

**NORTHWEST TERRITORIES INTERGOVERNMENTAL RESOURCE REVENUE
SHARING AGREEMENT**

Made with effect as of this _____ day of _____, 2014.

AMONG:

**The Government of the Northwest Territories
(the “GNWT”)**

and

**The Inuvialuit Regional Corporation
(the “IRC”)**

and

**The Northwest Territory Métis Nation
(the “NWTMN”)**

and

**The Sahtu Secretariat Incorporated
(the “SSI”)**

and

**The Gwich'in Tribal Council
(the “GTC”)**

and

**The Tłı̨chǫ Government
(the “TG”)**

WHEREAS:

- A. The Parties to this Agreement expect that the Devolution Agreement will provide the NWT with a Net Fiscal Benefit;
- B. Section 10.13 of the Devolution Agreement provides that the GNWT will share the Net Fiscal Benefit with the Aboriginal Parties, pursuant to the terms of an agreement between the GNWT and the Aboriginal Parties;
- C. The Net Fiscal Benefit should promote political development and the delivery of government programs and services in the NWT;
- D. The Aboriginal Parties to this Agreement are governments that serve their respective citizens, participants, or other beneficiaries, as the case may be;
- E. This Agreement complements and strengthens the government to government relationship among the Parties;
- F. The GNWT has agreed to share the Net Fiscal Benefit according to the provisions of this Agreement with the Aboriginal Parties.

NOW THEREFORE, the Parties agree as follows:

1. DEFINITIONS

1.1 In this Agreement, including the recitals:

“Aboriginal Organization” has the same meaning as in the Devolution Agreement;

“Aboriginal Party” means the GTC, IRC, NWTMN, SSI, TG and any other Aboriginal Organization that becomes a Party in accordance with section 8.2;

“Agreement” means this Northwest Territories Intergovernmental Resource Revenue Sharing Agreement, including Schedule A;

“Canada” means the Government of Canada;

“Devolution Agreement” means the Northwest Territories Lands and Resources Devolution Agreement among the Government of Canada, the GNWT, the IRC, the NWTMN, the SSI, the GTC, the TG and any other parties;

“Formula” means the formula in Part 3 of Schedule A;

“GNWT” means the Government of the Northwest Territories;

“Interim Agreement” has the same meaning as in the Devolution Agreement;

“Net Fiscal Benefit” has the same meaning as in the Devolution Agreement;

“NWT” means the Northwest Territories;

“Party” means a party to this Agreement;

“Resource Revenues” has the same meaning as in the Devolution Agreement;

“Self-Government Agreement” means an agreement between the Crown and an Aboriginal people of the Northwest Territories, which is brought into force or implemented by federal legislation and which recognizes:

- a) the legal status and capacity of a governing body to represent such Aboriginal people; and
- b) the authority of that governing body to enact laws;

“Settlement Agreement” has the same meaning as in the Devolution Agreement; and

“Transfer Date” has the same meaning as in the Devolution Agreement.

2. PURPOSE

- 2.1 The purpose of this Agreement is to share Resource Revenues from public lands and resources with Aboriginal governments for government purposes.

3. GENERAL PROVISIONS

- 3.1 Nothing in this Agreement shall be construed so as to abrogate or derogate from, or to prejudice, limit or restrict:
- (a) any existing Aboriginal or treaty right recognized and affirmed under section 35 of the *Constitution Act, 1982*, including any right under Treaty 8 or Treaty 11;
 - (b) any fiduciary duty or obligation of the Crown to the Aboriginal peoples of Canada, including any obligation arising from the Constitution of Canada; or
 - (c) any executive, prerogative or statutory powers or any legislative authority of the GNWT or the Legislative Assembly of the Northwest Territories, as the case may be, to affect any right referred to in subsection (a) or arising from any duty or obligation referred to in subsection (b), in a manner consistent with the Constitution of Canada.
- 3.2 For greater certainty, this Agreement is not a treaty or a land claim agreement within the meaning of sections 25 and 35 of the *Constitution Act, 1982*.
- 3.3 This Agreement shall not be construed so as to delay, impair, or impede any negotiations processes among the Aboriginal peoples of the NWT, Canada and the GNWT or the commencement of those processes.
- 3.4 For greater certainty, this Agreement does not vary, replace, limit or affect any rights, powers, duties or obligations of the Parties under Settlement Agreements or Self-Government Agreements.
- 3.5 Nothing in this Agreement shall be construed so as to preclude any person from advocating before the courts any position on the existence, nature, or scope of any Aboriginal or treaty right of Aboriginal peoples of

Canada, or of any fiduciary obligation, or of any other constitutional obligation to the Aboriginal peoples of Canada.

