



GOVERNMENT OF BELIZE
FORESTS ACT, CHAPTER 213
FOREST RULES, Chapter 213, The Subsidiary Laws of Belize, Volume IV,
Revised Edition 2011, RULE 5 (1)(a)

LICENSE FOR SUSTAINED YIELD WORKING OF TIMBER
FOREST LICENSE NUMBER: LTFL #02/25

PREAMBLE

This license shall be granted with the understanding that the Licensee shall prioritize the protection and sustainable management of the forest's ecological, cultural, and hydrological values. In consideration that no ecological assessments of broadleaf forests have been done to solidify its protection, ALL and ANY activities undertaken shall strictly adhere to the principles of minimal impact, precautionary approach, and adaptive management.

CONDITIONS

- 1) **BELIZE WOODMARK DESIGNS LTD.** a registered company with address at Valley of Peace, Cayo District, Belize Central America (hereinafter called the "Licensee") is hereby licensed, subject to the provisions of the Forests Act in force at any time during the currency of this license whether enacted prior to or subsequent to the granting thereof and any rules and regulations made thereunder and in force at any time during the currency of this license whether enacted prior to or subsequent to the granting thereof and to the conditions hereinafter expressed, to cut and remove any species of primary or secondary hardwood and to carry out such activities as are necessary for the maximum protection, optimum regeneration, general improvement and sustainable management of the timber and other forest resources and environmental goods and services within the tract of land hereinafter described and in accordance with the Sustainable Forest Management Plan referred to in condition 3 below:-

Description of Tract of Land Constituting the License Area

This license applies to the broadleaf forests within the Mountain Pine Ridge Forest Reserve as defined from time to time by regulations, the current area (only) of which is more particularly described in Statutory Instrument No. 43 of 2012. This encompasses approximately 11,500 acres and is located on the northwestern section of the Mountain Pine Ridge Forest Reserve. The Eljio Panti National Park lies to the north, and across the Macal River the Vaca Forest Reserve lies to the west. For the avoidance of doubt, the boundaries of the Mountain Pine Ridge Forest Reserve may hereafter be varied from time to time to exclude lands therefrom, and the license area shall exclude ALL lands, presently or in the future, held under lease, granted. A map depicting the current license area (only) which forms part of the long-term forest license is attached hereto as Appendix I and a full-size map is available for inspection at the headquarters of the Forest Department in Belmopan, Cayo District. Copies of maps depicting any variations in the boundaries of the Mountain Pine Ridge Forest Reserve, as may hereafter occur from time to time, shall likewise be available at the headquarters of the Forest Department.

Duration of License

- 2) This license shall be initially granted for 30 years duration, commencing on July 4th, 2025, and ending on July 4th, 2055. The Licensee shall have the option to extend the duration of this license for a single, further 30-year period, provided that **written** notice of the intention to extend is given 180 days before the date of expiry of the first 30-year period and provided further that the said Sustainable Forest Management Plan and all the conditions of this license have been fulfilled to the satisfaction of the Chief Forest Officer and that there has been compliance with

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the Forests Act and Forest Rules, any subsequent amendments thereto and any new relevant regulations or policies that will have come into effect and bear upon this license. Failure to give the above-mentioned notice in the form and at the time required above shall render the option void.

The Sustainable Forest Management Plan

- 3) The Licensee shall develop a Sustainable Forest Management Plan (SFMP) in accordance with the Sustainable Forest Management Plan Framework (for Forest Reserves) – Belize of 2019 and any such other guidelines as may be issued by the Forest Department. The SFMP for the license area shall be developed by a Professional Forester (pursuant to condition 64) with the technical guidance and collaboration of the Forest Department and bearing in mind sustainable forest management principles and the Reduced Impact Logging Code (RIL) of Belize. The SFMP shall guide the conduct of activities during the entire period of this license, including any period of extension, in accordance with sustainable forest management principles. The SFMP shall be based upon a concrete forest inventory and shall contain *inter alia* a division of the area into management blocks or compartments and define the cutting cycle and annual allowable cut, harvesting methods and standards for harvesting infrastructure, forest protection requirements and silvicultural interventions, etc and the other requisite fields as mandated by the SFMP framework.
- 4) The Licensee in collaboration with the Forest Department shall review and revise the SFMP (pursuant to condition 6) periodically during the course of this license, including any period of extension. Mandatory revisions shall occur in periods not exceeding five (5) years starting from the date of issuance of this license. The revision period shall be clearly stated in the SFMP. However, in the event that natural occurrences (such as hurricanes, pests, disease, wildfires, drought, etc.) or anthropogenic disasters (such as man-made fires, etc.) render the current provisions of the SFMP irrelevant to the sustainable management of the area, the Chief Forest Officer may recommend to the Minister responsible for forestry that the SFMP be reviewed and revised prior to the mandatory revision period, provided sustained yield harvesting is still possible in the whole or any portion of the license area as determined by the Chief Forest Officer, and the Licensee shall comply with any directions given by the Minister.
- 5) The SFMP shall be presented to the Minister and Chief Forest Officer for their approval no later than twelve (12) months after the date of signing of this license by the Licensee. Any revision or amendment to the SFMP that is current at the time is subject to the same procedure.
- 6) The Minister and Chief Forest Officer may, upon review of the SFMP, request modifications to the plan or revision, and the Licensee shall comply with such requests.
- 7) After the Minister responsible for forestry and Chief Forest Officer have approved the SFMP or any revision thereof, it shall be deemed to form an integral part of this license agreement. The Licensee, in its management, operation and the conduct of activities during the entire period of this license shall be obligated under this license agreement to adhere to the entirety of the approved SFMP.
- 8) The Licensee shall bear all the cost of developing the SFMP and any revision. The Forest Department shall provide, upon request, all relevant technical information in its possession, and shall likewise upon request and as may be available, provide relevant technical and legal guidance as the plan or any revision is being developed.
- 9) Copies of all raw data collected and/or compiled by the Licensee that form the basis of the SFMP and or any revision thereof, as well as the results of experiments and research connected with

