

## **BABINE WATERSHED MONITORING TRUST AGREEMENT**

THIS TRUST AGREEMENT is made effective on January 27, 2005

Between:

Babine River Foundation (an unincorporated association) of  
1090 Main Street, P.O. Box 2165, Smithers, British Columbia, V0J 2N0;

Bulkley Valley Community Resources Board (an unincorporated association) of  
P.O. Box 577, Smithers, British Columbia, V0J 2N0;

Her Majesty the Queen in Right of the Province of British Columbia, represented by the  
Minister of Forests, Skeena Stikine Forest District, of  
3333 Tatlow Road, Bag 6000, Smithers, British Columbia, V0J 2N0;

Her Majesty the Queen in Right of the Province of British Columbia, represented by the  
Minister of Sustainable Resource Management, Skeena Region, of  
3726 Alfred Avenue, Bag 5000, Smithers, British Columbia, V0J 2N0;

Her Majesty the Queen in Right of the Province of British Columbia, represented by the  
Minister of Water, Land and Air Protection, Skeena Region, of  
3726 Alfred Avenue, Bag 5000, Smithers, British Columbia, V0J 2N0; and

West Fraser Mills Ltd., incorporated under the laws of British Columbia, of  
2375 Tatlow Road, P.O. Box 3130, Smithers, British Columbia, V0J 2N0;

**(the “Settlers”)**

And

James William Cuell, of 1937 Dominion Street, P.O. Box 277, Smithers,  
British Columbia, V0J 2N0;

Rosemary Jean Fox, of 5803 Hudson Bay Mountain Road, Smithers,  
British Columbia, V0J 2N4;

Jane Eleanor Lloyd-Smith, of 10812 Old Lake Babine Road, Smithers,  
British Columbia, V0J 2N7;

Richard John Overstall, of 1508 Highway 16, P.O. Box 398, Telkwa,  
British Columbia, V0J 2X0; and

Gary Edward Quanstrom, of 3608 16<sup>th</sup> Avenue, P.O. Box 5296, Smithers,  
British Columbia, V0J 2N0.

**(the “Original Trustees”)**

The name of this Trust shall be the BABINE WATERSHED MONITORING TRUST (the “Trust”).

NOW THIS AGREEMENT witnesses as follows:

## 1. DEFINITIONS

In this Agreement:

- 1.1. **“Babine Watershed”** means all the lands that drain into that part of the Babine River between the outflow of Babine Lake and the confluence of the Babine River and the Skeena River (as illustrated in the Map attached as Schedule “A”);
- 1.2. **“Beneficial Purposes”** means the charitable purposes for the advancement of education and other purposes beneficial to the community as set out in Part 4 of this Agreement;
- 1.3. **“Consensus”** means the decision-making process described in Schedule “B”;
- 1.4. **“Successor Trustee”** means a trustee replacing an Original Trustee under section 6.2 of this Agreement;
- 1.5. **“Trustees”** means the Original Trustees and any Successor Trustee that may have replaced an Original Trustee;
- 1.6. **“Trust Property”** means the original body of the trust property under section 2.1 of this Agreement and any property that may be added from time to time under section 2.2 of this Agreement.

## 2. TRUST PROPERTY

- 2.1. The Settlers acknowledge that they have transferred to the Trustees without consideration six dollars (\$6.00), which comprises the original body of the Trust Property; and
- 2.2. Any Settlor or any person or persons may add additional properties to the Trust Property at any time by inter vivos (by a living person) or testamentary transfer (by a will), except that the Trustees shall not accept, hold or use any original or additional Trust Property that has conditions:
  - 2.2.1. as to where and how the Trustees shall apply and use the Trust Property;
  - 2.2.2. as to how the Trustees may report on the use of the Trust Property to others; or

2.2.3. contrary to any provision of this Agreement.

2.3. The Trustees shall accept, hold, manage and distribute all such original and additional properties that comprise the Trust Property exclusively for the Beneficial Purposes and in accordance with the powers and duties provided for in this Agreement.