- 3.6 For greater certainty, this Agreement does not affect any entitlement of an Aboriginal Party to receive a share of resource royalties under the terms of a Settlement Agreement or any Interim Agreement.
- 3.7 For greater certainty, this Agreement does not apply to the sharing of any resource revenue received by the GNWT in respect of oil and gas in the offshore Beaufort Sea or other northern offshore areas as may be agreed.
- 3.8 Without limiting the GNWT's contractual obligation under section 4.1, nothing in this Agreement shall be construed as providing the Aboriginal Parties with any interest in, or charge on, Resource Revenues or any land.

4. SHARING OF NET FISCAL BENEFIT

- 4.1 The GNWT shall pay to each Aboriginal Party a share of the Net Fiscal Benefit to be calculated in accordance with the Formula and principles set out in Schedule A.
- 4.2 Subject to sections 4.4 to 4.6, if Aboriginal Parties represent all NWT Aboriginal Organization Populations, the total amount paid pursuant to section 4.1 shall be 25% of the Net Fiscal Benefit for that year.
- 4.3 Amounts payable by the GNWT pursuant to section 4.1 shall be calculated on the basis of the Net Fiscal Benefit due to and received by the GNWT after the Transfer Date.
- 4.4 Each Aboriginal Party shall provide to the other Parties the statistical information required by the GNWT to calculate the Aboriginal Organization Population referred to in Part 2 of Schedule A.

Retained Amounts

- 4.5 Any amounts designated under the Formula for the benefit of NWT Aboriginal Organization Populations not yet represented by an Aboriginal party to this Agreement shall be retained by the GNWT.

- 4.6 Prior to the one year anniversary of the Transfer Date, the GNWT and the Aboriginal Parties shall negotiate with a view to concluding an agreement on the allocation of funds referred to in section 4.5.
- 4.7 In the event the negotiations referred to in section 4.6 do not result in an agreement, the GNWT shall determine whether any funds referred to in section 4.5 shall be:
- (a) added to GNWT general revenues;
 - (b) provided to the Aboriginal Parties; or
 - (c) subject to another arrangement.

Payment Schedule

- 4.8 Amounts payable to each Aboriginal Party pursuant to section 4.1 shall be remitted in quarterly instalments.
- 4.9 The GNWT shall annually provide to each Aboriginal Party a statement indicating the basis on which the share of Net Fiscal Benefit was calculated for the preceding year. Upon the request of an Aboriginal Party, the GNWT shall meet to review the calculations it is required to perform under this Agreement.

Dispute Resolution

- 4.10 If a dispute arises between the GNWT and an Aboriginal Party with respect to the payment of the Net Fiscal Benefit for a particular year, the Parties shall explore resolution of the dispute through negotiation or other dispute resolution procedures before resorting to litigation.

Additional Sharing

- 4.11 Nothing in this Agreement shall be construed so as to preclude the eligibility of an Aboriginal Party for an additional share of the Net Fiscal Benefit.

- 4.12 The amount of the share described in section 4.11 and any terms and conditions associated with the sharing shall be subject to negotiation between the GNWT and the Aboriginal Party.

5. REVIEW AND AMENDMENT OF AGREEMENT

- 5.1 The Parties shall establish a joint working group, comprised of one representative of each Party, to review and make recommendations to the Parties on matters related to the implementation of this Agreement, including:
- (a) ensuring consistency in determining Aboriginal Organization Populations;
 - (b) alternative methods for determining relative costs of living;
 - (c) any amendments to this Agreement that the working group wishes to recommend to the Parties; and
 - (d) any other matter referred to the working group by the Parties.
- 5.2 Working Group recommendations referred to in section 5.1 are not binding on the Parties, and are subject to authorization or approval by the Parties, where required.
- 5.3 The Parties shall conduct a review of the Formula and other provisions of this Agreement, commencing within two months after the Transfer Date and concluding no later than the second anniversary of the Transfer Date, and thereafter once every four years, unless otherwise agreed.
- 5.4 This Agreement may be amended by consent of the Parties, given in writing.
- 5.5 Despite section 5.4, the Formula set out in Schedule A, Part 3, may be amended by written consent of all the Aboriginal Parties in consultation with the GNWT. Any amendment to the Formula must provide for a fair and equitable opportunity for sharing among all the NWT Aboriginal Organization Populations consistent with the Principles in Schedule A, Part 1.
- 5.6 The Aboriginal Parties reviewing the Formula under section 5.5 shall strive to operate on the basis of consensus. If consensus cannot be reached within six months of an initial proposal for amendment, any Aboriginal Party may refer the matter to non-binding mediation.
- 5.7 Where a matter has been referred to mediation under section 5.6, the

