

agreed by and between the parties as follows:

Forest Enhancement Program Agreement

THIS AGREE	MENT made this	day of	, A.D		
BETWEEN:					
	(hereinafter referred	to as the "Applicant")			
AND:	GOVERNMENT OF PRINCE EDWARD ISLAND, as represented by the Minister of Environment, Energy and Forestry (hereinafter referred to as the "Government")				
financial incer	ntives for the preparatio	on of forest management	t Enhancement Program (the "Program") whic plans and completion of forest management t Edward Island woodlots;		
AND	WHEREAS the Applica	ant is the owner or lessee	of property number(s)		
	,	,	and		
			e Edward Island (the "Property"), istance offered by the Government under the I	Program;	
IN CO	INSIDERATION OF TH	HE MUTUAL COVENAN	TS AND AGREEMENTS contained in this Agr	eement, it is	

1. Definitions

- 1.1 "Division" means the Forests, Fish & Wildlife Division of the Department of Environment, Energy and Forestry;
- 1.2 "Schedule" means the Program's Schedule of Treatment Rates and Guidelines available as part of this Agreement as Appendix A;
- 1.3 "Plan" means a Forest Management Plan for the Property;
- 1.4 "Treatment" means forest enhancement work which is eligible for funding contributions by the Government; the various categories, descriptions and minimum standards for which are prescribed in the Schedule.

2. The Applicant

- 2.1 The Applicant warrants and declares that he/she/it is the owner of the Property or has obtained the owner's permission to enroll the property in the Program to which this Agreement applies.
- 2.2 The Applicant agrees to enroll in the Program and to hire a consultant registered with the Division (see Registration List attached as Appendix C) to prepare a Plan in accordance with the Schedule and Plan Preparation Terms of Reference (attached as Appendix B).
- 2.3 The Applicant consents or has obtained consent of the Property's owner, to the entry onto the Property of employees or agents of the Government for the purpose of inspecting completed Treatments.
- 2.4 The Applicant agrees to make all reasonable efforts to protect the Treatments completed on the Property from destruction or harm.
- 2.5 If the status of the Applicant changes in respect to ownership or control of the Property or in any other way which prejudices the Treatment(s), the Applicant shall promptly inform the Government.
- 2.6 The Applicant shall indemnify and hold harmless the Government, its agents, representatives and employees from and against all claims, demands, losses, costs, damages, actions, suits or proceedings of every nature and kind whatsoever, arising out of or resulting from the completion of any Treatment (hereinafter called the "Claims"), provided that any such Claims caused in whole or in part by any act, error or omission, including but not limited to those of negligence of the Applicant or anyone directly employed by the Applicant or anyone for whom the Applicant may be liable.

- 2.7 The Applicant agrees that the Government may terminate this Agreement or parts thereof at any time by written notice to be signed on behalf of the Government and delivered to the Applicant's most recent address recorded with the Government.
- 2.8 The Applicant agrees to pay the fees required under this agreement and to accept Government assistance under the program. The Applicant agrees to maintain the property in forest production for a period of 15 years from the date of planting the seedlings or from the date of thinning the stands on the property.
- 2.9 The Applicant agrees to pay to the Government a fee which will be equal to the rate of 10 cents per seedling reforested on sites on the Applicant's property which are site-prepared, and reforested, and otherwise subject to work pursuant to this agreement. This fee qualifies the Applicant to incentives for and including: site preparation, planting and first plantation maintenance, one fill planting, one replanting, as deemed necessary by a forest service officer, in order to successfully establish the plantation. The fee will become due after seedlings are planted and within thirty (30) days of the date upon which the invoice for the fee is issued by the

3. Funding

- 3.1 The Government agrees to provide funding to the Applicant towards the cost of the Plan in accordance with and on the basis prescribed in the Schedule provided the following conditions have been met: 1) the Plan has been completed by a consultant on the Registration List (attached as Appendix C); and 2) the Plan has been prepared in accordance with Plan standards prescribed in the Schedule and Plan Preparation Terms of Reference (attached as Appendix B).
- 3.2 The Government agrees to consider applications from the Applicant for funding towards the cost of completing Treatments prescribed in the Schedule which have been recommended in the Plan. Funding level approvals are subject to fund availability and time limits to be determined by the Division. Any costs incurred by the Applicant in excess of funding approved by the Division will be the responsibility of the Applicant.
- 3.3 To arrange for the payment of funds from the Minister, the Applicant shall complete and provide to the Minister a Claim Form (example attached hereto as Appendix D) for each respective Treatment and all documents and forms as prescribed by the Schedule. Documentation requirements may differ according to Treatment.
- 3.4 The Schedule of Treatment Rates and Guidelines may be revised from time to time and any revisions which may occur shall be incorporated into this Agreement. The Applicant understands that any payments made under this Agreement will be based on the Schedule in effect at the time each respective Claim Form is approved.

4. Generali

- 4.1 This Agreement shall be interpreted in accordance with the laws enforced in the Province of Prince Edward Island.
- 4.2 Time shall be of the essence.
- 4.3 If any term of this Agreement is invalid or unenforceable under any statute, regulation, ordinance, order or other rule of law, that term shall be deemed modified or deleted but only to the extent necessary to comply with the statute, regulation, ordinance, order or other rule of law and the remaining provisions of this Agreement shall remain in full force and effect.
- 4.4 This Agreement, together with the attachments, documents or schedules, specifically referenced in the Agreement, constitutes the entire Agreement between the Government and the Applicant with respect to the matter contained herein and supercedes all prior oral or written representations and agreements.
- 4.5 This Agreement shall not be assigned without written consent of the Government.

IN WITNESS WHEREOF the parties hereto have executed this Agreement as of the day and year first above written.

in the presence of:))	Applicant	
in the presence of:)		
)	Minister of Environment, Energy and Forestry	02FO15-4488