

B.C. Reg. 351/2004  
O.C. 782/2004

Deposited July 23, 2004

**Forest Act**  
**TRANSFER REGULATION**

**Note:** Check the Cumulative Regulation Bulletin 2014  
for any non-consolidated amendments to this regulation that may be in effect.

[includes amendments up to B.C. Reg. 203/2012, July 13, 2012]

**Point in Time**

**Contents**

1 Definition

**Part 1 — Exempt Transfers**

- 1.1 Definitions and interpretation
- 2 Transfers between affiliates exempt
- 3 Transfers where notice not given may be exempt

**Part 2 — Permitted Transfers**

- 4 Definitions and application
- 5 Transfer of certain licences entered into with first nations
- 6 Transfer of other licences entered into with first nations
- 7 Transfer of community forest agreement entered into  
under section 43.2 or 43.51 (1) (b) of Act
- 8 Transfer of restricted forest licences

**Definition**

- 1 In this regulation, "**Act**" means the *Forest Act*.  
[en. B.C. Reg. 104/2011, Sch. 5, s. 1.]

**Part 1 — Exempt Transfers**

**Definitions and interpretation**

- 1.1** (1) In this Part:
- "**affiliate**" has the same meaning as in section 53 of the Act;
  - "**agreement**" means an agreement in the form of a licence, permit or agreement referred to in section 12 of the Act.
- (2) Section 53 (2), (3) and (4) of the Act applies for the purposes of this Part.  
[en. B.C. Reg. 104/2011, Sch. 5, s. 3; am. B.C. Reg. 203/2012, Sch. 3, s. 1.]

**Transfers between affiliates exempt**

- 2 For the purposes of section 54.3 of the Act, sections 54 to 54.2 of the Act do not apply to, or in respect of, a disposition of an agreement if the disposition is from a corporation to an affiliate corporation.

### **Transfers where notice not given may be exempt**

- 3 For the purposes of section 54.3 of the Act, sections 54 to 54.2 of the Act do not apply to, or in respect of, a disposition of an agreement where
- (a) notice is not given under section 54 (2) (a) of the Act, or
  - (b) the disposition occurs before the minister gives notice under section 54 (2) (e) of the Act
- if
- (c) the disposition complies with section 54 (2) (b), (c) and (d) of the Act, and
  - (d) the minister, having considered the circumstances existing on the date of the disposition, is satisfied that the requirements set out in section 54.1 of the Act have been met.

## **Part 2 — Permitted Transfers**

### **Definitions and application**

- 4 (1) In this Part:

**"company"** means a company as defined in the [Business Corporations Act](#);

**"extraprovincial company"** means an extraprovincial company as defined in the [Business Corporations Act](#);

**"first nations agreement"** means an agreement referred to in section 43.51 (1) (a), 43.54 (2) or 47.3 (1) (a) of the Act between a first nation and the government respecting treaty-related measures, interim measures or economic measures;

**"processing facility"** has the same meaning as in section 1 (1) of the Forest Licence Regulation;

**"replaceable forest licence"** means a replaceable forest licence entered into with a first nation or its representative under section 47.3 (1) (a) of the Act;

**"restricted forest licence"** has the same meaning as in section 54.4 (0.1) of the Act;

**"secondary processing facility"** has the same meaning as in section 1 (1) of the Forest Licence Regulation;

**"society"** means a society incorporated under the [Society Act](#).

- (2) This Part applies for the purposes of section 54.4 (1) (b) and (1.01) of the Act.

[en. B.C. Reg. 104/2011, Sch. 5, s. 3; am. B.C. Reg. 203/2012, Sch. 3, s. 1.]

### **Transfer of certain licences entered into with first nations**

- 5 (1) In this section, **"licence"** means

- (a) a forest licence, other than a replaceable forest licence,
- (b) a community salvage licence,
- (c) a woodlot licence, or
- (d) a forestry licence to cut

that is entered into with a first nation or its representative under section 47.3 (1) (a) of the Act.

(2) A first nation or its representative may dispose of a licence to a person if the minister is satisfied that

- (a) the first nation will continue to comply with the first nations agreement that relates to the licence, and
- (b) the person is
  - (i) an individual,
  - (ii) a company or an extraprovincial company,
  - (iii) a society that meets the requirements set out in subsection (3), or
  - (iv) a partnership that meets the requirements set out in subsection (4).

(3) For the purposes of subsection (2) (b) (iii),

- (a) holding a licence must be one of the purposes of the society, and
- (b) the society must not be prohibited under section 2 (2) of the [Society Act](#) from holding a licence.

