

To be prepared on Licensee Letterhead and used when a replaceable contract is reduced because of a *Forestry Revitalization Act* timber reallocation.

NOTIFICATION OF RELEASE

[Date]

[Contractor]

[Address]

[City, Province]

[Postal Code]

Dear Sir:

Re: BC Forestry Revitalization Trust, Reduction of [description of contract]

The purpose of this letter is to confirm the reduction of work available in the Contract between [Contractor] and [Licensee] in respect of License Number [_____] (the Contract).

As a result of the Forestry Revitalization Act, the allowable annual cut (AAC) available to [Licensee] has been reduced. In order to mitigate the impact on replaceable contractors and employees, the Province has created the BC Forestry Revitalization Trust (BCFRT).

Pursuant to the terms of the Trust, [Contractor] has agreed to accept a payment of [Contractor mitigation amount] from the BCFRT in consideration of which [Contractor] and [Licensee] have agreed to reduce the Contract and release each other from any claims under the Contract in respect of the reduction of the Contract.

Accordingly, [Licensee] and [Contractor] hereby agree that upon execution of this letter agreement, all rights and obligations of [Licensee] and [Contractor] in respect of one another pursuant to the Contract remain the same, except that the amount of work is reduced from [amount of work before reduction] to [amount of work after reduction].

Further, each of [Licensee] and [Contractor] on behalf of their respective insurers, officers, directors, servants, employees, agents and other representatives (collectively, the "Party" for the purposes of this release) hereby releases and forever discharges the other Party from any and all actions, causes of action, claims, demands, or other liability of any kind arising from the reduction of the Contract. It is expressly understood and agreed, and [Contractor] acknowledges and represents that:

- a) [Contractor] will not make any claim or take any proceedings against any other party who might claim contribution or indemnity against [Licensee];
- b) [Contractor] alone is entitled to receive the monies payable pursuant to this settlement, and has not assigned the Contract or any of its rights to any other party which might claim against [Licensee];

- c) There are no liens, charges or other encumbrances concerning the monies payable pursuant to this settlement;
- d) This release contains the entire agreement between [Contractor] and [Licensee], and the terms of the Release are contractual, and not merely recital, and
- e) [Contractor] has been advised to seek its own legal advice with respect to the terms of this Release and confirms that it has not received or relied upon any representations or advice respecting the terms of this agreement from [Licensee], or any representatives of [Licensee].

Please sign the enclosed copy of this letter and return it at your earliest convenience.

Yours truly,

[Licensee]

Per: _____

Acknowledged and agreed to this
day of _____ .

[Contractor]

Per: _____

Witness