### 3. APPLICATION AND USE OF THE TRUST PROPERTY

3.1. The Trustees shall receive, hold and use the Trust Property upon trust for the benefit of the Beneficial Purposes and in accordance with the terms of this Agreement, and the Trustees shall deal with the Trust Property upon the following specific trusts:

3.1.1. **Trust Account:** the portion of the Trust Property made up of funds that the Settlers or any other person adding additional properties under section 2.2 intended to be invested for the purpose of generating income for Beneficial Purposes, shall be invested in investments authorised by law for trustees. The Trustees shall distribute the revenues realised from the Trust Account to the Revenue Trust Account and shall not dispose of the principal;

3.1.2. **Non-monetary Trust Property:** any portion of the Trust Property made up of any interests in real or chattel property shall be managed by the Trustees to provide for Beneficial Purposes set out in Part 4 of this Agreement and not for the primary purpose of generating income; and

3.1.3. **Revenue Trust Account:** any portion of the Trust Property made up of:

3.1.3.1. funds that the Settlers or any other person adding additional properties under section 2.2 intended to be used in their entirety for the Beneficial Purposes of the Trust; or

3.1.3.2. revenues from the Trust Account or incidental revenues from Non-monetary Trust Property

shall be used by the Trustees only for the Beneficial Purposes of the Trust as set out in Part 4 or for the payment of authorised expenses under Part 8 of this Agreement.

3.2. Subject to section 2.2, the Trustees shall manage, administer and report on those parts of the original or additional Trust Property that have conditions attached to them according to the terms of those conditions.

- 3.3. The Trustees shall not mortgage, pledge or in any way encumber the Trust Property or any interest in it for any purpose whatsoever and shall not lend, invest, release, distribute or advance the Trust Property except as authorised in this Agreement.
- 3.4. Subject to section 7.2, the Trustees may dissolve the specific trust accounts set out in sub-sections 3.1.1, 3.1.2 and 3.1.3, and may create new specific trust accounts for the benefit of the Beneficial Purposes.

#### 4. PURPOSE OF THE TRUST

- 4.1. The Trustees shall hold the Trust Property and shall manage the Trust Property for the purposes of the advancement of education and other purposes beneficial to the community as follows:
  - 4.1.1. planning, prioritising, directing, facilitating and funding impartial monitoring research of the implementation and effectiveness of public land use plans and related natural resources management activities in the Babine Watershed;
  - 4.1.2. educating the public on natural resources management of the Babine Watershed environment and the implementation and effectiveness of Babine Watershed public land use plans through collecting and disseminating information on monitoring activities and providing results of monitoring research; and
  - 4.1.3. providing credible monitoring research results as part of a formal rigorous adaptive management process that enables continuous improvement of public land use plans resulting in better management of environmental values in the Babine Watershed  
through the decision-making procedures set out in the Annual Monitoring Plan Process (attached as Schedule "C").
- 4.2. For greater certainty, it is understood and agreed that this Trust is a purpose trust established for charitable purposes.
- 4.3. The Trustees shall not use the Trust Property directly or indirectly for distribution to any person.
- 4.4. Nothing in this Agreement affects or shall be construed to affect any legal rights or obligations on holders of licences, permits, approvals or plans issued by the Province of British Columbia in connection with carrying out activities in the Babine Watershed, including for greater certainty, the legal rights or obligations on the holders of licences under the *Forest Act* or operational plans under the

*Forest Practices Code of British Columbia Act, or the Forest and Range Practices Act.*

## **5. DISTRIBUTION OF INCOME FROM THE TRUST ACCOUNT AND REVENUE TRUST ACCOUNT**

- 5.1. The Trustees are authorised to distribute any revenues realised from the Trust Account to the Revenue Trust Account under subsections 3.1.1 and 3.1.3, and the Trustees shall use the following procedures:
- 5.1.1. in any given fiscal year, monies up to but not exceeding one hundred percent of the revenues realised in the previous fiscal year shall be disbursed from the Trust Account to the Revenue Trust Account;
  - 5.1.2. any revenues realised from the Trust Account and which are not distributed to the Revenue Trust Account under subsection 5.1.1 shall be eligible for distribution in subsequent fiscal years to the Revenue Trust Account.
- 5.2. The Trustees are authorised to distribute monies from the Revenue Trust Account for the Beneficial Purposes of the Trust under Part 4 and to pay any authorised expenses under Part 8.

