

IQALUIT INTERNATIONAL AIRPORT IMPROVEMENT PROJECT

Schedule 24

Inuit Content

SCHEDULE 24

INUIT CONTENT

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SCHEDULE 24

INUIT CONTENT

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

Unless otherwise specified or the context otherwise requires, capitalized but otherwise undefined terms in this Agreement will have the respective meanings given to such terms in the Project Agreement, and

"Annual Inuit Labour Requirement for the Construction Period" means a minimum of 10% of the Locally Procured Construction Labour Costs in the period commencing on the Effective Date and ending March 31, 2015, and thereafter, each Contract Year to and including the first Contract Year ending after the Service Commencement Date.

"Capital Cost" means all costs of the Design and Construction of the Facility as set out in the Financial Model.

"Construction Period Inuit Labour Ratio" is the ratio of Locally Procured Construction Labour Costs paid to Inuit Beneficiaries as a percentage of total Locally Procured Construction Labour Costs during any period calculated as follows:

$$\text{CPILR}_n = \frac{\text{ILPCLC}_n}{\text{LPCLC}_n}$$

where:

CPILR_n	=	Construction Period Inuit Labour Ratio for period n
n	=	period over which ratio is calculated
ILPCLC_n	=	Locally Procured Construction Labour Costs paid to Inuit Beneficiaries for period n
LPCLC_n	=	Locally Procured Construction Labour Costs for period n

"Cumulative Inuit Labour Requirement for the Construction Period" means 15% of Locally Procured Construction Labour Costs.

"Initial Inuit Labour Requirement for the Operating Period" means 20%.

"Inuit Beneficiaries" means those individuals who are on the Inuit enrolment list maintained by Nunavut Tunngavik Inc.

"Inuit Businesses" means an entity which complies with the legal requirements to carry on business in the Nunavut Settlement Area, is registered with Nunavut Tunngavik Inc. as an "Inuit Firm", and

- (a) a limited company with at least 51% of the company's voting shares beneficially owned by Inuit, or

- (b) a cooperative controlled by Inuit, or
- (c) an Inuk sole proprietorship or partnership.

"Inuit Business Plan" has the meaning set out in Section 2.4(d).

"Inuit Business Construction Requirement" means paid invoices from Inuit Businesses for work, supplies or services completed before Service Commencement related to design and construction, with a minimum value of:

"Inuit Business Operations Requirement" means paid invoices from Inuit Businesses for work, services or supplies as percentage of total operations, maintenance and lifecycle costs (excluding financing utility and energy costs). The minimum requirement is 10% measured in five year increments from the Effective Date.

"Inuit Business Requirement" means the Inuit Business Construction Requirement and the Inuit Business Operations Requirement.

"Inuit Content Payments" means the payments described in Section 2.8 [*Failure to Meet Inuit Content Requirements*] of this Schedule 24 [*Inuit Content*].

"Inuit Engagement Plan" means the plan created by Project Co as described in Section 2.5 [*Inuit Engagement Plan*] comprised of four integrated components: Inuit Labour Plan for the Construction Period, the Inuit Labour Plan for the Operating Period, the Inuit Business Plan and the Inuit Training Plan.

"Inuit Labour Plan for the Construction Period" has the meaning set out in Section 2.5 [*Inuit Engagement Plan*].

"Inuit Labour Plan for the Operating Period" has the meaning set out in Section 2.5 [*Inuit Engagement Plan*].

"Inuit Labour Requirements" means the Cumulative Inuit Labour Requirement for the Construction Period, the Annual Inuit Labour Requirement for the Construction Period, the Initial Inuit Labour Requirement for the Operating Period and the Ongoing Inuit Labour Requirement for the Operating Period.

"Inuit Training Plan" has the meaning set out in Section 2.5(c) [*Inuit Engagement Plan*].

"Inuit Training Requirement" has the meaning set out in Section 2.5 [*Inuit Engagement Plan*].

"Locally Procured Construction Labour Costs" means, for any period, the amount paid directly by the Design-Builder, or indirectly, by Sub-Contractors to individuals for labour, consulting services, management services or other services performed in Nunavut, whether performed on the Site or in other parts of Nunavut to complete the Facility.

"Locally Procured Operation and Maintenance Labour Costs" means, for any period, the amount paid directly by the Service Provider to individuals or indirectly, by Sub-Contractors, (but excluding, between

the Assumption of Operations Date and March 31, 2015, such amounts paid by Twilite under the Airport Security Contract) for labour, consulting services, management services or other services performed in Nunavut, whether performed on the Site or in other parts of Nunavut to perform the Services.

"**NNI Contracting Appeals Board**" means the NNI Contracting Appeals Board established by GN pursuant to Section 18.1 of the Nunavummi Nangminiaqtunik Ikajuuti Policy and includes any successor board with a similar mandate.

"**Nunavut Settlement Area**" has the meaning ascribed thereto in the NLCA.

"**Ongoing Inuit Labour Requirement for the Operating Period**" means, for each 5 year period following the Assumption of Operations Date, a percentage equal to the Initial Inuit Labour Operations Requirement plus 6.7% for each 5-year period completed after the 5th anniversary of the Assumption of Operations Date.

"**Operating Period Inuit Labour Ratio**" for any period is the ratio of Locally Procured Operation and Maintenance Labour Costs paid to Inuit Beneficiaries as a percentage of total Locally Procured Operation and Maintenance Labour Costs calculated as follows:

$$\text{OPILR}_n = \frac{\text{ILPOMLC}_n}{\text{LPOMLC}_n}$$

where:

OPILR_n	=	Operating Period Inuit Labour Ratio for period n
n	=	period over which ratio is calculated
ILPOMLC_n	=	Locally Procured Operations and Maintenance Labour Costs paid to Inuit Beneficiaries for period n
LPOMLC_n	=	Locally Procured Operations and Maintenance Labour Costs for period n

"**Schedule 24 Advisory Panel**" means the panel described in Section 2.7 [*Schedule 24 Advisory Panel*] of this Schedule 24 [*Inuit Content*] until the NNI Contracting Appeals Board elects to assume the role of the Schedule 24 Advisory Panel, and thereafter means the NNI Contracting Appeals Board.