the SFMP or any revision thereof, the license area and this license agreement shall be provided upon request to the Chief Forest Officer.

- 10) The SFMP shall conform to the format outlined in the Sustainable Forest Management Plan Framework (for Forest Reserves) – Belize of 2019 or any format designated at the time and be presented to the Chief Forest Officer. Current format is laid out in Appendix II of this license.
- 11) Nothing in this license shall be construed so as to negatively prejudice the objectives and technical guidelines of the approved license area, SFMP or any approved revision thereof.

Annual Plan of Operations

For the avoidance of any doubt, an "Annual Plan of Operations" (APO) means the detailed annual operational and harvesting plan, which forms an integral part of the SFMP, prepared by the Licensee and approved by the Chief Forest Officer, which specifies the harvesting, silvicultural, and other forest management activities (including road works) to be carried out within the Licensed Area during a designated Forest Management Operating Year.

- 12) As an integral and essential component of the SFMP, the Licensee shall develop an Annual Plan of Operations (APO) with technical guidance & in coordination and collaboration with the Forest Department, if the license holder wishes to engage in the harvest of timber for each calendar year or part thereof for the duration of this license, including any period of extension. The APO shall serve as a detailed guide which the Licensee shall follow and implement on an annual basis those activities and forest operations identified in the SFMP, which the Licensee has undertaken hereunder. The APO shall also be utilized by the Forest Department to monitor implementation and compliance by the Licensee of his responsibilities on a continuous basis and shall serve as the key instrument in the Post Harvest Audit (PHA) and export quota setting by the CITES Management Authority. The Licensee may, upon written request, and with written approval by the Chief Forest Officer, present an APO for only the first year of operations during the development and approval of the SFMP.
- 13) No license operation shall commence without an approved APO, and all such operations shall be conducted strictly in accordance with the terms of an approved APO. The APO shall be considered an essential and binding instrument for fulfilling the Licensee's obligations under the SFMP and this Agreement.
- 14) The APO shall be presented in a format approved by the Chief Forest Officer, which format is laid out in Appendix III of this license. The preparation and presentation of an APO is applicable only if the Licensee is planning to engage in timber harvest operations during the validity of this license.
- 15) The APO for an upcoming year shall be presented to the Chief Forest Officer for his review by 31st January of the current year. The Chief Forest Officer reserves the right to review and approve such APOs for the following year if they are submitted beyond January 31st.
- 16) The Chief Forest Officer may, upon review of the APO, request modifications or revisions to the APO, and the Licensee shall comply with such request.
- 17) Upon finalization or any amendment thereto, the Chief Forest Officer shall approve the APO in writing.
- 18) The approved APO shall operationalize the objectives and strategies of the SFMP, delineate the specific harvesting, silvicultural, conservation, and other forest management activities to be



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undertaken within the license area during the specified operating year, in full conformity with the principles and prescriptions of the SFMP.

- 19) The implementation thereof shall be monitored by a Senior Forest Officer assigned by the Chief Forest Officer. The Licensee shall be obligated under this license agreement to adhere to the APO.
- 20) In the event of any revision of the SFMP, any current APO shall be amended, as may be necessary; to reflect such revision and such amendment shall be submitted to the Chief Forest Officer for his approval.
- 21) Prior to the approval of any subsequent APO, all royalties due must be paid in full.
- 22) Copies of all data collected and/or compiled by the Licensee that form the basis of the Annual Plan of Operations (APO) or any revision thereof, as well as the results of experiments and research connected with the APO or any revision thereof, the license area and this license agreement shall be provided upon request to the Chief Forest Officer.
- 23) The Licensee's compliance with this License Agreement shall include, without limitation, strict adherence to the terms, conditions, and prescriptions set forth in the SFMP and each approved APO. Any deviation from an approved APO shall constitute a breach of this license and may result in the imposition of penalties, suspension, or termination of this License, as provided herein.