Aboriginal Parties will select a mediator agreed to from a roster of mediators referred to in section 5.8. If there is no mediator available from the roster, any Aboriginal Party may apply to an alternative dispute resolution organization for an independent mediator to be appointed to help the Aboriginal Parties resolve any differences.

- 5.8 The Aboriginal Parties will develop and maintain a roster of mediators approved by the Aboriginal Parties who have
- (a) a familiarity with the circumstances of the Parties; and
 - (b) the skills, abilities and expertise to act as a mediator.
- 5.9 The Aboriginal Parties may also agree to appoint an evaluator or other third party expert to provide recommendations.
- 5.10 Costs relating to section 5, unless otherwise agreed among the Parties, shall be addressed as follows:
- (a) each Party shall bear its own costs for participation in the joint working group referred to in section 5.1, and in discussions on amendment of the Formula referred to in section 5.6;
 - (b) each Aboriginal Party shall share equally the costs of hiring a mediator, an evaluator or other third party expert pursuant to sections 5.7 and 5.9 as the case may be; and
 - (c) each Party shall share equally in any additional costs related to the collection of statistical information or other requirements resulting from amendments to the Formula.
- 5.11 Each Party shall participate in good faith in the joint working group referred to in section 5.1, any review conducted under section 5.3, and in any amendment discussions conducted under section 5.5.

6. STATUS OF AGREEMENT

- 6.1 This Agreement is binding upon the Parties.
- 6.2 This Agreement comes into effect on the Transfer Date.

7. LEGISLATION

- 7.1 As soon as is practicable after the signing of this Agreement, the GNWT shall recommend legislation for enactment by the Legislative Assembly of the NWT, providing for the sharing of the Net Fiscal Benefit consistent with this Agreement.
- 7.2 As soon as is practicable after the signing of this Agreement, the TG shall introduce into the Tłı̄chǝ Assembly a Tłı̄chǝ Law which provides for the implementation of this Agreement.
- 7.3 The GNWT shall consult the Parties in the preparation of the legislation referred to in section 7.1, and any amendments to that legislation.

8. EXECUTION OF AGREEMENT

- 8.1 This Agreement may be signed and delivered by any Party in counterpart, and all such counterparts together shall constitute one and the same document.
- 8.2 By signing this Agreement, each Party warrants that it has all necessary internal approvals, including, where required, the enactment of legislation or the making of a resolution, to authorize the Party's authorized representative to sign this Agreement on behalf of the Party.

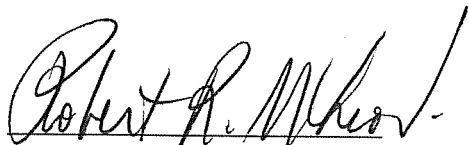
9. ADDITIONAL PARTIES TO THIS AGREEMENT

- 9.1 An Aboriginal Organization that is not a Party may, with the consent of the GNWT, become a Party by having an authorized representative sign this Agreement on behalf of that Aboriginal Organization, and upon the signing of this Agreement by its authorized representative this Agreement is deemed approved by and binding upon that Aboriginal Organization.

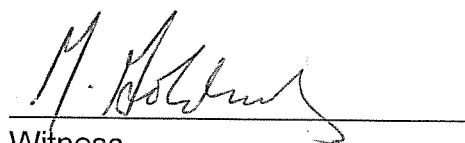
**THE NORTHWEST TERRITORIES INTERGOVERNMENTAL RESOURCE REVENUE
SHARING AGREEMENT**

Agreement signed in counterpart on February 27, 2014

For the Government of the Northwest Territories



The Honourable
Robert R. McLeod
Premier

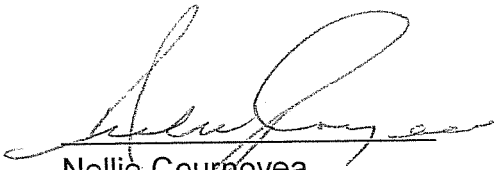


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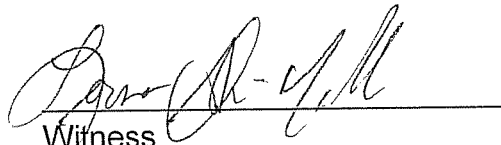
THE NORTHWEST TERRITORIES INTERGOVERNMENTAL RESOURCE REVENUE SHARING AGREEMENT

