

To be prepared on Contractor Letterhead and used when a replaceable subcontract is cancelled because of *Forestry Revitalization Act* timber reallocation.

NOTIFICATION OF RELEASE

[Date]

[Subcontractor]
[Address]
[City, Province]
[Postal Code]

Dear Sir:

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

The purpose of this letter is to confirm the settlement and termination of the Contract between [Subcontractor] and [Contractor] in respect of License Number [____] (the Subcontract).

As a result of the Forestry Revitalization Act, the work available to [Contractor] under its contract with [Licensee] has been [reduced or eliminated]. 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 BCFRT, [Subcontractor] has agreed to accept a payment of [Subcontractor mitigation amount] from the BCFRT in consideration of which [Subcontractor] and [Contractor] have agreed to terminate the Subcontract and release each other from any claims under the Subcontract and in respect of the termination of the Subcontract.

Accordingly, [Contractor] and [Subcontractor] hereby agree that upon execution of this letter agreement, all rights and obligations of [Contractor] and [Subcontractor] in respect of one another under the Subcontract, including, but without limitation, all rights and obligations of the parties in respect of one another pursuant to the Subcontract are immediately and forever terminated and extinguished.

Further, each of [Contractor] and [Subcontractor] 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 termination of the Subcontract. It is expressly understood and agreed, and [Subcontractor] acknowledges and represents that:

- a) [Subcontractor] will not make any claim or take any proceedings against any other party who might claim contribution or indemnity against [Contractor];

- b) [Subcontractor] alone is entitled to receive the monies payable pursuant to this settlement, and has not assigned the Subcontract or any of its rights to any other party which might claim against [Contractor];
- 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 [Subcontractor] and [Contractor], and the terms of the Release are contractual, and not merely recital, and
- e) [Subcontractor] 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 [Contractor], or any representatives of [Contractor].

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

Yours truly,

[Contractor]

Per: _____

Acknowledged and agreed to this
day of _____ .

[Subcontractor]

Per: _____

Witness