(4) For the purposes of subsection (2) (b) (iv), the partnership must be comprised of

- (a) individuals,
- (b) companies or extraprovincial companies,
- (c) societies that meet the requirements set out in subsection (3), or
- (d) a combination of any of the entities referred to in paragraphs (a) to (c).

[en. B.C. Reg. 104/2011, Sch. 5, s. 3.]

## **Transfer of other licences entered into with first nations**

**6** (1) In this section, "**licence**" means

- (a) a replaceable forest licence,
- (b) a community forest agreement entered into with a first nation or its representative under section 43.51 (1) (a) of the Act, or
- (c) a first nations woodland licence.

(2) A first nation or its representative may dispose of a licence to a person if the minister is satisfied that

- (a) the first nation will continue to comply with the first nations agreement that relates to the licence, and
- (b) the person is
  - (i) a company or extraprovincial company that meets the

requirements set out in subsection (3), or

(ii) a society that meets the requirements set out in subsection (4).

(3) For the purposes of subsection (2) (b) (i), the company or extraprovincial company must be a company or extraprovincial company in which the first nation owns sufficient voting shares to

(a) elect more than 50% of the effective directors of that company or extraprovincial company, or

(b) otherwise effectively control the operations and direction of the company or extraprovincial company.

(4) For the purposes of subsection (2) (b) (ii),

(a) holding a licence must be one of the purposes of the society, and

(b) the society must not be prohibited under section 2 (2) of the [Society Act](#) from holding a licence.

[en. B.C. Reg. 104/2011, Sch. 5, s. 3.]

## **Transfer of community forest agreement entered into**

### **under section 43.2 or 43.51 (1) (b) of Act**

**7** (1) In this section:

**"association"** means an association as defined in the [Cooperative Association Act](#);

**"community forest agreement"** means a community forest agreement entered into under section 43.2 or 43.51 (1) (b) of the Act.

(2) The holder of a community forest agreement may dispose of that agreement to a person if the minister is satisfied that

(a) the disposition is in the best interests of the community to which the community forest agreement relates, and

(b) the person is

(i) a first nation,

(ii) a municipality or regional district,

(iii) a company or an extraprovincial company,

(iv) a society that meets the requirements set out in subsection (3),

(v) an association that meets the requirements set out in subsection (4), or

(vi) a partnership that meets the requirements set out in subsection (5).

(3) For the purposes of subsection (2) (b) (iv),

(a) holding a community forest agreement must be one of the purposes of the society, and

(b) the society must not be prohibited under section 2 (2) of the [Society Act](#) from holding a community forest agreement.

(4) For the purposes of subsection (2) (b) (v), holding a community forest agreement must be consistent with a purpose of the association.

- (5) For the purposes of subsection (2) (b) (vi), the partnership must be comprised of
- (a) first nations,
  - (b) municipalities or regional districts,
  - (c) companies or extraprovincial companies,
  - (d) societies that meet the requirements set out in subsection (3),
  - (e) associations that meet the requirements set out in subsection (4), or
  - (f) a combination of any of the entities referred to in paragraphs (a) to (e).

[en. B.C. Reg. 104/2011, Sch. 5, s. 3.]

### **Transfer of restricted forest licences**

- 8** (1) This section applies to the holder of a restricted forest licence if the holder, at the time the restricted forest licence was entered into, owned or leased, or intended to own or lease, one or more of the following types of processing facility:

- (a) a secondary processing facility;
- (b) a processing facility that produces pulp, paper, oriented strand board or newspaper;
- (c) a processing facility that
  - (i) produces wood chips or ground wood, and
  - (ii) is not an excluded processing facility, as defined in section 1 (3) of the Forest Licence Regulation;
- (d) a processing facility that produces pellets, bioenergy or biochemicals from timber or wood residue.

- (2) For the purposes of section 54.4 (1.01) of the Act, the holder of a restricted forest licence to whom this section applies may dispose of the licence to another person only if both of the following apply at the time of the disposition:

- (a) the holder of the licence owns or leases the type of processing facility that applicants for the licence were required to own or lease, or intend to own or lease, when categories of applicants for the licence were established under section 13 (2.1) of the Act;
- (b) the intended recipient of the licence
  - (i) owns or leases the type of processing facility referred to in paragraph (a), or
  - (ii) is obtaining from the holder the ownership or lease of the type of processing facility referred to in paragraph (a).

- (3) The disposition of a licence under subsection (2) to an intended recipient that is obtaining the ownership or lease of a processing facility, as described in subsection (2) (b) (ii), is without effect if the intended recipient fails to obtain that ownership or lease within 60 days of the disposition.

[en. B.C. Reg. 203/2012, Sch. 3, s. 2.]

[Provisions relevant to the enactment of this regulation: Forest Act, R.S.B.C. 1996, c. 157, sections 54.3 and 54.4]