Agreement signed in counterpart on Feb 21, 2014

For the Inuvialuit Regional Corporation



Nellie Cournoyea
Chair and Chief Executive Officer



Witness

**THE NORTHWEST TERRITORIES INTERGOVERNMENTAL RESOURCE REVENUE
SHARING AGREEMENT**

Agreement signed in counterpart on February 20, 2014

For the Northwest Territory Métis Nation



Garry Bailey
President

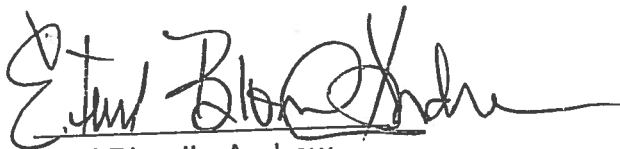


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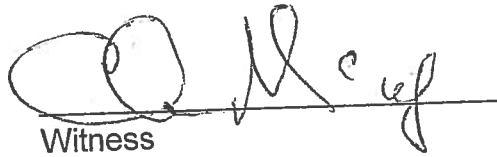
THE NORTHWEST TERRITORIES INTERGOVERNMENTAL RESOURCE REVENUE SHARING AGREEMENT

Agreement signed in counterpart on Feb 21, 2014

For the Sahtu Secretariat Incorporated



Ethel Blondin-Andrew
Chairperson




Witness


**THE NORTHWEST TERRITORIES INTERGOVERNMENTAL RESOURCE REVENUE
SHARING AGREEMENT**

Agreement signed in counterpart on February 20, 2014

For the Gwich'in Tribal Council



Robert A. Alexie
President

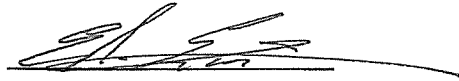


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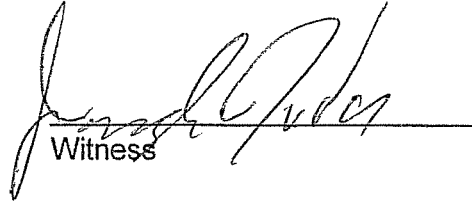
**THE NORTHWEST TERRITORIES INTERGOVERNMENTAL RESOURCE REVENUE
SHARING AGREEMENT**

Agreement signed in counterpart on Feb. 19th, 2014

For the Tłı̨chǫ Government



Eddie Erasmus
Grand Chief



Witness

Schedule A (section 4.1)

Part 1: Principles

- 1) The Formula to allocate Resource Revenues among Aboriginal Parties pursuant to section 4.1 must be based on a fair and equitable distribution of the amount referred to in sections 4.1 and 4.2 of the Agreement, between all NWT Aboriginal Organization Populations, and without penalty, deduction or offset by government.
- 2) The Formula should :
 - a) be flexible and responsive to changes in the socio-economic and geopolitical landscape of the NWT; and
 - b) to the extent possible, provide for ease of calculation.
- 3) The amounts receivable by an Aboriginal Party or Aboriginal Parties within a Region under the Formula will not be affected by any change in the number of Aboriginal Parties in any other Region.
- 4) Statistical data used for purposes of the Formula will be obtained from recognized and reliable sources, as agreed upon by the Parties.

Part 2: Definitions

“Aboriginal Organization Population” means:

- a) for the GTC, participants listed on the enrolment register pursuant to section 4.3.1 of the *Gwich'in Comprehensive Land Claim Agreement*;
- b) for the IRC, the Inuvialuit enrolled in the Inuvialuit Land Rights Settlement pursuant to section 6.4(a) of the *Inuvialuit Final Agreement* and those Inuvialuit under the age of 18 enrolled as a child of a beneficiary;
- c) for the NWTMN, until such time as the NWTMN has an enrolment list under a Settlement Agreement, the NWTMN membership list based upon the eligibility criteria in the NWTMN Lands and Resources Agreement-in-Principle;

