forest Reserve (MPRFR), but the Licensee shall only have responsibility for the area presently described under this license. However, the Minister responsible for Forestry may with the agreement of the Licensee at some future date extend the area of this license to other compartments within the MPRFR provided that the SFMP is modified to reflect these changes. The implementation of this condition shall not impact on the SFMP to limit the ability of the Licensee to utilize the resources in the licence area.
- 10) The SFMP shall be reviewed and evaluated by a Management Plan Technical Evaluation Committee appointed by the Minister responsible for forestry who shall make recommendations for its approval and/or modification. The Licensee may nominate one member to the committee, which shall consist of not less than three and not more than five members.
- 11) The SFMP shall be presented to the Minister for his approval no later than 18 months after the signing of this license.
- 12) After the Minister responsible for forestry has approved the SFMP, it shall be deemed to form an integral part of this license agreement.
- 13) During the period of development of the first SFMP, an interim management plan shall be developed and applied to the license area until such time as the first SFMP is approved.
- 14) The interim management plan shall be presented to the Minister responsible for Forestry for his approval within four months of the signing of this license.
- 15) The Licensee shall bear the cost of developing the SFMP, but the Forest Department shall provide all relevant technical information in its possession for the development of the plan and shall provide upon request the relevant technical and legal guidance as the plan is being developed.
- 16) Copies of all data collected and/or compiled by the Licensee that form the basis of the SFMP, as well as the results of experiments and research connected with the SFMP, shall be provided upon request to the Chief Forest Officer.
- 17) The SFMP shall be developed following a format designated by the Chief Forest Officer as is laid out in Appendix I of this license.
- 18) Nothing in this license shall be construed so as to negatively prejudice the objectives and technical guidelines of the SFMP.

ANNUAL PLAN OF OPERATIONS

- 19) The Licensee shall also develop with the collaboration of the Forest Department, an Annual Plan of Operation (APO), which is a technical information tool derived from the SFMP. The APO shall serve as a detailed guide that the Licensee shall follow to implement on an annual basis those activities identified in the SFMP to which the Licensee has been assigned responsibility for implementing. The APO shall also assist the Forest Department to monitor implementation by the Licensee of his responsibilities on a continuous basis.
- 20) The APO shall be developed following a format approved by the Chief Forest Officer and shall be presented to the Chief Forest Officer by the 31st December each year. (Appendix II of this license.
- 21) After the Chief Forest Officer has approved the APO, it shall be deemed to form an integral part of this license agreement and subsequently shall be monitored by the Divisional Forest Officer, Western Division.
- 22) An APO shall be developed for the first year of operation based on the interim management plan subsequent APO's shall be based on the approved SFMP.
- 23) The first APO shall be presented to the Chief Forest Officer one month after the interim management plan is approved.

THE RIGHTS OF THE LICENSEE

- 24) The Licensee shall be entitled to fell and remove all trees approved for felling under the SFMP and more specifically designated for felling under the APO.
- 25) The Licensee will have exclusive rights to all timber in the license area and no other timber license shall be granted in the license area unless it is granted with the full consent of the Licensee.
- 26) With the prior approval of the Chief Forest Officer, the Licensee shall construct and operate logging roads and barquardiers (log landings) according to specifications given to him by the Forest Department. The Licensee will have the right to establish and operate logging camps, office buildings and wood-processing facilities at locations in the Mountain Pine Ridge Forest Reserve agreed to by the Chief Forest Officer and shall be entitled to clear forest growth for the establishment of these sites. These sites shall be clearly indicated in the APO.
- 27) Subject to the conditions of this license, the Licensee will have the right of free access within the license area. The right to skid and haul logs and to transport timber as well as drive heavy vehicles on the forest roads within the Mountain Pine Ridge Forest Reserve outside the license area may be withdrawn on demand by a Forest Officer during periods of bad weather.
- 28) The right to transfer the rights and liabilities of the license may be allowed, upon approval by the Minister responsible for Forestry as provided in the Forest Rules, paragraph 21.