The Rights of the Licensee

- 24) The Licensee shall be entitled to fell and remove all tree species identified merchantable or commercially viable under the SFMP and designated as crop trees and as such available for felling under an approved APO and a current Cutting Permit.
- 25) The Licensee shall have exclusive rights to all primary and secondary hardwoods in the license area; no other timber harvesting license whatsoever shall be granted in the license area unless it is granted with the full consent of the Licensee.
- 26) The construction of logging roads and barquediers (log landings) by the Licensee shall be expressly conditional upon the approval of the APO by the Chief Forest Officer and shall adhere strictly to specifications issued by the Forest Department.
- 27) The Licensee shall request in writing to establish and operate permanent logging camps, gates, office buildings, and wood-processing facilities, and clear forest growth for the establishment of these facilities within the license area. Additionally, the precise locations, layout and designs of these sites shall be explicitly identified and annexed in the written request. Establishment of these sites is conditional to a written approval from the Chief Forest Officer.
- 28) Subject to the conditions of this license, the Licensee shall have the right of free access within the license area provided it conforms to the SFMP and APO. The right to skid and haul logs and to transport timber as well as operate heavy vehicles on any forest and public roads within and outside the license area, permission may be withdrawn by a Forest Officer authorized by the Chief Forest Officer during periods of bad weather or if there is a breach of the APO or Cutting Permit. The Licensee shall not negotiate, sell, sublet or pass on his rights and interests in the license area to any other party, or transfer the license to any party except in accordance with rule 21 of the Forest Rules. This license does not automatically grant any rights to the Licensee to any other activities or resources within the license area. Any such request will necessitate its own independent application, consultation, review, and approval process, distinct from the current license.
- 29) The Licensee may undertake negotiations with the Government of Belize to undertake harvest of non-timber forest products within the license area, such agreements shall be structured within the framework of a separate agreement and provided that the issuance of such is deemed conducive to good forest management.
- 30) The Licensee may undertake negotiations with the Government of Belize to undertake a research and education program within the license area, such agreements shall be structured within the

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framework of a separate agreement and provided that the issuance of such is deemed conducive to good forest management.

- 31) The Licensee may undertake negotiations with the Government of Belize to undertake tourism development within the license area, such agreements shall be structured within the framework of a separate agreement and provided that the issuance of such is deemed conducive to good forest management.
- 32) The Licensee may undertake negotiations with the Government of Belize to undertake biodiversity, ecosystem management and conservation related activities under a mutually agreed- to co-management agreement within the license area, such agreements shall be structured within the framework of a separate agreement and provided that the issuance of such is deemed conducive to good forest management.
- 33) The Licensee may undertake negotiations with the Government of Belize to undertake agroforestry systems within mutually identified deforested or degraded areas within the license area, such agreements shall be structured within the framework of a separate agreement and provided that the issuance of such is deemed conducive to good forest management.
- 34) The Licensee may undertake negotiations with the Government of Belize for carbon rights within the license area, such agreements shall be structured within the framework of a separate agreement and guided by existing policies, laws and regulations in force at the time.

The Rights of the Government

- 35) This license does not grant to the Licensee exclusive access to or possession of or over the license area and accordingly the granting of this license does not exclude the right of the Government to grant permission to any third party to use any lands within the license area for military training, research, mining, petroleum operations, tourism development or any other activity. Any permission granted for such other activities within the license area shall make provision, as far as practicable, for the responsibility of the third parties to assist in controlling access, in fire protection and road maintenance and in accordance with any other stipulations under such permission.
- 36) Where silvicultural treatments, forest restoration or other prescriptions for good forest management is deemed necessary by the Licensee, the Licensee must inform and request in writing from the Forest Department, or any person authorised by the Chief Forest Officer, to carry out said activities within the license area at their own expense. The Chief Forest Officer shall grant approval in writing. Where the Chief Forest Officer deems it necessary for silvicultural treatments or other works to be done, he shall instruct Licensee, in writing, to carry out the prescriptions, provided that such work shall not hinder the operations of the Licensee. The Licensee shall carry out the work with methodologies and procedures approved by the Forest Department.
- 37) In addition to the above, the Forest Department may establish experimental sites for the purpose of conducting long-term forest research and conduct any other activities related to the work of the Forest Department, within the license area. The Forest Department, or any person duly authorised by the Chief Forest Officer, may conduct such activities in accordance to an approved research permit. The Forest Department shall make available to the Licensee the location of the experimental sites in the license area so as to avoid interference and/or destruction of those sites. Where deliberate destruction is proven, penalties and cost to meet the recovery and rehabilitation of the experimental site(s) will be levied on the Licensee and/or deducted from the Security Bond.
- 38) The Licensee shall not hinder the operations of any duly permitted third party or the Forest Department within the license area as provided for in the aforementioned conditions and shall act in good faith towards such parties, who shall have a similar obligation to the Licensee.

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- 39) The Government does not hold itself responsible and shall not be held liable for the presence, lack thereof or accessibility to all or any commercial timber within the license area.
- 40) The Government does not hold itself responsible and shall not be held liable for the soundness of any tree or for the accuracy of any volume estimate.
- 41) The Government 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 honour or fulfil any or all of the terms of this license. In this condition, the expression force majeure includes acts of God (hurricanes, wildfires, floods, earthquakes, etc.) and war, insurrection or riot or any other happening which the Government or the Licensee could not reasonably foresee, prevent, or control.
- 42) In the event that the Licensee goes bankrupt or is wound up, the obligations of the Government under this license shall cease and the license shall be deemed to be terminated.

