

SCHEDULE 2

(Regulation 4 (4))

REPUBLIC OF VANUATU
DEPARTMENT OF FORESTS
SANDALWOOD LICENCE

Licence No:.....

The Licence is granted to: (Name or Company)

Of (Address)

to conduct Sandalwood operations for a period commencing on theday of.....(year) and ending on theday of.....(year).

The maximum quantity of sandalwood which can be purchase in any one calender year under this licence is Tonnes. The licensee shall process tonnes of sandalwood in Vanuatu each year and many apply for a permit to export up to tonnes of sandalwood each year.

This licence is licence is valid for sandalwood operations in the following regions or islands:

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A banker's guarantee of VT must be established within 30 days of the date of issue of this licence otherwise the licence shall be null and void.

An annual sandalwood licence fee of VTmust be paid to the Director of Forests before the 30 June each year.

This Licence is subject to the following conditions:

- a) the sandalwood licensee shall maintain a banker's guarantee for amount specified on the licence during the duration of the licence.
- b) the licence shall only cover sandalwood operations in the islands specified on the licence, unless written approval to operate on another island is granted by the Director of Forests.
- c) the sandalwood licensee shall only purchase sandalwood during the declared sandalwood trading season, unless granted a specific written approval by the Director of Forests to purchase sandalwood outside the declared trading season.
- d) the sandalwood licensee shall notify the Department of Forests at the beginning of each sandalwood trading season of the intended areas where sandalwood will be purchased, the names of any persons acting as an agent of the licensee under this licence, the prices to be paid and any agreements with landowners.
- e) The sandalwood licensee shall record the details of all sandalwood purchased in a sandalwood purchase register and shall submit a copy of this register to the Department of Forests within 14 days of the month in which the sandalwood was purchased.
- f) The sandalwood licensee shall pay to the Director of Forests the sandalwood management charge for all sandalwood purchased in any month by the last working day of the following month.
- g) The sandalwood licensee must hold a valid permit to export sandalwood before any sandalwood purchased under this licence can be exported.

In addition to the foregoing conditions the Minister hereby imposes the following special conditions into respect of this sandalwood licence:

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Signature of Minister

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Official Stamp

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Date of Issue