THE RIGHTS OF THE GOVERNMENT

- 29) The Minister responsible for Forestry reserves the right to award tourist ventures, that will not unduly hinder the operations of the Licensee within the license area but should the Licensee include a Tourism Development Plan for a tourist venture or ventures, which is approved as part of the SFMP and the APO, the Licensee shall have exclusive rights to tourism development within the licence area. In the event that another party is awarded a tourist venture in the area, and that this party causes any injury or damage in the area (including fires) the licensee shall not be liable for such injury or damage.
- 30) The licensee shall have exclusive rights to non-timber forest products in the licence area excluding germplasm.
- 31) The Chief Forest Officer, or any person (not being an individual or company carrying out any business which would compete with the licensee) authorised by the Chief Forest Officer, may at any time during the term of this license carry out within the license area at their own cost, silvicultural or other works that the Chief Forest Officer deems necessary, provided that such work shall not hinder the operations of the Licensee and is in accordance with the SFMP.
- 32) The Chief Forest Officer reserves the right to enter any area which right may include the establishment of experimental sites for the purpose of conducting forest research. The Chief Forest Officer, or any person authorised by the Chief Forest Officer, may exercise such right.

GOVERNMENT LIABILITY

- 33) The Government of Belize does not hold itself responsible for the presence or accessibility of all or any of the commercial timber within the area for which this license has been granted.
- 34) The Government of Belize does not hold itself responsible for the soundness of any tree or for the accuracy of any volume estimate.
- 35) The Government of Belize shall not be held liable nor deemed to be in breach of this license by the Licensee where the Government and/or the Licensee is prevented by force majeure to fulfil any of the terms of this license or where the duration of the license is prematurely concluded or determined. In this paragraph, the expression force majeure includes Acts of God (hurricanes, floods, earthquakes) and war, insurrection or riot and any other happening which the Government or the Licensee could not reasonably foresee, prevent, or control.
- 36) In the event that the licensee goes bankrupt or is wound up, the obligations of the Government of Belize under this license shall cease and the license shall be deemed to be terminated.

TIMBER PROCESSING

- 37) Within two (2) weeks of the signing of this license, the Licensee shall register his timber brand mark with the Chief Forest Officer.

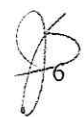
- 38) All logs must be marked with the registered mark of the Licensee prior to removal from the license area. The Chief Forest Officer may require the Licensee to mark any or all logs removed from the stands and/or sub-compartments with such marks as may be required to identify the stands and/or sub-compartments in which they were felled.
- 39) The Licensee shall make a statutory declaration of the number of trees cut and removed under this license at intervals not exceeding three months, and shall furthermore give full information and answer all questions in respect of all matters covered by this license as may be required of him from time to time by the Chief Forest Officer, or any person authorised by the Chief Forest Officer.
- 40) The Licensee shall operate a wood processing facility (e.g. sawmill, veneer mill, etc.) in connection with this license; he shall keep proper records of the timber intake and the output of lumber or produce processed and make these records available for inspection by the Chief Forest Officer or any person authorized by the Chief Forest Officer at any time; and the Licensee shall submit a true copy of these records to the Chief Forest Officer on completion of each calendar year for the duration of the license.
- 41) The proper disposal of all wood residues at each sawmill or wood -processing site operating under this license shall be carried out to the satisfaction of the Chief Forest Officer. No wood residue shall be placed within 300 feet (100 metres) of any watercourse in the license area.

COMPLIANCE WITH LICENSE CONDITIONS

- 42) The Licensee, his agents, employees and independent contractors shall be responsible for complying with all the terms and conditions of this license. Where there has been a breach of any of the conditions of this license by the Licensee, his agents, employees or an independent contractor engaged by the Licensee, the Licensee shall be responsible.
- 43) Failure on the part of the Licensee to fulfil any of the terms of this license shall not give the Government any claims against the Licensee or be deemed a breach of this license so far as such failure arises from force majeure.
- 44) Where it becomes necessary to add new conditions or to delete or vary existing conditions such changes must be made with the agreement of the Licensee. When such agreement cannot be reached, arbitration procedures may be invoked in accordance with clause 45.
- 45) Arbitration under this license will be pursuant to the provisions of the Arbitration Act.

