

CONSOLIDATED CONTRIBUTION AGREEMENT

This Agreement dated October 26, 1982

BETWEEN:

HER MAJESTY THE QUEEN, in right of Canada, as represented by the Assistant Deputy Minister, Indian and Inuit Affairs Program, on behalf of the Minister of Indian Affairs and Northern Development, (hereinafter referred to as "the Minister")

AND:

MAKIVIK CORPORATION, a corporation duly incorporated under the laws of the Province of Quebec, (hereinafter referred to as "Makivik").

WHEREAS Cabinet, by decision dated June 15, 1982 approved, inter alia, the funding of certain retroactive and annual payments to Makivik Corporation in connection with the implementation of the James Bay and Northern Quebec Agreement ("J.B.N.Q.A.");

WHEREAS the Minister is the designated Minister responsible to Cabinet for Federal coordination of implementation of the James Bay and Northern Quebec Agreement and is authorized to make the aforesaid payments as contributions to Makivik;

WHEREAS the Minister has accordingly established a program respecting James Bay and Northern Quebec Agreement Implementation Funding;

WHEREAS Makivik has incurred and will continue to incur financial obligations with respect to implementation of the James Bay and Northern Quebec Agreement;

WHEREAS Makivik is entitled to receive the aforesaid payments for and on its own behalf and on behalf of the Northern Quebec Inuit;

NOW THEREFORE, this Agreement witnesses that, in consideration of the mutual covenants and agreements herein contained, the parties hereto covenant and agree as follows:

1. Purpose of Agreement

- 1.1. The purpose of this Agreement is to provide annual financial resources for James Bay and Northern Quebec Agreement Implementation Funding and, furthermore, to provide for the repayment by Canada of a share of implementation expenditures previously incurred by Makivik.

2. Effective Period

- 2.1 This Agreement covers the period April 1, 1982 to March 31, 1987.

3. Amount of Contribution

3.1 The Minister shall, subject to the terms and conditions of this Agreement and to annual Parliamentary appropriation of funds, contribute towards the reasonable expenditures incurred by Makivik for the purposes described in Section 4, the following amounts in the years indicated:

3.1.1 James Bay and Northern Quebec Agreement
Implementation Funding for 1982/83.

a) Implementation Funding: \$ 150,000
in respect of the
period April 1, 1982
to March 31, 1983

b) General Implementation Funding: \$ 85,000
Administration in respect
of the period April 1,
1982 to March 31, 1983

c) Implementation Funding: \$ 800,000
Repayment in respect
of the period
November 11, 1975 to
March 31, 1982

d) General Implementation: \$ 450,000
Administration Funding
Repayment in respect
of the period November 11,
1975 to March 31, 1982

e) Other Implementation
Repayments

Review Costs \$ 75,000
Set-up Costs \$ 250,000

TOTAL \$1,810,000

3.1.2 James Bay and Northern Quebec Implementation
Funding: 1983/84 - 1986/87

a) Implementation Funding:

April 1, 1983-March 31, 1984 \$ 150,000
April 1, 1984-March 31, 1985 \$ 150,000
April 1, 1985-March 31, 1986 \$ 150,000
April 1, 1986-March 31, 1987 \$ 150,000

b) General Implementation Administration Funding:

April 1, 1983-March 31, 1984 \$ 85,000
April 1, 1984-March 31, 1985 \$ 85,000
April 1, 1985-March 31, 1986 \$ 85,000
April 1, 1986-March 31, 1987 \$ 85,000

3.2 The annual contributions indicated in Article 3.1.2 a) and b) may, at the discretion of the Minister, be increased from time to time to compensate for increased costs of providing the programs outlined in Article 4, subject to Treasury Board approval of such increases and Parliamentary appropriation of the required funds.

4. Eligible Expenditures

Makivik agrees that the contribution will be expended as described below:

4.1 Implementation Funding (1982/R3 - 1986/87)

This program is intended to help Makivik defray the cost of direct implementation expenditures in relation to the bodies established to implement the James Bay and Northern Quebec Agreement, in particular, those involved in technical and complex matters, such as environmental assessment and the management of the hunting, fishing and trapping regimes, and to assist Makivik in ensuring that the rights and benefits under the J.B.N.Q.A. are received by the Inuit beneficiaries.

Without restricting the generality of the costs, or categories of costs to be defrayed, contributions may be applied towards reasonable expenditures incurred in the following categories:

- research costs
- legal, accounting and audit fees
- consultant fees
- staff salaries and usual employee benefits
- travel
- meeting and conference expenses

4.2 General Implementation Administration Funding (1982/R3 - 1986/87)

This program is intended to help Makivik defray general costs attributable to overall implementation activities. Without restricting the generality of the costs or types of costs eligible to be defrayed, contributions may be applied towards reasonable expenditures for the general operational costs for the overall operation of Makivik, such as:

- Meetings and travel
- Staff salaries and usual employees benefits
- General expenses such as rent, power, supplies, equipment, insurance, etc.
- training needs

4.3 Implementation Funding Repayment (November 11, 1975 to March 31, 1982)

This aspect of the Implementation Funding program is a retroactive contribution to Implementation Funding for the period commencing with the signing of the James Bay and Northern Quebec Agreement (November 11, 1975) to March 31, 1982.

