



Reference: [IGACEP0XX]

[TITLE] [FIRSTNAME] [LASTNAME]
[BUSINESS NAME]
[ADDRESS LINE 1]
[SUBURB/TOWN] [STATE] [POST CODE]

Dear [TITLE] [LAST NAME]

This is further to the Funding Deed (two copies) and Deed of Undertaking with [BUSINESS NAME] for the Tasmanian Forests Intergovernmental Agreement Contractors Voluntary Exit Grants Program that were sent to you.

We have received from you:

- Both original copies of the Funding Deed signed for and on behalf of [BUSINESS NAME];
- Deed of Undertaking signed by the nominated individuals of [BUSINESS NAME];
- A tax invoice for the first milestone payment; and
- Additional information required to demonstrate that [BUSINESS NAME] has met the condition precedent.

The Commonwealth signed and executed the Funding Deed with [BUSINESS NAME] on [DATE] April 2012. We have kept one copy of the executed Funding Deed and enclose the other copy for your records.

The terms and conditions of the Funding Deed and the Deed of Undertaking became legally binding on execution of the Funding Deed.

The first milestone payment (75 per cent of the total approved amount) to [BUSINESS NAME] is being processed in accordance with the terms and conditions of the Funding Deed.

As set-out in the Funding Deed and the Deed of Undertaking both the grantee business and the Nominated Individual(s) must cease operating within the Tasmanian public native forest harvest, haulage and silvicultural contracting sectors within two months of the execution of the Funding Deed or by 31 May 2012 whichever occurs first.

The second milestone payment of 25 per cent of the grant amount is conditional on the execution of the Deed Poll for Milestone 2. A deed poll and Milestone 2 report templates are enclosed with this letter. The deed poll, which must be signed by all Nominated Individual(s), sets out that the Nominated Individual(s) has/have ensured that all grant conditions are met and has/have provided the following information:

- an approved exit strategy for the grantee business (Annexure 1) including details of any ongoing contracts and/or arrangements held by the grantee business in the Tasmanian public native forest harvest, haulage or silvicultural sectors and the Australian forest industry harvest, haulage or silvicultural sectors;
- details of other businesses that Nominated Individual(s) are directors, owners or business partners of that operate in the Australian forest industry harvest, haulage or silviculture sectors

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- including but not limited to the Tasmanian public native forest, Tasmanian private native forest and Tasmanian plantation harvest, haulage or silviculture sectors (Annexure 2);
- details of ongoing contracts and/or arrangements held by the other businesses that Nominated Individual(s) are directors, owners or business partners of that operate in the Australian forest industry harvest, haulage or silviculture sectors (Annexure 2), including the hiring out or leasing out of machinery to the harvest, haulage or silvicultural sectors;
 - where Nominated Individual(s) other businesses operate in the Australian forest industry harvest haulage or silvicultural sectors or lease out (or hire out) their equipment to the Australian forest industry harvest, haulage or silvicultural sectors the Nominated Individuals shall provide an exit strategy for their involvement with the business or demonstrate how they will exit the existing contracts where the business operates within Tasmanian public native forest harvest, haulage or silvicultural sectors;
 - that employees' entitlements have been fully paid and details of all employees have been provided (Annexure 3);
 - that ceased employees verify that they have been fully paid and have received all entitlements that they were entitled to (Annexures 4(a) one form per employee);
 - that ongoing employees verify that they have been fully paid and have received all entitlements that they were entitled to (Annexures 4(b) one form per employee);
 - that business machinery has been sold or is no longer being used by the grantee in the Tasmanian public native forest harvest and/or haulage or silvicultural contracting sector (Annexure 5); and
 - that machinery that is owned by the grantee business and is leased out (or hired out) by the grantee business for use in the harvest, haulage or silvicultural sectors of the Tasmanian public native forest industry has been returned, recovered or disposed of and is no longer being used in the Tasmanian public native forest harvest and/or haulage or silvicultural contracting sector (Annexure 6);
 - that machinery that is owned by another business and is leased to (or hired to) the grantee business for use in the harvest, haulage or silvicultural sectors of the Tasmanian public native forest industry has been returned or disposed of and is no longer being used by the grantee business in the Tasmanian public native forest harvest and/or haulage or silvicultural contracting sector (Annexure 6); and
 - evidence that other conditions, as set out in the funding deed, that are required to be met prior to second milestone payments being made have been completed.

Annexure 3 must be signed by an accountant and Annexure 4 is to be signed by all employees. The signed deed poll and report must be returned by 31 May 2012 for payments to be made. Failure to provide a signed deed poll and Annexures may result in loss of the second payment as funding is not available after 30 June 2012 and may result in a liability to repay funding to the Commonwealth.

Please ensure that a tax invoice for the second milestone payment (25 per cent of the total approved amount) is included when the milestone 2 package is returned. The Tax invoice must include the following:

- the words "Tax Invoice";
- be presented on a company letterhead or contain a company stamp showing name/trading name of supplier;
- the date of issue of the invoice;
- company, partnership or sole trader ABN;
- be made out to the Department of Agriculture, Fisheries and Forestry including address or DAFF's ABN;
- include electronic payment details matching those on the funding deed;

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- lists all milestones that have been completed and are being claimed;
 - has GST exclusive and inclusive amount; and
 - the invoice to be paid must be original for payment.

Please return forms to:

Tasmanian Forest Contractors Exit Assistance Program
Forestry Branch, Climate Change Division,
Department of Agriculture, Fisheries and Forestry
GPO Box 858 CANBERRA ACT 2601

The Department of Agriculture, Fisheries and Forestry will continue to monitor compliance with funding conditions for the 10 year term of the funding deed. During this time the department will contact you each year to request information in relation to compliance checks and the department may seek third party information to confirm ongoing compliance. If your contact address details change at any time, you must provide updated details to the department.

It is a condition of both the Program and the Deed of Undertaking, which you have signed, that the grantee must notify the department if events or circumstances occur which indicate a return to public native forest contracting.

Funding under the program is conditional on the grant recipient adhering to the terms of the Funding Deed and the nominated individuals adhering to the terms of the Deed of Undertaking for a period of 10 years.

If conditions are breached the Commonwealth can seek, under the terms of the Funding Deed, the recovery of the grant money from the grant recipient and nominated individuals at any point during the period of obligation or pertaining to the period of obligation (10 years). The Commonwealth can also seek an injunction against activities that breach conditions of the grant.

Nominated individuals are reminded that it is an offence to provide false or misleading information to the Commonwealth under the *Criminal Code Act 1995* (Commonwealth).

Yours sincerely

[OFFICER]
[POSITION]
Forestry Branch
Climate Change Division

[MONTH] 2012

Enc.