SECURITY BOND

- 46) The Licensee will take out a security bond to the value of twenty thousand Belize dollars (\$20,000) at the outset of the license period. The Forest Department will have the right to draw against the bond for non-payment of fines for infringements under this license or for recovery of any outstanding arrears under this license.



47) The security bond must become effective within one month of this license agreement being signed.

ROYALTY AND OTHER PAYMENTS

48) The Licensee shall pay no less than the sum of one thousand Belize dollars (\$1,000) as an initial payment of royalty on the date of issue of this license.

49) The royalty rates for all species shall be in accordance with existing regulations. The Licensee shall pay royalty on all sound timber, whether felled by him or found lying on the ground and extracted from the license area except where such timber is removed in accordance with paragraph 49. Allowances for defects, which render the wood un-utilisable, will be made in assessing royalty.

50) Where timber is felled or found lying on the ground and extracted by the Licensee in the implementation of a silvicultural activity (*e.g.* thinning) or a protection activity (*e.g.* containment lines) prescribed in the APO, the Licensee may request the Minister responsible for forestry to waive or reduce royalty if he can demonstrate that the cost of the activity exceeds the economic value of the timber extracted. Where it can be determined that the economic value of the timber extracted exceeds the cost of the activity, the Licensee may be charged royalty on the proportionate volume of timber that exceeds the cost of the activity. This condition shall not apply to final harvesting of timber or such harvesting operations that are strictly commercial in nature. The different types of timber harvesting shall be clearly defined in the APO where it applies.

51) All timber measurements will follow standards set by the Forest Department for the purpose of determining royalty.

52) Royalty payments on all trees felled will become due at the time of felling, according to the Rules in force at the time. Full payment of royalties must be made within thirty (30) days from the date of billing.

53) Assessment for royalty will be made at monthly intervals. When the aggregate sum has exceeded the initial payment referred to in clause 47 above, supplementary payments will be made to liquidate the excess.

54) If at any time the Licensee is in arrears of payment of any royalties, fees or fines for which demand has been made in writing and reasonable time allowed for payment, the Chief Forest Officer shall by notice in writing require the Licensee to suspend all operations in the license area until such time as the payment of such royalties, fees or penalties has been made.

55) The Chief Forest Officer will issue an Annual Cutting Permit every year to the licensee for the harvesting of timber. If the licensee is found to be working without an Annual Cutting Permit his licence shall be immediately suspended and a penalty of \$10,000 may be imposed by the Chief Forest Officer and deducted from the security bond.

56) A charge of five hundred Belize dollars (\$500) will be levied for the issuance of an Annual Cutting Permit. No harvesting operations will be allowed to take place until the Licensee is in receipt of the Annual Cutting Permit.