## **6. ORIGINAL AND SUCCESSOR TRUSTEES**

- 6.1. The original Trustees under this Agreement shall be:

James William Cuell, of 1937 Dominion Street, P.O. Box 277, Smithers, British Columbia, V0J 2N0;

Rosemary Jean Fox, of 5803 Hudson Bay Mountain Road, Smithers, British Columbia, V0J 2N4;

Jane Eleanor Lloyd-Smith, of 10812 Old Lake Babine Road, Smithers, British Columbia, V0J 2N7;

Richard John Overstall, of 1508 Highway 16, P.O. Box 398, Telkwa, British Columbia, V0J 2X0;

Gary Edward Quanstrom, of 3608 16<sup>th</sup> Avenue, P.O. Box 5296, Smithers, British Columbia, V0J 2N0.

- 6.2. In the event of the death, resignation or retirement of a Trustee the remaining Trustees shall within six months appoint a Successor Trustee through the

following process:

- 6.2.1. form a Trustee Selection Committee made up of:
  - 6.2.1.1. the senior, Smithers-based, provincial government official or delegate responsible for land-use planning in the Babine Watershed;
  - 6.2.1.2. a person appointed by the Bulkley Valley Community Resources Board for the area bounded by the 1998 Bulkley Land and Resources Management Plan; and
  - 6.2.1.3. a person appointed by a public advisory group to the provincial government that may exist at the time for the area bounded by the 1996 Kispiox Land and Resources Management Plan.
- 6.2.2. If a person is not appointed under sub-section 6.2.1.2 or 6.2.1.3, the official under sub-section 6.2.1.1 shall appoint a person at the official's discretion to sit on the Trustee Selection Committee in that person's place.
- 6.2.3. instruct the Trustee Selection Committee to prepare a list of candidates for Successor Trustee based on the following candidate attributes:
  - 6.2.3.1. broadly respected community member;
  - 6.2.3.2. capable of impartial decisions;
  - 6.2.3.3. interested in the Babine Watershed;
  - 6.2.3.4. prepared to accept the responsibility; and
  - 6.2.3.5. with the existing Trustees, contribute to a broad range of expertise.
- 6.2.4. the Trustees shall appoint a Successor Trustee from the list prepared by the Trustee Selection Committee under subsection 6.2.3.

## **7. REVOCATION, AMENDMENT AND TRANSFER**

- 7.1. The Settlers may not revoke this Trust in whole or in part, nor may the Settlers alter or amend any of its provisions.
- 7.2. The Trustees may amend the terms of this Agreement only where provided for in this Agreement and only if the amendment is approved by Consensus of a meeting of all Trustees and only as required to give effect to the Beneficial

Purposes of the Trust.

- 7.3. Promptly upon the execution of this Agreement, the Trustees shall apply to the Canada Revenue Agency (“CRA”) to register the Trust as a charity under the *Income Tax Act* (Canada).
- 7.4. If the CRA requires amendments to this Agreement to register the Trust as a charity, and if the Trustees consider that the required amendments do not materially change the intent of the Beneficial Purposes and this Agreement, the Trustees may amend any term of this Agreement.
- 7.5. If the Trustees consider that any amendments required by the CRA to register the Trust as a charity materially change the intent of the Beneficial Purposes and this Agreement, this Agreement is terminated.
- 7.6. The Trustees may transfer any Trust Property to trustees of another trust (the “New Trust”), wherever established, freed and released from the terms of this Trust, if they consider that:
- 7.6.1. this Trust can no longer effectively carry out the Beneficial Purposes;
- 7.6.2. the purposes of the New Trust encompass the Beneficial Purposes of this Trust; and
- 7.6.3. the New Trust meets any *Income Tax Act* or other legal requirements for the transfer or re-settlement of property held in trust for charitable purposes.

## **8. POWERS OF THE TRUSTEES**

- 8.1. The Trustees shall have the power to invest only in investments authorised by law for trustees.
- 8.2. The Trustees shall have the power to set aside sufficient funds to manage, maintain, repair or replace any Non-monetary Trust Property as needed.
- 8.3. The Trustees may appoint a business manager or corporate trustee to manage the Trust Property, or to act as the Trustees’ agent in respect of the management of the Trust Property, and may terminate any such appointment and make another.
- 8.4. The Trustees shall have all such powers and are authorised to do all such acts, take all such proceedings, and exercise all such rights and privileges in the management of the Trust Property as if they were the absolute owners, including incorporating all or part of the Trust Property. The Trustees shall vote or cause to be voted the shares of any incorporated part of the Trust Property only in

accordance with the terms of this Agreement.