Compliance with License Conditions

- 43) The Licensee, its employees, agents 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 terms and conditions of this license by the Licensee's employees, agents or independent contractors, the provisions of the Forests Act, Forest Rules or any other regulations made under the Forests Act, and any amendment thereto, whether enacted prior to or subsequent to the granting of this license, shall be enforced and the Licensee shall be held responsible. This license shall be subject to suspension or termination in accordance with condition 58 below, in the event of any breach of the terms and conditions of this license by the Licensee or its employees, agents or independent contractors.
- 44) Failure on the part of the Licensee to fulfil any of the terms and conditions of this license including the development and implementation of the SFMP and APO shall be deemed a breach of this license unless such failure arises from *force majeure*.

Security Bond

- 45) The Licensee shall take out a security bond with a Banking or Insurance Company to the sum of thirty thousand Belize dollars (\$30,000), within four months of the signing of this license. The Banking or Insurance Company shall address such letter regarding the issuance of the security bond to the Financial Secretary on behalf of the Government of Belize. The Forest Department shall have the right to draw against the bond for recovery of any outstanding royalty arrears under this license and for non-payment of fines or any other sum of money payable under this license.
- 46) The Licensee shall renew the security bond yearly on 31st December of each year. The harvesting and removal of commercial timber from the license area shall be suspended until the submission of the renewed security bond. It shall, without prejudice to condition 60 below, be terminated at the expiration or termination of this license including any period of extension, provided all such sums of money referred to in condition 45 above have been satisfied.

Administrative Fee

- 47) The Licensee shall pay annually to the Forest Department a non-refundable administrative fee of ten thousand Belize dollars (\$10,000.00) on 31st December of each year. The first payment of such non-refundable administrative fee is due upon the signing of this License Agreement.

Royalty and other Payments

- 48) The Licensee shall pay no less than the sum of the two thousand Belize dollars (\$2,000.00) as an initial payment of royalty upon approval of a Cutting Permit.
- 49) The royalty rates for all species shall be in accordance with regulations existing from time to time. The Licensee shall pay royalty on all sound timber, whether felled by it or found lying on the ground and extracted from the license area except where such timber is removed in

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accordance with condition 50. 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 an approved silvicultural treatment (e.g. thinning) or a protection activity prescribed in the APO, the Minister responsible for forestry may waive or reduce the royalty payable on such timber only if the Licensee can demonstrate that the cost of the activity exceeds the market value of the timber extracted. For the avoidance of doubt, 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. Royalties shall be levied on all by-products extracted by the Licensee and resulting from silvicultural operations.
- 51) All timber measurements shall follow standards set by the Forest Department for the purpose of determining royalty.
- 52) Royalty payments on all trees felled shall become due at the time of felling or according to the regulations in force from time to time. Full payment of royalties must be made within thirty (30) days from the date of billing.
- 53) Billing for royalty shall be made at monthly intervals. When the aggregate sum has exceeded the initial payment referred to in condition 48 above, supplementary payments shall become due.
- 54) If at any time the Licensee is in arrears of payment of any royalties or any other sum of money payable under this license for which demand has been made in writing and reasonable time allowed for payment, the harvesting and removal of commercial timber from the license area shall be suspended until such payments are made.
- 55) The Chief Forest Officer shall issue an Annual Cutting Permit every year to the Licensee for the harvesting of commercial timber subsequent to the approval of the APO for such year. If the Licensee is found to be working without an Annual Cutting Permit his license shall be immediately suspended and a penalty of five thousand Belize dollars (\$5,000.00) shall be imposed by the Chief Forest Officer and deducted from the security bond.
- 56) A charge of one thousand five hundred Belize dollars (\$1,500.00) shall be levied for the issuance of an Annual Cutting Permit. No harvesting operations shall be allowed to take place or commence until the Licensee is in receipt of an Annual Cutting Permit.

Suspension/Termination of the License Agreement

- 57) The Licensee shall comply with all the terms of this License Agreement, the provisions of the Forests Act and its regulations and any other legislation pertinent to its activities under this license whether in force at the time of the issuance of this license or enacted subsequently. Failure to comply shall result in the Licensee being liable not only under such legislation but shall also render this license subject to suspension or revocation by the Minister after giving the Licensee an opportunity to make representation against such suspension or revocation.
- 58) This license shall be liable to suspension or revocation by the Minister responsible for forestry if, after due enquiry and giving the Licensee a reasonable opportunity to remedy any breach, which may be capable of being remedied and an opportunity of making representation against such suspension or revocation, the Minister is satisfied that a condition of the license has been contravened. In addition to any revocation of this license for failure to adhere to condition 69 below, prohibiting the conduct of any timber operations in protected areas, or for failure to adhere to any laws relating to such protected areas, the security bond shall be forfeited to the government.
- 59) The Licensee may terminate this license including any period of extension by giving six months written notice to the Chief Forest Officer prior to the date the termination is to take effect and provided that all sums of money owing by the Licensee under this license have been satisfied and there is no outstanding breach of any of the terms and conditions of this license.
- 60) On termination of the license by either party, the Licensee shall be given six months to dispose of, or remove, any equipment, buildings, sawmills, and other structures erected within the license