SUSPENSION/TERMINATION OF THE LICENSE AGREEMENT

- 57) The Licensee shall comply with all the provisions of the Forest Act and Forest Rules and any other legislation pertinent to his activities under this license whether in force at the time or enacted subsequently. Failure to comply will result in the Licensee being penalised under the said Act and Rules.
- 58) This license will be liable to suspension or revocation by the Minister responsible for Forestry if after due enquiry and after giving the Licensee an opportunity of making representation against suspension or revocation, the Minister is satisfied that a condition of the license has been contravened. After one month's suspension the Licensee shall have the right to invoke arbitration pursuant to clause 45. In the event of revocation the licensee shall be given reasonable opportunity to remedy any breach. In either case the licensee shall have the right to invoke arbitration.
- 59) The Licensee will have the right to terminate this agreement at any time, having given six months prior written notice to the Chief Forest Officer.
- 60) On termination/revocation of the license by either party, the Licensee will be given six months to dispose of, or remove, any buildings, sawmills, and other structures associated with this license and erected on land within the license area for the purpose of satisfying the contractual obligations of the license agreement. The Licensee may apply to the Chief Forest Officer for a six-month extension to this period, stating the circumstances that necessitate the extension. Upon the expiry of the extension, all assets remaining in the license area shall become the property of the Government of Belize.
- 61) If on the termination of this license the Licensee is in arrears of any fees, royalties, damages or penalties, the Security Bond may be used to recover any of these arrears. If the Security Bond does not cover the full amount of the arrears the Minister responsible for Forestry may impose, by way of security, a lien on such and so much of the assets of the Licensee as may be required to recover the arrears and the prospective costs associated therewith.
- 62) In the event that within a period of five years of the date of this licence, the licence is revoked through no fault of the licensee, the Government shall reimburse the licensee the cost of all containment operations carried out in the Mountain Pine Ridge Forest Reserve to control the Southern Pine Beetle. Subsequent to this period, any remedy available to the licensee shall be addressed in accordance with the general law of contract



FOREST MANAGEMENT

63) This license shall be worked in accordance with the SFMP and APO including those forest management practices set out in paragraphs 64 to 98 and such further or additional conditions as may from time to time be prescribed in writing by the Chief Forest Officer, after having reached agreement with the Licensee.

EMPLOYMENT OF TECHNICAL PERSONNEL

64) The Licensee shall employ and/or engage the services of the professional, technical and other personnel necessary to satisfy the requirements of the SFMP and the APO and the conditions of this license. In this regards he shall be guided by the recommendations of the Management Plan Technical Evaluation Committee.

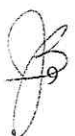
65) The Licensee shall employ and/or engage the services of a professional forester with the experience acceptable to the Chief Forest Officer to write the management plan and to carry out the necessary forest resource evaluation including forest inventories. Preference should be given to local expertise.

66) The Licensee shall also employ a forester who holds at minimum a two- year diploma in forestry or higher qualification to act as his forest manager. This person will be responsible for ensuring that all operations are carried out in accordance with the SFMP and shall supervise the implementation of all activities under the APO. Such a person must be on the Licensee's staff within two months of the start of the license agreement and be present on site during all operations. Failure to comply may lead to the suspension of field operations.

67) The Licensee will cause his forest manager and other relevant staff to avail themselves of such training opportunities offered by the Forest Department or other agencies that the Chief Forest Officer may deem relevant to good management practices relating to the proper working of the license providing that such training shall not exceed two weeks in any one year unless the Licensee consents to a longer period.

ENVIRONMENT AND PROTECTED AREAS

68) Protected Areas in the forest will be clearly marked on the license map. Entry into such areas for timber exploitation is strictly prohibited. The Licensee shall comply with all applicable laws and regulations in relation to such Protected Areas. Any timber operations by the Licensee in Protected Areas will cause the immediate cancellation of the license and loss of the security bond. Prior written approval from the Chief Forest Officer must be obtained before the Licensee plans any road alignment that passes through a Protected Area and for any logs removed during road construction.



- 69) The Licensee, his agents and his employees shall report immediately to the Archaeological Commissioner, through the Chief Forest Officer, any relics or archaeological sites encountered within the license area. In addition, the Licensee, his agents and employees shall refrain from destroying or interfering in any way with such sites and relics.
- 70) The hunting of animals and birds is forbidden under this license. The Licensee shall be responsible for the actions of his agents and employees in this matter.
- 71) The Licensee shall take all reasonable measures to minimise environmental and other damage since the Mountain Pine Ridge Forest Reserve is an important watershed and biodiversity resource.