- 8.5. The Trustees shall have the power to appoint two Trustees to be the authorised signatories on behalf of the Trust for all contracts and agreements that have been approved by the Trustees under this Agreement.
- 8.6. The Trustees shall have the power and authority to determine income and principal, and how receipts and disbursements, including the fees of the Trustees, shall be credited, charged or apportioned as between income and principal. All such determinations shall be made in accordance with the law where the Trust is located and the decision and the accounts of the Trustees in accord with such provisions shall be binding on all persons and organisations that may have an interest in the Trust Property.
- 8.7. The Trustees shall have the authority to pay all costs, charges and expenses of the Trust Property together with reasonable compensation for the Trustees' services, including distribution of the Trust Property; and to employ and compensate from the Trust Property such agents, assistants, accountants, technicians, scientists, researchers and lawyers as in the Trustees' judgement shall be necessary to protect and manage the Trust Property and meet the Beneficial Purposes of the Trust.
- 8.8. The Trustees may commence or defend at the expense of the Trust such litigation with respect to the Trust or any Trust Property as the Trustees may deem advisable to advance the purpose of the Trust, and may settle any claims or litigation against or in favour of the Trust.
- 8.9. The Trustees shall have the power to take any action and to make any election to minimise the tax liabilities of the Trust.
- 8.10. Subject to section 7.2, the Trustees may grant themselves additional powers under this Part 8 to provide for the proper and reasonable administration of the Trust in accordance with the Beneficial Purposes and all other terms of this Agreement.
- 8.11. The Trustees shall not be liable for any liabilities, obligations, damages, losses, expenses or fees ("Losses") to the Trust Property or to any party in connection with the exercise of any power or decision under this Agreement, including those related to investment, protection or management, unless the Losses were caused by their fraud, bad faith or breach of fiduciary duty. The Trustees shall use the Trust Property to hold harmless, defend and indemnify the Trustees from any such Losses arising from any and all actions, causes of action, orders, demands, allegations, and proceedings in connection with the exercise of any power or decision under this Agreement, including those related to investment, protection or management, unless the Losses were caused by their fraud, bad faith or breach of fiduciary duty.



## **9. CONDUCT OF MEETINGS**

- 9.1. The Trustees shall meet as required and at least annually and the conduct of the meetings shall be covered by the following rules:
  - 9.1.1. the quorum for the meetings shall be four (4) Trustees, or all Trustees if at any time there are less than five (5) Trustees appointed, with each Trustee to be present in person, or attending by a communication facility which permits each Trustee to communicate with all other Trustees at the meeting;
  - 9.1.2. the Trustees shall select a chairperson for each meeting (the “Chairperson”);
  - 9.1.3. the Trustees shall make all decisions and take all actions under this Agreement by Consensus of the Trustees at the meeting;
- 9.2. the Trustees shall hold all their meetings within the area of the 1998 Bulkley Land and Resource Management Plan or the area of the 1996 Kispiox Land and Resource Management Plan;
- 9.3. the Trustees shall record the minutes of decisions taken at each Trustee meeting and shall circulate the minutes for signature by all the Trustees taking part in the meeting.

## **10. DUTIES OF TRUSTEES**

- 10.1. The Trustees shall adhere to the terms of this Agreement with good faith, prudence and reasonable care and shall not delegate their powers except as expressly authorised in this Agreement.
- 10.2. The Trustees shall protect the best interests of all the Beneficial Purposes and shall keep an even hand among the different groups of Beneficial Purposes by funding only monitoring projects that:
  - 10.2.1. assess the objectives, indicators, targets, measures, strategies or management considerations of the government land use designations listed in Schedule C;
  - 10.2.2. are scientifically and technically sound and are managed by professionals with relevant expertise; and
  - 10.2.3. comply with the guidelines and procedures set out in Schedule C.