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area. The Licensee may apply to the Chief Forest Officer for a six-month extension to this period, stating the circumstances that necessitate the extension, if such extension is granted, it shall be given in writing to the Licensee. Upon the expiry of the six-month period or any extension, the Licensee shall inform the Chief Forest Officer of their exit from the license area and all assets remaining in the license area shall become the property of the Government of Belize and the Licensee shall not be entitled to any compensation whatsoever, therefore.

- 61) Without prejudice to condition 60 above, if at the termination of this license the Licensee is in arrears of any royalties, fines or other sums of money payable under this license, the Security Bond shall be used to recover such monies. If the Security Bond does not cover the full amount of such monies 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 such monies and the costs of such recovery, including any equipment and structures within the license area the ownership of which is not yet vested in the Government.

Forest Management

- 62) The Licensee shall be required to establish Permanent Sample Plots for the collection of data on local forest dynamics within the license area and conduct the necessary data collection and monitoring in such plots. Timely submissions of all data collected shall be made to the Forest Department.
- 63) This license shall be worked in accordance with the SFMP, APO, RIL Code and those forest management practices set out in this license and such further or additional conditions as may be prescribed from time to time in writing by the Chief Forest Officer.
- 64) The Licensee shall be required by the Chief Forest Officer to carry out, at its own cost, all ground preparation conducive to natural regeneration of timber species and/or to carry out complementary restoration activities where natural regeneration is inadequate. The Licensee must declare to the Chief Forest Officer, the source of the seeds prior to initiating any restoration activity.

Employment of Technical Personnel

- 65) The Licensee shall employ and/or engage the services of professional, technical and other personnel necessary to satisfy the requirements of the SFMP and the APO and the conditions of this license.
- 66) The Licensee shall employ and/or engage the services of a professional forester or forestry firm with the experience acceptable to the Chief Forest Officer to prepare, write and certify the SFMP and APO, and to carry out the necessary forest resource evaluation *inter alia* mapping, forest inventories, analysis of biodata, PSP establishment, silvicultural treatments, restoration initiatives and fire management. Preference should be given to local expertise. The Licensee shall inform the Chief Forest Officer in writing on the name and qualifications of the forester or firm prior to the commencement of any forestry planning operations. The Chief Forest Officer reserves the right to request additional information to confirm the competency of the forester or firm.
- 67) The Licensee shall also employ and/or engage the services of a qualified and reliable forester who holds at minimum a two- year diploma in forestry or higher qualification to act as his forest manager. The Licensee shall inform the Chief Forest Officer in writing on the name and qualifications of the forest manager prior to the commencement of any forestry planning operations. This person shall be responsible for preparing or assisting in the preparation of the APO whilst ensuring data quality assurance and integrity that would guarantee APO approval. The Forest Manager is to supervise and certify the implementation of all operations and activities under the SFMP and APO, in the field. This person shall be the field contact for the Forest Department and shall be suitably qualified to address all queries in a timely manner by authorized Forest Department personnel. Such a person must be employed and/or engaged by the Licensee within three months of the signing of this license by the Licensee and always be

present on site during all field operations. Failure to comply shall lead to the suspension of field operations.

- 68) The Licensee shall 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 provided that such training shall not exceed two weeks in any one year unless the Licensee consents to a longer period.

Environment and Protected Areas

- 69) Protected areas inside, adjacent to or around the license area shall be clearly marked on the license map and on the ground, provided that the failure to indicate any such area on the license map shall not be a defence against any intrusion into such area and breach of any laws pertaining to such area by the Licensee its employees, agents and independent contractors. With regards to demarcating protected areas on the ground, such activity shall be achieved through a cooperative effort between the Forest Department, the Licensee and the respective Co-manager (if applicable). Entry into protected areas for timber exploitation is strictly prohibited. The Licensee shall comply with all applicable laws in relation to such protected areas. The Licensee shall not traverse nor open any road through any protected area without the prior written approval from the Chief Forest Officer. Where such approval is given the same shall deal with the disposal or removal of logs from trees felled during the road construction. Protected Areas include areas declared, at the date of issuance of this license or any time subsequent thereto, under the National Protected Area Systems Act, 2015 or any subsequent amendments thereto and such areas defined in sub-conditions (a), (b) and (c) of condition 79 below.
- 70) The Licensee, its employees, agents and independent contractors shall report immediately to the Director of the Institute of Archaeology, through the Chief Forest Officer, any relics or archaeological sites encountered within the license area. The Professional Forester or Forest Manager shall clearly demarcate any geological formation of significance or Mayan or cultural features or structures and render same as no entry zones and exclude from timber harvesting. In addition, Licensee, its employees, agents and independent contractors shall refrain from destroying or interfering in any way with such sites and relics. For the avoidance of doubt, nothing in this condition shall be construed as excluding or limiting the responsibility of the Licensee to comply with all the applicable laws pertaining to such sites.
- 71) The hunting of animals and birds is strictly forbidden under this license. For the avoidance of doubt, the Licensee shall be responsible for the actions of its employees, agents and independent contractors in this matter in keeping with condition 43 above.
- 72) The Licensee shall take all reasonable measures to minimise environmental and other damage particularly since the license area is part of an important watershed and biodiversity resource.
- 73) The Licensee shall be responsible for any environmental damage, or any other damage or loss howsoever caused to the license area by the Licensee, its employees, agents or independent contractors and shall be liable to make good or pay compensation for such damage or loss to the satisfaction of the Chief Forest Officer.