FOREST FIRES

- 72) The Licensee shall be responsible for the prevention, pre-suppression and suppression of fires in the license area and shall report to the nearest Forest Officer all forest fires as soon as they are seen. The Licensee, his agents and employees shall take effective action to extinguish immediately any fires in the license area or which threaten the license area
- 73) In the event of a fire occurring in the license area, the Chief Forest Officer, or any person authorised by the Chief Forest Officer, may require the Licensee to cease all or part of his felling and logging operations in the license area and not to restart such operations until the fire has been brought under control.
- 74) As part of the SFMP, a forest protection plan shall be developed which shall include a fire management plan for the license area.
- 75) The Chief Forest Officer may require that at least eight of the Licensee's field employees undergo relevant fire suppression training provided by the Forest Department or any other agency to the level where these employees can function effectively as an initial attack crew. The Chief Forest Officer shall require the Licensee to have available in the license area the necessary fire suppression tools and equipment, which shall be listed in the forest fire management plan.
- 76) The Chief Forest Officer may prohibit the Licensee from felling trees along roadsides or fire lines, as well as requiring him to dispose of logging slash and sawmill waste within the sub-compartment being worked or in any other area within the Mountain Pine Ridge Forest Reserve where a wood processing facility is situated, in such a manner as to reduce the accumulation of combustible material.

LOGGING OPERATIONS

- 77) The Chief Forest Officer may verbally (later followed up in writing) or in writing:
- a) prohibit the Licensee from logging in defined areas where, due to steepness or ruggedness of the topography the Chief Forest Officer considers that excessive soil erosion would follow logging;

- b) prohibit the Licensee from ground logging, ground extraction or skidding operations on slopes steeper than 25° but where sub-paragraph a) is applied this prohibition may apply to slopes less than 25°.
- c) prohibit the Licensee from logging in areas where the Chief Forest Officer believes that there will be serious damage or harm to the ecological system;
- d) require the Licensee to take reasonable steps to prevent erosion and compaction to the soil caused by the Licensee's logging operations;

providing that where the Licensee is not in agreement with the limitations imposed by the Chief Forest Officer under this clause, he may invoke arbitration procedures.

FELLING AND SKIDDING OPERATIONS

- 78) The Forest Department following the guide lines of the monitoring process established in the SFMP and APO shall control the marking of those pine trees that shall remain reserved as seed trees. These seed trees will be the only remaining source of seeds for the future natural regeneration of the stand and therefore cannot be felled until stands are well established. A fine of 40 times the royalty rate will be levied on every seed tree felled or seriously damaged. Where the Chief Forest Officer has cause to believe that there is blatant disregard for this condition, it shall be sufficient cause for immediate suspension of felling operations.
- 79) To ensure that the watershed functions of the license area are protected, this license prohibits the felling and removing of trees within a horizontal distance of 30 metres (100 feet) from both sides of rivers, streams, creeks, lagoons, and lakes as defined on the one to twenty thousand (1:20,000) topographical maps of the area to which this license applies.
- 80) The Licensee shall not enter into or fell any tree within any research or silviculture experimental plot unless the Chief Forest Officer requires in writing that the activities of the Licensee should form part of the research being carried out in a particular plot. Research or experimental plots will normally be marked with at least one post at each corner of the plot and painted white at the top end. A map showing the location of research or experimental plots in the Mountain Pine Ridge Forest Reserve may be obtained from the Divisional Forest Office at Douglas D'Silva Forest Station.
- 81) All pine trees save and except those defined in clause 76, 77, 78, and 79 may be felled in accordance with the prescription of the SFMP and the APO. The Chief Forest Officer may require or permit the Licensee to fell for silvicultural reasons those broadleaf species of trees normally found in association with pine.
- 82) No hardwood trees in the broadleaf forest of the licence area may be felled except as provided in clause 81 above.
- 83) All trees with a top bole diameter greater than five (5) inches (13 centimetres) shall be considered of commercial size. A fine of five (5) times the royalty rate shall be charged for those commercial



size trees (excepting seed trees) that are not harvested unless the licensee can show good reason for not harvesting such trees.