- 10.3. The Trustees shall maintain adequate records of all transactions affecting Trust Property and shall have prepared each fiscal year financial statements prepared in accordance with generally accepted Canadian accounting principles, consistently applied. The Trustees shall require the person preparing the financial statements to provide a written report on the financial statements to the Trustees within ninety (90) days of the end of the fiscal year.
- 10.4. The Trustees shall make available on request to any member of the public:
  - 10.4.1. a copy of the signed minutes of each meeting of Trustees;
  - 10.4.2. a copy of all ledgers, registers and documents or other records of transactions affecting the Trust Property; and
  - 10.4.3. all correspondence, reports, data tabulations, and other records of technical, scientific, cultural, historical and other research undertaken on behalf of the Trust.
- 10.5. The Trustees shall attend a meeting of any group with an interest in the Babine Watershed when reasonably requested to do so and shall report on the administration of the Trust Property in relation to the Beneficial Purposes of the Trust as set out in this Agreement.

## **11. GENERAL PROVISIONS**

- 11.1. If any provision of this Agreement is void, invalid or unenforceable, the remaining provisions shall nevertheless be valid and carried into effect.
- 11.2. The headings in this Agreement are for convenience only and are not part of the text.
- 11.3. The situs of the Trust shall be within the area of the 1998 Bulkley Land and Resource Management Plan and the area of the 1996 Kispiox Land and Resource Management Plan.

- 11.4. The validity of this Agreement and its interpretation will be governed by the laws of British Columbia.

IN WITNESS WHEREOF, this Agreement shall bind the Babine River Foundation, the Bulkley Valley Community Resources Board, the Minister of Forests, the Minister of Sustainable Resource Management, the Minister of Water, Land and Air Protection, and West Fraser Mills Ltd. as Settlers, and James William Cuell, Rosemary Jean Fox, Jane Eleanor Lloyd-Smith, Richard John Overstall, and Gary Edward Quanstrom as Trustees, Successor Trustees assuming the role of Trustees of this Trust.

Dated at the Town of Smithers, Province of British Columbia, this 27<sup>th</sup> day of January, 2005.

**Settlers:**

\_\_\_\_\_  
Witness

\_\_\_\_\_  
Pierce Clegg, President, Babine-Norlakes Lodge,  
on behalf of the Babine River Foundation

\_\_\_\_\_  
Witness

\_\_\_\_\_  
Dean Daly, Chairperson, on behalf of the  
Bulkley Valley Community Resources Board

\_\_\_\_\_  
Witness

\_\_\_\_\_  
Barry Smith, District Manager,  
Skeena Stikine Forest District, on behalf of the  
Minister of Forests

\_\_\_\_\_  
Witness

\_\_\_\_\_  
Eamon O'Donoghue, Manager, Planning,  
Skeena Region, on behalf of the  
Minister of Sustainable Resource Management

\_\_\_\_\_  
Witness

\_\_\_\_\_  
Hugh Markides, Regional Manager,  
Skeena Region, on behalf of the  
Minister of Water, Land and Air Protection

\_\_\_\_\_  
Witness

\_\_\_\_\_  
Gordon Gunson, Woods Manager,  
Pacific Inland Resources, on behalf of  
West Fraser Mills Ltd.