Forest Fires

- 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 Licensee shall be responsible for fire prevention, the conduct of prescribed burns, and the suppression of fires within the license area. The Licensee, including its employees, agents, and independent contractors, shall take immediate and effective action to extinguish any fires occurring within or threatening the license area, and shall promptly report all forest fires to the Forest Department.
- 76) 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.

- 77) The Chief Forest Officer may require that at least eight (one fire crew) 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.
- 78) The Chief Forest Officer may prohibit the Licensee from felling trees along roadsides, forest roads, extraction routes or fire lines, as well as requiring him to dispose of logging slash and sawmill waste within the license area being worked or in any other area within the license area, where a wood processing facility is situated, in such a manner as to reduce the accumulation of combustible material.

Logging Operations and development activities

- 79) The Chief Forest Officer may, after consultation with the Licensee:
 - a) Prohibit the Licensee from logging or development in defined areas where, due to topography, hydrological values or edaphic conditions, the Chief Forest Officer considers that excessive soil erosion or compaction would follow logging;
 - b) Prohibit the Licensee from ground logging, ground extraction, skidding operations or development on slopes steeper than 25° but where sub-condition (a) is applied this prohibition may apply to slopes less than 25°;
 - c) Prohibit the Licensee from logging or development in areas where the Chief Forest Officer believes that there will be serious damage or harm to the ecological and hydrological system;
 - d) Prohibit the Licensee from operating heavy equipment during periods of rainy weather within and outside of the license area;
 - e) Require the Licensee to take reasonable steps to prevent erosion and compaction to the soil caused by the Licensee's logging operations; and
 - f) Prohibit the transportation of timber on public roads outside the boundaries of the license area, the hours of 6:00 pm and 6:00 am and on weekends and Public and Bank Holidays, and to abide by all road traffic regulations. Exceptions to this restriction may be granted upon written request and with prior written approval from the Chief Forest Officer.

Felling and Skidding Operations

- 80) The Forest Department, consistent and in conformity with the APO format, RIL Code and General Yield Model shall issue a protocol for the control of selecting and marking of residual trees (future crop trees, seed trees, reserved trees and preserved trees). These residual trees will be the remaining source of seeds for natural regeneration and for maintaining forest structure; therefore, cannot be felled. A fine of 10 times the royalty rate will be levied on every residual tree felled or seriously damaged. Where the Chief Forest Officer has cause to believe that there is blatant or consistent disregard of this condition, it shall be sufficient cause for immediate suspension of felling and all other operations. This shall be without prejudice to the right to suspend or terminate the license under condition 61 above.
- 81) Any tree felled or seriously damaged without an approved APO and cutting permit, the Licensee shall be subject to five times the royalty rate.
- 82) To ensure that the watershed functions of the license area are protected, the Licensee is prohibited from felling and removing trees and/or effecting the presence of heavy equipment within a

perpendicular distance of 30.5 metres (100 feet) from both sides of any permanent and temporary watercourses (rivers, streams, creeks, lagoons, lakes, etc.) as per the RIL Code 2008.

- 83) The Licensee shall not enter into or fell any tree within any research or silviculture experimental plot unless the Chief Forest Officer expresses in writing that the activities of the Licensee should form part of the research being carried out in a particular plot. Information regarding the location of research plots in the license area may be obtained from the Forest Officer responsible for forest research in Belmopan. A fine of ten (10) times the royalty rate shall be applied on any tree felled within any experimental plot without permission.
- 84) All hardwood trees must be felled with a stump height not exceeding twelve (12) inches (30 centimetres) above the buttress for those hardwood species with buttress and eighteen (18) inches (46 centimetres) above the ground for those trees without buttress.
- 85) Skidding of logs shall be carried out employing economically appropriate and ecologically preferable methods that shall be defined in the SFMP and/or APO.
- 86) In accordance with the SFMP and the APO, the Licensee may employ cable systems to high lead logs on terrain with slopes greater than 25° providing that the environmental impact is acceptable to the Chief Forest Officer.