- 84) The Licensee shall dispose of logging slash and debris in the sub-compartment as required by the Chief Forest Officer to ensure natural regeneration.
- 85) All pine trees must be felled with a stump height not exceeding twelve (12) inches (30 centimetres) above the ground.
- 86) Skidding of logs shall be carried out employing economically appropriate and ecologically preferable methods that shall be defined in the SFMP and/or APO.
- 87) In accordance with the SFMP and the APO, the Licensee may employ cable systems to yard logs on terrain with slopes greater than 25° providing that the environmental impact is acceptable to the Chief Forest Officer.
- 88) The Chief Forest Officer will develop in collaboration with the Licensee a code of harvesting practice to regulate and guide the cutting, extraction, and transportation of timber under this license. The Licensee will be required to actively participate in the development of such a code.

FOREST ROADS

- 89) The Chief Forest Officer shall require the Licensee to maintain any forest road in the Mountain Pine Ridge Forest Reserve used by the Licensee and will also require the Licensee to make good any damage caused by the Licensee to such roads to the satisfaction of the Chief Forest Officer. Where the Licensee fails to maintain such roads or to make good any damage to such roads to the satisfaction of the Chief Forest Officer, the Chief Forest Officer may draw on the Security Bond to maintain or make good any damage to such roads.
- 90) The Licensee shall be liable for the payment of damages done by him to any private or public road within or without the Mountain Pine Ridge Forest Reserve under this license. In the case of public roads, the assessment of damages shall be made by the Chief Engineer, Ministry of Works who may allow the Licensee to effect satisfactory repairs to the road damage in lieu of monetary payments. Where the Licensee fails to make good any damage to a public road, the Chief Engineer, Ministry of Works may request the Chief Forest Officer to draw on the Security Bond to make good any damage to such road.
- 91) Extraction roads (in this case 'truck passes' or minor haul roads) shall be formed, shaped, drained and surfaced to the satisfaction of the Chief Forest Officer. All roads shall have a maximum width of 15 feet (4.5 metres) and a maximum gradient of 15 per cent.
- 92) Extraction roads will be constructed only on alignments approved by the Chief Forest Officer. Such roads shall be spaced so that logs shall not be skidded along the ground for more than 3,300



feet (1 kilometre) from felling site to the point of loading onto trucks. Where possible, old extraction routes should be used in an effort to minimise environmental damage.

- 93) All watercourses must be crossed without impeding the stream flow. Bulldozing through dry watercourses is to be avoided wherever it is reasonably possible. The Licensee is responsible for putting in culverts or constructing bridges, according to specifications approved by the Chief Forest Officer. Roads crossing watercourses are to be at right angles to the banks of the river or stream.
- 94) The Licensee shall maintain extraction roads in a suitable condition that allows the movement of wheeled traffic until the road is no longer required for timber extraction by the Licensee.
- 95) The forest manager shall be responsible for ensuring that skid trails are laid out efficiently in the sub-compartment to the satisfaction of the Chief Forest Officer. Skid trails shall have a maximum width of 12 feet (3.6 metres) and a maximum gradient of 25 per cent when the grade exceeds a distance of 150 feet (45.5 metres). Where possible skid trails will follow contours and the direction of skidding will be uphill. Skid trails must not cross extraction roads.
- 96) The location of each barquardier (log landing)¹ shall require the prior approval of the Chief Forest Officer. No barquardier shall be placed within 300 feet (91 metres) of a permanent watercourse. The number of barquardiers should be kept to a minimum consistent with efficient timber extraction.
- 97) This license conveys no exclusive rights to extraction routes in the license area. Officers and employees of the Forest Department, and others authorised by the Chief Forest Officer, shall have the right to use any roads or tracks that the licensee has constructed or maintained, as long as the Licensee's operations are not interrupted. Forest roads will not be open access roads to the public, other than along established rights of way. The Forest Department may construct and man road barriers at all access points into the Mountain Pine Ridge Forest Reserve.
- 98) On the termination of this license, the Licensee shall leave all roads and tracks constructed by him and shall relinquish without compensation all rights therein.