**Trustees:**

\_\_\_\_\_  
Witness

\_\_\_\_\_  
James William Cuell

\_\_\_\_\_  
Witness

\_\_\_\_\_  
Rosemary Jean Fox

\_\_\_\_\_  
Witness

\_\_\_\_\_  
Jane Eleanor Lloyd-Smith

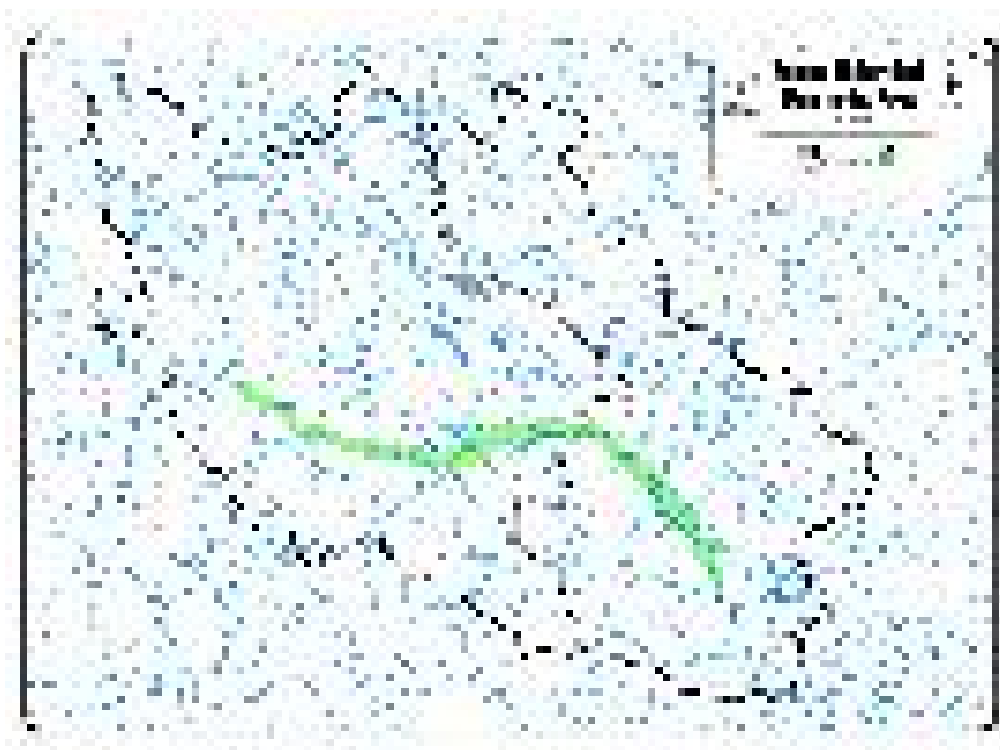
\_\_\_\_\_  
Witness

\_\_\_\_\_  
Richard John Overstall

\_\_\_\_\_  
Witness

\_\_\_\_\_  
Gary Edward Quanstrom

### Schedule "A"



## **Schedule “B”**

### ***Consensus Decision Making***

#### **1. DEFINITION**

Consensus is a collective decision that is reached either by all Trustees or by some Trustees with no expressed disagreement by the other Trustees.

#### **2. CONSENSUS PRINCIPLES**

The Trustees shall use a consensus process in all their discussions under the following principles:

- a. The purpose of the process is to reach a decision.
- b. A Trustee shall act in utmost good faith at all stages of the process.
- c. A Trustee shall respond to the concerns and goals of others as valid.
- d. A Trustee shall make best efforts to accommodate the interests and concerns of others, rather than the positions and demands of others.
- e. A Trustee shall fully explore all submissions brought to them and shall search for solutions through problem-solving methods.

#### **3. CONSENSUS PROCESS**

- a. A Trustee shall make best efforts to reach a consensus with the other Trustees on all Trust decisions.
- b. If the Trustees do not reach consensus on a specific question, they shall apply the following process:
  - i. the Trustee or Trustees that dissent from the majority shall each identify whether the disagreement is over wording or over principles;
  - ii. if the disagreement is over wording, the Trustees shall make best efforts to find alternative words so that consensus can be reached;
  - iii. if the disagreement is about principle, the dissenting Trustees shall prepare a written report as soon as possible that succinctly states:

- A. their disagreement with the other Trustees;
  - B. the reasons for the disagreement; and
  - C. a documented alternative to both their view and the majority's view;
- iv. on review of the alternative wording under ii above, or the alternative view under iii above, the Trustees shall reconsider the question;
- v. if a decision cannot be reached after reconsideration, the Trustees shall use the following dispute resolution procedure:
- A. jointly appoint a mediator to help resolve the disagreement;
  - B. if the disagreement still cannot be resolved, settle the question by a majority vote of the Trustees;
- vi. when a majority vote occurs, the Trustees' shall include in the minutes of the meeting:
- A. a record that the question was settled by majority vote because of an inability to reach consensus;
  - B. all details of both sides of the disagreement; and
  - C. a copy of the dissenting trustees' report under iii above.