4.4 General Implementation Administration Funding Repayment.

This aspect of the General Implementation Administration Funding is a contribution to General Implementation Administration Funding for the period commencing with the signing of the James Bay and Northern Quebec Agreement (November 11, 1975) to March 31, 1982.

4.5 Other Implementation Repayments

- **Review Costs:** This aspect of the Implementation Funding Program is a retroactive contribution in respect of expenditures incurred by Makivik as a result of consultations on the James Bay and Northern Quebec Agreement Implementation Review.
- **Set-up Costs:** This aspect of the Implementation Funding Program is a retroactive contribution in respect of expenditures incurred by Makivik as a result of activities relating to the initial physical and legal establishment of various boards and legal entities established by or pursuant to the Agreement.

5. Payment

The Minister shall pay to Makivik the contributions mentioned in Article 3 as follows:

5.1 Payments during: 1982/83

5.1.1 All sums indicated as repayments will be paid within 15 days of the signing of this Agreement. Makivik agrees to credit the sums indicated as repayments against appropriate previous expenditures incurred by Makivik or its predecessor as the interested Inuit Native party under the James Bay and Northern Quebec Agreement, the Northern Quebec Inuit Association, and to indicate such in their next annual consolidated audited financial statement.

5.1.2 All sums indicated for 1982/83 funding will be paid as follows:

- a) The first 1982/83 payment respecting Makivik expenditures for the months of April, May, June, July, August, September and October 1982 and respecting an advance against Makivik's cash requirements for the months November and December 1982 and January 1983, shall be made upon execution of this Agreement and upon receipt and review, solely for the purposes hereof, by the Minister of:
 - i) Makivik's annual general budget for the areas covered in this Agreement, for the period April 1, 1982 to March 31, 1983 indicating cash requirements, by program activity, by month, showing as a minimum the amounts referred to in Articles 3.1.1 a) and 3.1.1 b)
 - ii) a financial statement indicating, by month, cash expenditures to October 31, 1982 and estimated future cash requirements from November 1, 1982 to March 31, 1983 for the purposes noted in Articles 4.
 - iii) an operational plan indicating activities carried out to date and planned activities to be carried out in

each of the funding program areas referred to in Article 4.

- b) The second and final 1982/83 payment, representing an advance against Makivik's cash requirements for the months February and March 1983 shall be paid upon receipt and review by the Minister of unaudited financial statements and an activity report for November and December 1982.

5.2 Payments during: future years 1983/84 - 1986/87

5.2.1 The Minister shall for each of the years 1983/84, 1984/85, 1985/86 and 1986/87 pay the applicable contributions by means of advances as follows:

- a) The first advance payment respecting Makivik's cash requirements for the months of April, May and June, shall be made upon receipt and review, solely for the purposes hereof, by the Minister of:

i) Makivik's annual general budget for the program areas covered in this Agreement, for the period April 1 to March 31, indicating cash requirements, by funding program, by month, showing as a) and 3.1.2.b) plus any increases which may be provided pursuant to Article 3.2:

ii) an operational plan that details the activities to be carried out in each of the funding program areas referred to in Article 4;

iii) a financial statement and activity report covering:

- in 1983/84 January and February of the preceding fiscal year
- in 1984/85, 1985/86 and 1986/87 December, January, and February of the preceding fiscal year.

b) The second advance payment, respecting Makivik's cash requirements for the months of July, August and September shall be made upon receipt and review, solely for the purposes hereof, by the Minister of:

i) Makivik's consolidated audited financial statement for the previous year,

ii) a financial statement for March, April and May;

iii) a supporting activity report for the same period;

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- iv) an adjusted budget showing projected cash requirements for July, August and September.
- c) The third advance payment, respecting Makivik's cash requirements for the months of October, November and December shall be made upon receipt and review, solely for the purposes hereof, by the Minister of:
 - i) financial statements for June, July, and August;
 - ii) a supporting activity report for the same period;
 - iii) an adjusted budget showing projected cash requirements for October, November and December.
- d) The fourth and final advance payment, respecting Makivik's cash requirements for the months of January, February and March shall be made upon receipt and review, solely for the purposes hereof, by the Minister of:
 - i) financial statements for September, October and November;
 - ii) a supporting activity report for the same period;
 - iii) an adjusted budget showing projected cash requirements for January, February and March.