Forest Roads

- 87) In the event that the Licensee deems a new road to be essential for the operations permitted under this License Agreement, the Licensee must first submit a written request to the Chief Forest Officer. Such request shall detail the proposed location, purpose and layout of the new road. No construction of any new road shall commence without the express prior written approval of the Chief Forest Officer. Any such approved construction shall be undertaken in strict compliance with the provisions of the Forests Act & Forest Rules, and all other relevant regulations in force at the time of construction.
- 88) The Chief Forest Officer shall require the Licensee to maintain at their expense, any forest road in the license area used by the Licensee and will also require the Licensee to carry out remedial works on 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 on 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.
- 89) The Licensee shall be liable for the payment of damages done by him to any private or public road within or for the entire extent traversed outside the license area under this license. In the case of public roads, the assessment of damages shall be made by the Chief Engineer, who is responsible for public roads, and 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 may request the Chief Forest Officer to draw on the Security Bond to make good any damage to such road.
- 90) Roads shall be formed, shaped, drained and surfaced to the satisfaction of the Chief Forest Officer. All roads shall have a maximum width of 6 metres, provided that the Chief Forest Officer may approve in writing such wider dimensions considering the equipment employed by the Licensee, and a maximum gradient of 15 percent.
- 91) Extraction roads shall 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 3,280 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.
- 92) All perennial watercourses must be crossed without impeding the stream flow. Bulldozing through dry ephemeral and intermittent watercourses is to be avoided wherever it is reasonably possible. The Licensee is responsible for putting in culverts or constructing bridges, according

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to specifications approved by the Chief Forest Officer. Roads crossing watercourses are to be at right angles to the banks of rivers or streams.

- 93) The Licensee shall maintain 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.
- 94) The Licensee or his 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 4 metres, provided that the Chief Forest Officer may approve such wider dimensions considering the equipment employed by the Licensee, and a maximum gradient of 15 per cent when the grade exceeds a distance of 45 metres. Where possible skid trails will follow contours and the direction of skidding will be uphill. Skid trails must not cross extraction roads.
- 95) No barquediers shall be placed within 300 feet (91.5 metres) of a permanent watercourse. The number of barquediers should be kept to a minimum consistent with efficient timber extraction.
- 96) 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, or the Chief Forest Officer may authorize the Licensee upon a request in writing to do so, at any or all access points into the license area, or within it.
- 97) On the termination of this license, the Licensee shall leave all roads and tracks constructed by him and shall relinquish without compensation any and all rights therein.

Demarcation and Signage of License Area Boundaries

- 98) The Licensee shall have sole responsibility for ensuring that appropriate boundary markers and signs are put in place and maintained on the ground to clearly demarcate his license area boundaries, especially where such boundaries coincide with publicly active areas, provided that the absence of markers and signs in such areas after they have been placed does not render the Licensee liable to breach of this condition. The determination of alignments for boundary markers and positions for signs shall be achieved through a cooperative effort between the Forest Department and the Licensee, and where applicable a protected area co-manager or landowner. Where the license boundaries coincide, include or is shared with Protected Areas boundaries, such demarcation shall be in accordance with condition 69.
- 99) All such boundary markers and/or signs shall be in place no later than twelve (12) months after the signing of this license and the Licensee shall, in writing, bring to the attention of the Chief Forest Officer the completion of this activity.

Public or Community Consultations

- 100) Where it is a requirement instituted by the Chief Forest Officer the Licensee shall conduct consultations with any affected party or community immediately impacted by the license and shall make all reasonable efforts to ameliorate or mitigate the negative impacts of its operation. In this regard, the Licensee shall be guided by the Chief Forest Officer and a third party approved by the Minister responsible for forestry.

Miscellaneous

- 101) In the event of any conflict between the terms and conditions of this license and any provisions of the Forests Act, Forest Rules or any other regulations made under the Forests Act, and any amendment thereto, whether enacted prior to or subsequent the granting of this license, the provisions of such legislation shall prevail.
- 102) Upon signing this License Agreement and prior to the release of any license instruments, the Licensee shall submit certified copies of all relevant company documents for registration with the Forest Department. These shall include, but not be limited to, the Certificate of Incorporation, Memorandum and Articles of Association, proof of current good standing from the Companies

(Handwritten signature/initials)

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Registry. The Licensee shall inform the Chief Forest Officer in writing the name of the company's legal representative(s). Failure to register these documents within thirty (30) days of the date of signing shall render this License Agreement null and void, unless an extension is granted in writing by the Chief Forest Officer.


Amendment

- 103) The terms and conditions of this license may be amended by agreement in writing between the Chief Forest Officer and the Licensee. Provided that the Chief Forest Officer may, with notice in writing to the Licensee, unilaterally impose further terms and conditions as may be deemed urgently required by the Chief Forest Officer for the immediate protection of the license area and the timber resources situated therein.

Agreement to License Conditions

- 104) The Licensee hereby accepts and agrees to the above-mentioned terms and conditions this 15 day of July 2025:

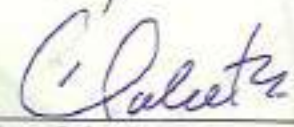
Signed for and on behalf of Belize
Woodmark Designs Ltd.