## Schedule “C”

### *Annual Monitoring Plan Process*

1. Each year on or before March 31, the Trustees shall establish an annual monitoring plan under section 10.2 of the Agreement (the “Annual Monitoring Plan”).
2. The Trustees shall establish a budget for the Annual Monitoring Plan by using:
  - a. the funds available to them from the Revenue Trust Account described in sub-section 3.1.3 of the Agreement; and
  - b. the property available to them from the Non-monetary Trust Property described in sub-section 3.1.2 of the Agreement(the “Budget”).
3. The Trustees shall use the Budget to meet the Beneficial Purposes of the Agreement by contracting with others to undertake and report on one or more monitoring projects, that may include field research, office research, bibliographic compilation and monitoring systems design in the Babine Watershed (the “Monitoring Projects”).
4. The Trustees shall allocate the Budget in the Annual Monitoring Plan to:
  - a. maintain and update an information repository that includes:
    - i. a list of the following provincial government land-use plans, land-use designations and land-use legislation that apply to the Babine Watershed:
      - A. the Bulkley Land and Resource Management Plan;
      - B. the Kispiox Land and Resource Management Plan;
      - C. the Babine Landscape Unit Plan;
      - D. the Nilkitkwa Landscape Unit Plan;
      - E. the West Babine Sustainable Resource Management Plan;
      - F. the Babine River Corridor Park Management Direction Statement;
      - G. land-use designations; and
      - H. land-use legislation.



(the “Land Use Designations”)

- ii. a compilation of:
  - A. the goals and objectives for each value or resource (the “Objectives”); and
  - B. the measurable indicators of management activities that influence whether an Objective will be achieved, either explicitly given or derived from the standards, strategies and targets (the “Indicators”)

from the Land Use Designations (the “Land Use Designation Summary”);
- iii. a summary of scientific information from peer-reviewed literature, interviews with experts, and completed Monitoring Projects that relates each Indicator to its corresponding Objective (the “Knowledge Base”);
- b. maintain and update an explicit monitoring priority decision model (the “Model”) that will use information in the Knowledge Base and the Land Use Designation Summary to determine for each Objective:
  - i. over the complete range of Indicator data, the associated levels of risk that the Objective will not be achieved (the “Risk”);
  - ii. the level of uncertainty about each level of Risk (the “Uncertainty”);
- c. establish a priority list of Monitoring Projects for that year (the “Monitoring Priority List”) using the following methodology:
  - i. for those Objectives where there are insufficient Indicator data to reliably estimate Risk, use the Model to rank the Objectives in a list of Monitoring Projects to collect Indicator data (the “Indicator Data Collection Priority List”);
  - ii. for each Objective where there are sufficient Indicator data to reliably estimate Risk, use the Model to determine:
    - A. the current Risk, using Indicator data for current conditions;
    - B. the future Risk, using Indicator data for planned future conditions;
    - C. the Uncertainty of current and future Risk;

- iii. use the Model to rank the Objectives in a list of Monitoring Projects to reduce Uncertainty (the “Reducing Uncertainty Priority List”);
  - iv. use the Model to rank the Objectives in a list of Monitoring Projects to estimate any negative consequences associated with existing management strategies (the “Negative Consequences Priority List”);
  - v. use the Model to further rank those Objectives that have equal priority in each of the Indicator Data Collection Priority List, the Reducing Uncertainty Priority List and the Negative Consequences Priority List by considering for each Objective:
    - A. any Uncertainty caused by factors external to the Land Use Designations;
    - B. the Objective’s influence on the probability of achieving other Objectives;
    - C. the time taken for the value or resource to recover if the Objective is not achieved;
  - vi. for each Monitoring Project on the Indicator Data Collection Priority List, the Reducing Uncertainty Priority List and the Negative Consequences Priority List, estimate its costs relative to other Monitoring Projects by considering factors that include:
    - A. the difficulty of obtaining data;
    - B. the appropriate time scale;
    - C. the appropriate spatial scale;
    - D. the required skill level; and
    - E. the complexity of analysis
 (the “Relative Cost Estimate”);
  - vii. using the Trustees’ discretion, combine the Indicator Data Collection Priority List, the Reducing Uncertainty Priority List and the Negative Consequences Priority List into the Monitoring Priority List, considering the Relative Cost Estimate and the approximate equal importance of each list.
- d. fund the highest ranked Monitoring Projects on the Monitoring Priority List, including provisions for multi-year Monitoring Projects, until the Budget is

exhausted or there are insufficient funds to efficiently fund a Monitoring Project, in which case the funds will be returned to the Revenue Trust Account for the following year.

5. The Trustees may amend any part of this Schedule only where provided for in this Agreement and only if the amendment is approved by Consensus of a meeting of all Trustees and only as required to give effect to the Beneficial Purposes of the Trust.

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Original Signed