SALE AGREEMENT	SCHEDULE 3	SP XXXXXXXX
INTEGRATED SALE	AREA MANAGEMENT PRINCIPLES	

### INTEGRATED SALE AREA MANAGEMENT PRINCIPLES

### 1 GENERAL

- 1.1 Native Forest Pole and Associated Roundwood Salvage Timber will be obtained from trees marked for felling by the Chief Executive incidental to the process of managing a Sawlog Timber harvest. Exceptions to the requirement for close integration of Pole, girder and Associated Roundwood Salvage Timber and Sawlog Timber harvesting will be advised by DPI Forestry on a case by case basis.
- 1.2 No tree may be harvested unless it has been marked for felling by the Chief Executive.
- 1.3 It is Your responsibility to manage the timing of Harvesting Operations so as to minimise environmental disturbance to within acceptable levels when assessed in combination with the harvesting activities of parties holding a sales permit for Sawlog Timber or other non-Sawlog Timber over the same area.
- 1.4 The Chief Executive encourages the use of Integrated Harvesting which minimises the number of machinery passes and eliminates serial impacts on roads, drainage and vegetation that occur with Non-integrated Harvesting.
- 1.5 Where Non-integrated Harvesting is used for Pole, girder and Associated Roundwood Salvage Timber Harvesting Operations, this should be completed either before Sawlog Timber Harvesting or within six (6) months of the finalisation of Sawlog Timber Harvesting in a particular Operational Harvesting Area.
- 1.6 Operations outside the above time frame may not be permitted, resulting in a reduction in the quantity of Pole, girder and Associated Roundwood Salvage Timber resources available to both You and industry as a whole.

### 2 OPERATIONS PRINCIPLES

## **Order of Working**

- 2.1 The Chief Executive will determine the order in which stands are harvested for Sawlog, Pole, girder and Associated Roundwood Salvage Timber.
- 2.2 It will be Your responsibility to obtain up-to-date Sawlog Timber harvest planning information from the Chief Executive, and establish working relationships with the relevant Sawlog Timber purchasers and contractors, and facilitate the close timing and/or integration of Sawlog, Pole, girder and Associated Roundwood Salvage Timber Harvesting.
- 2.3 The order of working will be principally designed to meet the Sawlog Timber supply objectives of the South East Queensland Forests Agreement and Statewide Forests Process, with the supply of other products subservient to that objective.

# **Supply Zone Operations - Integrated Sale Area Management**

2.4 The Chief Executive will adopt the following principles and practices in support of operations integration at the Operational Harvesting Area level.

- (a) Pole, girder and Associated Roundwood Salvage Timber sales are to be based on integrated Sawlog Timber and non-Sawlog Timber sale management (Integrated Sale Area Management), with all products treemarked in a single pass within the terms of the *Code of Practice for Native Forest Timber Production*.
- (b) Pole, girder and Associated Roundwood Salvage Timber Harvesting should be completed within six (6) months of the finalisation of Sawlog Timber harvesting in a particular Operational Harvesting Area. Where this does not occur, the Chief Executive may require that further harvesting cease in the area in question, and may, depending on the resultant reduction in Pole, girder and Associated Roundwood Salvage Timber availability, adjust the Sale Quantity of related sale agreements and sales permits.
- (c) In the case of short term sales, where the Supply Zone (usually a MUID) allocated through a tender process:
  - (i) will not become available to a purchaser for harvesting within three (3) months of acceptance of an offer because of a delay in the commencement of Sawlog Timber harvesting; or
  - (ii) ceases to be available for harvesting during the currency of a sale because of the progress of Sawlog Timber harvesting,

a purchaser may request that the Chief Executive provide an alternative Supply Zone. The Chief Executive will use its best endeavors and act in good faith to meet that request.

- (d) The value charged for Pole, girder and Associated Roundwood Salvage Timber sourced from an alternative supply zone will be established by the Chief Executive based on an analysis of prevailing market values using the most recent sale values as a guide.
- (e) An alternative supply zone may coincide with a MUID already held by a purchaser under another sales permit, where the Chief Executive considers the overall resource is sufficient to satisfy the Sale Quantity under the relevant sales permits.
- (f) Should You/the Permittee reject the offer of an alternative supply zone on the basis of quality, available quantity or the Chief Executive's assessed value, the Chief Executive may at its sole discretion either cancel the Agreement/Sales permit and refund any deposits, or amend the Sale Quantity.
- 2.5 Notwithstanding the above, and subject to considerations of sale management efficiency, the Chief Executive may elect to sell a quantity of Pole, Girder or Associated Roundwood Salvage Timber from the Supply Zone or an alternative supply zone as a non-integrated single product sale.

### 3 DEFINITIONS

3.1 In this Schedule, unless the contrary intention appears or the context otherwise requires:

"MUID" means Management Unit Identifier which provides a unique alpha numeric identification for a specific readily delineated area of land.