- d) for the SSI, participants listed on the enrolment register pursuant to section 4.4.2 of the *Sahtu Dene Métis Comprehensive Land Claim Agreement*;
- e) for the TG, Tłı̄chǫ Citizens listed on the Register as defined in the *Tłı̄chǫ Agreement*;
- f) for each of the Akaitcho Territory Government (ATG) and the Dehcho First Nations (DFN), until such time as either, as the case may be, has an enrolment list under a Settlement Agreement, its membership as calculated by the NWT Bureau of Statistics using:
 - (i) the membership of each as self-identified in the most recent NWT Community Survey; and
 - (ii) the average proportion of members residing outside of the NWT for other Aboriginal Organizations with enrolment lists under a Settlement Agreement, as a proxy measure for the number of ATG or DFN members, as the case may be, residing outside of the NWT;
- g) for any Aboriginal Organization whose membership is not included in subsections (a) – (f) above, until such time as that Aboriginal Organization has an enrolment list under a Settlement Agreement or other comparable means of determining its membership, its membership as calculated by the NWT Bureau of Statistics using:
 - (i) the membership of that Aboriginal Organization as self-identified in the most recent NWT Community Survey; and
 - (ii) the average proportion of members residing outside of the NWT for other Aboriginal Organizations with enrolment lists under a Settlement Agreement, as a proxy measure for the number of that Aboriginal Organization' members residing outside of the NWT.

“Average Living Cost (Region)” means the sum of the difference in the Living Cost Differential Index between each community in the Region and Yellowknife, where Yellowknife = 100, divided by the number of communities in the Region. The Living Cost Differentials are produced by Statistics Canada on an occasional basis.

“Living Cost (NWT)” means the sum of the Average Living Cost (Region) for all Regions.

“Region” means any of the:

Akaiicho Region, consisting of the 5 communities of Detah, N'Dilo, Fort Resolution, Łutsel K'e and Salt River First Nation as represented by the Akaiicho Territory Government and Salt River First Nation;

Dehcho Region, consisting of the 10 communities of Fort Liard, Fort Providence, Fort Simpson, Hay River Reserve, Jean Marie River, Nahanni Butte, Trout Lake, Wrigley, West Point First Nation, Kakisa as represented by the Dehcho First Nations, the Acho Dene Koe First Nation, Kát'odeeche First Nation and Pehdzeh Ki First Nation;

Gwich'in Region, consisting of the 4 communities of Aklavik, Fort McPherson, Tsiigehtchic, and Inuvik as represented by the Gwich'in Tribal Council;

Inuvialuit Region, consisting of the 6 communities of Aklavik, Ulukhaktok, Sachs Harbour, Inuvik, Paulatuk and Tuktoyaktuk as represented by the Inuvialuit Regional Corporation;

Northwest Territory Métis Nation Region, consisting of the 3 communities of Fort Smith, Hay River (and area) and Fort Resolution as represented by Northwest Territory Métis Nation;

Sahtu Region, consisting of the 5 communities of Colville Lake, Dèlne, Fort Good Hope, Norman Wells, and Tulita as represented by the Sahtu Secretariat Incorporated; and

Tłı̄chǫ Region, consisting of the 4 communities of Behchokǫ, Gamètı, Wekweètı, and Whatı as represented by the Tłı̄chǫ Government;

“Total Aboriginal Population” means the sum of all Aboriginal Organization Populations.

Part 3: Formula**A. TOTAL RESOURCE REVENUES AVAILABLE FOR SHARING**

Total Available for Sharing = $T = 25\% \times \text{Net Fiscal Benefit}$

B. FORMULA FOR REGIONAL ABORIGINAL ORGANIZATIONS

Regional Amount (RA) = Living Cost Amount (Region) + Population Amount

Living Cost Amount (Region) =
 $(30\% \times T) \times (\text{Average Living Cost (Region)} / \text{Living Cost (NWT)})$

Population Amount =
 $(70\% \times T) \times (\text{Aboriginal Organization Population} / \text{Total Aboriginal Population})$

C. FORMULA FOR SUB REGIONAL ABORIGINAL ORGANIZATIONS

For Aboriginal Organizations that do not represent an entire Region, its share of resource revenues will be the following Sub Regional Amount unless otherwise agreed to by all Aboriginal Organizations within that Region and the GNWT.

Sub Regional Amount (SRA) = Living Cost Amount (Community) + Population Amount

Living Cost Amount (Community) =

$\text{Living Cost Amount (Region)} \times (\text{Number of Communities Represented by the Aboriginal Organization} / \text{Number of Communities in the Region})$

Population Amount =

$(70\% \times T) \times (\text{Aboriginal Organization Population} / \text{Total Aboriginal Population})$