- 5.3 Makivik agrees to use the said payments for the purposes set forth in Article 4.
- 5.4 The Minister shall ensure that payments are issued within 15 days of receipt of the applicable documents provided that said documents indicate that funds have been expended and activities have been carried out in conformity with the requirements of this Agreement.
- 5.5 For purposes of this Agreement, "financial statement" as referred to in Articles 5.1.2 and 5.2 means an unaudited statement of all items of expenditures of the programs referred to in Article 4 for the relevant period funded by this Agreement. The statements should specify year to date expenditures and forecasted total annual expenditures, and include an adjusted budget showing cash requirements for the applicable period. Further, "activity report" means a brief written description of Makivik's activities in the said program areas for the appropriate periods.
- 5.6 For the purposes of this Agreement the "consolidated audited financial statement", referred to in Article 5.2.1.b)i) and elsewhere, shall disclose the contribution provided hereunder as a separate fund sufficiently detailed to properly reflect the classification of expenditures as outlined in Article 4 of this Agreement. The audit shall be conducted by independent practicing public accredited accountants, licenced if required under the laws in force

where Makivik has its head office, or otherwise appropriately qualified.

5.7 In the event that a consolidated audited financial statement is not received within the time specified in this Agreement the Minister may make the necessary arrangements for audit and/or withhold further payments under this or subsequent agreements. The sole purpose of any audit carried out under the provisions of this Article will be to determine whether funds have been expended in conformity with the provisions of this Agreement.

The Minister shall be responsible for any expenses in relation to any discretionary audit performed under the authority contained in this Article.

5.8 Should this Agreement not be renewed prior to March 31, 1987, Makivik agrees to provide the following:

- a) within three months following the end of the Agreement a consolidated audited financial statement for the preceding fiscal year;
- b) within three months following the end of the Agreement an activity report for December, January, February, and March of the preceding fiscal year.

5.9 Makivik shall disclose its detailed annual financial statements at its annual meeting.

5.10 Separate accounts and records must be kept for the expense and revenue directly attributable to this Agreement, in accordance with generally accepted accounting principles.

6. Other Requirements

6.1 The obligation by the Minister to make any advances or payments under this Agreement is subject to his being reasonably satisfied that any previous advances or payments were used for the purpose herein referred to, and accordingly, Makivik agrees to provide the Minister with any other information he may require from time to time in order for him to properly discharge his responsibilities under this Agreement.

6.2 Further, if the auditor comments unfavourably regarding any matter upon which funds are advanced, the Minister reserves the right to alter future payments accordingly, until such matters are remedied to his satisfaction.

6.3 The Minister may terminate, suspend or reduce the scope of the present Agreement for reasons of poor financial management of funds contributed, and/or disregard of, or serious deviation from program objectives as outlined in Article 4.

The Minister will give Makivik written notice of his intention to terminate, suspend, or reduce the Agreement and will indicate his reasons for such action. If within 30 days of the receipt of written notice of the Minister's intention the problems noted by the Minister in his notice of intention have not been remedied, the suspension, reduction, or termination will take effect.

- 6.4 In the event of termination of the Agreement by the Minister and if Makivik has been paid an amount as provided for in this Agreement that exceeds the value of the activity performed by Makivik for the programs to the date of termination, Makivik shall forthwith upon demand by the Minister refund the excess to Her Majesty.
- 6.5 No member of the House of Commons shall be admitted to any share or part of this Agreement or to any benefit arising therefrom.
- 6.6 This Agreement may not be assigned or sublet without the written consent of the Minister.
- 6.7 Makivik agrees that if any of the funds hereunder provided are used for salary costs it will abide by the provisions of the Federal Government's 6 $\frac{2}{5}$ % wage restraint program.
- 6.8 When anything is required to be done by the Minister pursuant to this Agreement, it may be done by anyone duly authorized by him to act on his behalf.
- 6.9 This Agreement may be terminated at any time by mutual agreement of both parties thereto, and unless sooner terminated will continue in force until the 31st day of March, 1987.
- 6.10 The parties agree to consider, before April 1, 1987, to renew this Agreement for a further period of five years and, thereafter, before April 1 of every 5th year for a further five year period, subject to Parliamentary appropriations of funds and continuing Treasury Board authority to make contributions for the purposes outlined in this Agreement.
- 6.11 This Agreement, and any payments made hereunder, are in addition to, and do not affect, the specific obligations of Canada under the James Bay and Northern Quebec Agreement and the funding requirements therefor.

(Handwritten initials)

IN WITNESS WHEREOF THE parties have executed this Agreement on the day and year first written below.

SIGNED FOR AND ON BEHALF OF:

HER MAJESTY THE QUEEN IN RIGHT OF CANADA as represented by the MINISTER OF INDIAN AND NORTHERN AFFAIRS:

Witness: *J. Moore*

By: *[Signature]*
Assistant Deputy Minister
Indian and Inuit Affairs

Date *November 10, 1982*

Date *November 10, 1982*

Witness: *Nicholas Barber*
Nov. 5/1982.

By: *[Signature]*
Deputy Comptroller
Finance Administration
Indian and Northern Affairs

Date Nov 5 1982

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Date November 5, 1982

SIGNED FOR AND ON BEHALF:

Makivik Corporation

Witness: Paul Joffe

By: [Signature]

Date October 27, 1982

Date October 27, 1982