

BALSAM FIR TIPS SALES PERMIT

THIS AGREEMENT made the _____ day of _____, 2008 .

BETWEEN: The Environmental Coalition of Prince Edward Island (hereinafter referred to as ECO-PEI)

AND _____ : of _____ in the County of _____,
Province of Prince Edward Island, (hereinafter referred to as the "Contractor").

In consideration of the mutual covenants and conditions hereinafter set out, ECO-PEI and the CONTRACTOR agree as follows:

1. ECO-PEI agrees to sell and the CONTRACTOR agrees to purchase balsam fir tips, hereinafter referred to as the "Tips", that are located upon lands owned by the PROVINCE, the identity and location of the lands being set out in Schedule "B" hereto and forming part of this AGREEMENT.

2. The Contractor agrees to pay the ECO-PEI the sum of

(\$ _____) (G.S.T. included) of lawful money of Canada, the "Purchase Price" for the Tips referred to in paragraph one hereof and more particularly described in Schedule "B" hereto.

3. The CONTRACTOR agrees to remove all of the Tips harvested from the designated lands of the PROVINCE referred to in paragraph one and two hereof and more particularly described in Schedule "B" on or before the 15th day of December, 2008.

4. The CONTRACTOR agrees to waive and renounce all claim to the above described Tips unless the Tips are removed on or before the date designated in paragraph three hereof.

5. The CONTRACTOR agrees to suspend all work further to this AGREEMENT upon receiving written notice to that effect from ECO-PEI. In the event that work has been suspended, the completion date referred to in paragraph three hereof may, at the sole discretion of ECO-PEI, be extended for a period equal to the length of suspension.

6. The CONTRACTOR agrees to remove the Tips in a manner that will cause the least amount of damage to the trees, lands and roads owned by the PROVINCE and, where damage is caused to the lands and roads to repair such damage at the CONTRACTOR'S cost or, where damage is caused to the tree, pay for the tree wood value at the harvested wood price established by ECO-PEI.

7. The CONTRACTOR agrees that upon payment of the Purchase Price in accordance with paragraph two hereof, that the Tips becomes the Contractor's sole responsibility and that ECO-PEI will in no way become responsible to the CONTRACTOR for any loss or damage to the Tips prior to its removal in accordance with paragraph three.

8. Any information provided on this Contract may be subject to release under the *Freedom of Information and Protection of Privacy Act*. You will be consulted prior to release of any information.

9. CONTRACTORS whose work for government involves the collection or use of personal information are subject to the *Freedom of information and Protection of Privacy Act*. Personal information may not be released to any third party or unauthorized person.

10. The CONTRACTOR agrees with ECO-PEI that the CONTRACTOR shall be solely responsible for and shall hold ECO-PEI and the PROVINCE free and harmless from any and all losses, expenses, damages, demands and claims arising out of or in connection with injuries (including death) or damages to any and all persons, employees, invitees, servants, and property in any way sustained in connection with or by reason of the performance or non-performance of the terms of this AGREEMENT BY THE CONTRACTOR, its sub-contractors, employees or servants.

11. The CONTRACTOR hereby releases and forever discharges ECO-PEI and the PROVINCE, its agents, servants, and employees of and from all claims, demands, damages, actions or causes of action arising or to arise by reason of the performance or non- performance of the terms of this AGREEMENT by ECO-PEI and the PROVINCE, its agents, servants, or employees, and of and from all claims or demands whatsoever in law or in equity which the CONTRACTOR, his heirs, executors, administrators or assigns can, shall or may have because of such performance or nonperformance.

IN WITNESS WHEREOF ECO-PEI and the CONTRACTOR have hereunto set their hands and seals on the day and year first above written.

SIGNED, SEALED, AND
DELIVERED, on behalf of the
ECO-PEI in the presence of:

WITNESS

ECO-PEI

SIGNED, SEALED, AND
DELIVERED, on behalf of the
Contractor in the presence of

WITNESS

CONTRACTOR

SCHEDULE "A"
BALSAM FIR TIPPING AGREEMENT SPECIFICATIONS
2008
TO CONTRACT BETWEEN

AND

DATED THE DAY OF , 2008

The contractor shall, in accordance with the terms and conditions of the Agreement including attachments:

1. The CONTRACTOR will harvest balsam fir tips from the designated areas on the two government-owned lands according to the following specifications:
 - a) The harvested balsam fir tips will not exceed 18 inches in length;
 - b) The balsam fir tips shall be harvested from trees less than 30 years of age using a hand pruning clipper or by the harvester snapping the twigs off using their hands;
 - c) Upon completion of the prescribed work, the site(s) is(are) in a clean and orderly condition;
2. Salvage and remove the balsam fir tips from the designated site(s), with the least amount of damage to the standing trees, lands and roads on the property.
3. Repair any damage caused to the lands and the roads during the removal of balsam fir tips from the property or during access trips for planning or implementing the removal.
4. In the event that rutting or other damage that channels water flow occurs, implement erosion control measures so as to stop the erosion process.
5. Operate in accordance with the following penalties which shall be applied for improper harvesting practices by the contractor.
 - (a) Tree stem damage - pay roadside value as determined by ECO-PEI for tree stems damaged during the harvest operation.
 - (b) Merchantable tree harvests - pay double the roadside value as determined by the Government for merchantable tree stems cut down or harvested during the balsam fir tip harvesting operation.
 - (c) Non-merchantable standing trees - One dollar (\$1.00) for each non-merchantable standing tree cut down or harvested during the balsam fir tip harvesting operation.
 - d) Tipping outside the designated area - pay 10 cents per pound for the estimated harvest weight for balsam fir foliage tipped outside the designated harvest area.
6. All balsam fir tip harvesting and removal is to be completed no later than December 15, 2008, or the Contractor shall forfeit said contract.
7. All trees marking the perimeter of the harvesting area including those as corner posts shall be left standing, so that the blazes and balsam fir tip harvest number remain visible.
8. Agree to suspend all work further to this Agreement upon receiving verbal or written notice to that effect from ECO-PEI.

9. Provide payment in the amount of one hundred (100) percent of the tender price, within three (3) days verbal notice that the bid(s) has been accepted. If full payment is not received within this three (3) day period the balsam fir tip harvest area(s) will be offered to the next acceptable bidder.

10. Waive and renounce all claim to the above described balsam fir tips unless removed on or before the date designated in paragraph 2 hereof.

11. Acknowledges that any balsam fir tips stolen or taken off the property after the signing of this Agreement is not the responsibility of ECO-PEI.

12. Acknowledges that the Contractor and its employees are allowed on the property for the purposes of carrying out the work only.

Initials _____/ _____

Date _____/ _____