 Date: 15/07/2025
Cesar Godinez Perez (Director)


Witness

 Date: 15/07/2025

Minister of Sustainable Development,
Climate Change and Solid Waste
Management

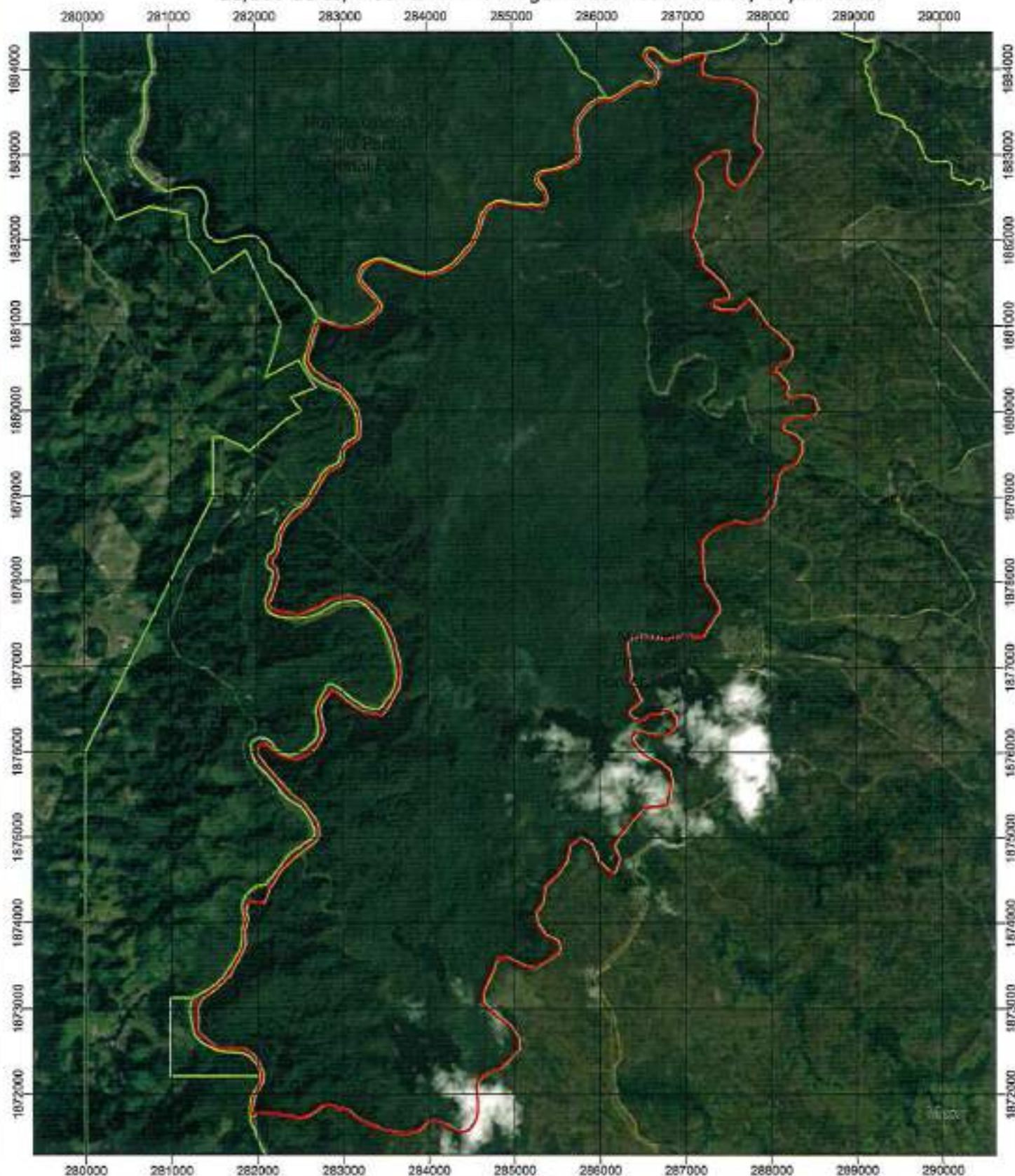
 Date: 15/07/2025
Hon. Orlando Habet

Chief Forest Officer

 Date: 15/07/2025
Chief Forest Officer (Ag.)



LTFL# 2 of 2025, Western Hardwoods,
11,500 acres, Mountain Pine Ridge Forest Reserve area, Cayo District



Western_Hardwoods_11500acres_LTFL#2_25_MPR

0 700 1,400 2,800 4,200 5,600 Meters



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1:60,000

NOTE:

This map does not represent in any way or manner tenure information pertaining to both Private or Government Land. "Compilation map are not 100% accurate"

C. Delacruz

03/07/2025

OFFICIAL USE ONLY

Coordinate System: NAD 1983 UTM Zone 16N
Projection: Transverse Mercator
Datum: North American 1983
False Easting: 500,000.0000
False Northing: 0.0000
Central Meridian: -87.0000
Scale Factor: 0.9996
Latitude Of Origin: 0.0000
Units: Meter