2. INUIT REQUIREMENTS

2.1 Inuit Labour Requirements for the Construction Period

- (a) Project Co shall achieve a Construction Period Inuit Labour Ratio over the Construction Period of not less than the Cumulative Inuit Labour Requirement for the Construction Period.
- (b) Project Co shall achieve a Construction Period Inuit Labour Ratio in the period commencing on the Effective Date and ending March 31, 2015, and thereafter, each Contract Year to and including the first Contract Year ending after the Service

Commencement Date of not less than the Annual Inuit Labour Requirement for the Construction Period.

- (c) To the extent that the Cumulative Inuit Labour Requirement for the Construction Period has been set at an amount greater than 15%, Project Co may request relief from the Cumulative Inuit Labour Requirement for the Construction Period if Project Co can demonstrate that they have diligently carried out their Inuit Labour Plan for the Construction Period. To seek relief under this clause Project Co must convene a meeting with GN and the Schedule 24 Advisory Panel. 10 Business Days before the meeting, Project Co must distribute materials to the GN and the Schedule 24 Advisory Panel to the present the following:
 - (i) Evidence of Inuit Labour Plan for the Construction Period efforts;
 - (ii) Evidence of Inuit Labour Plan for the Construction Period achievements;
 - (iii) Challenges to Inuit Labour Plan for the Construction Period;
 - (iv) Adjustments to implementation of Inuit Labour Plan for the Construction Period attempted and results; and
 - (v) Proposed level of relief to Cumulative Inuit Labour Requirement for the Construction Period.
- (d) The Cumulative Inuit Labour Requirement for the Construction Period shall not be reduced to any amount less than 15%.

2.2 Inuit Labour Requirements for the Operating Period

- (a) Project Co shall achieve an Operating Period Inuit Labour Ratio over the first 5 years from the Assumption of Operations Date of not less than the Initial Inuit Labour Requirement for the Operating Period.
- (b) Project Co shall achieve an Operating Period Inuit Labour Ratio over each 5 year period beginning on the 5th anniversary of the Assumption of Operations Date of not less than the Ongoing Inuit Labour Requirement for the Operating Period.
- (c) To the extent that the Initial Inuit Labour Requirement for the Operating Period has been set at an amount greater than 20%, Project Co may request relief from the Initial Inuit Labour Requirement for the Operating Period or from the Ongoing Inuit Labour Requirement for the Operating Period if Project Co can demonstrate that they have diligently carried out their Inuit Labour Plan for the Operating Period. To seek relief under this clause Project Co must convene a meeting with GN and the Schedule 24 Advisory Panel. 10 Business Days before the meeting, Project Co must distribute materials to the GN and the Schedule 24 Advisory Panel to the present the following:

- (i) Evidence of Inuit Labour Plan for the Operating Period efforts to date;
- (ii) Evidence of Inuit Labour Plan for the Operating Period achievements to date;
- (iii) Challenges to Inuit Labour Plan for the Operating Period;
- (iv) Adjustments to implementation of Inuit Labour Plan for the Operating Period already attempted and results;
- (v) Proposed level of relief to Initial Inuit Labour Requirement for the Operating Period or the Ongoing Inuit Labour Requirement for the Operating Period; and
- (vi) Future adjustments to implementation of Inuit Labour Plan for the Operating Period.

Neither the Initial Inuit Labour Requirement for the Operating Period nor the Ongoing Inuit Labour Requirement for the Operating Period shall be reduced to less than :
 Any relief granted to the Initial Inuit Labour Requirement for the Operating Period on the Ongoing Inuit Labour Requirement for the Operating Period shall be limited to one year unless further relief is requested and granted.

- (d) Project Co may request relief from the Ongoing Inuit Labour Requirement for the Operating Period if Project Co can demonstrate that they have diligently carried out their Inuit Labour Plan for the Operating Period.

2.3 Inuit Business Construction Requirement

- (a) Project Co shall meet the Inuit Business Construction Requirement.
- (b) Project Co shall present GN and the Schedule 24 Advisory Panel the paid invoices in satisfaction of the Inuit Business Requirement at the first meeting of the Schedule 24 Advisory Panel following the Service Commencement Date.

2.4 Inuit Business Operations Requirement

- (a) Project Co shall meet the Inuit Business Operations Requirement.
- (b) Project Co shall present to GN and the Schedule 24 Advisory Panel the paid invoices in satisfaction of the Inuit Business Requirement on an annual basis.
- (c) Project Co can elect whether the total operations, maintenance and lifecycle costs are measured:
 - (i) as defined in the Financial Model in place as the Effective Date (or updated as per the Agreement); or
 - (ii) based on audited financial statements provided by Project Co.

Project Co must elect only one of the two options above for all years within a 5 year period.

2.5 Inuit Engagement Plan

Project Co shall submit to GN and the Schedule 24 Advisory Panel the four components of an integrated plan (the "**Inuit Engagement Plan**"), each component being submitted by the dates provided herein:

- (a) Within 60 days after the Effective Date, an Inuit Labour Plan for the Construction Period (the "**Inuit Labour Plan for the Construction Period**").

The Inuit Labour Plan for the Construction Period must include details on how Project Co intends to achieve its Annual Inuit Labour Requirement for the Construction Period and Cumulative Inuit Labour Requirement for the Construction Period. The Inuit Labour Plan for the Construction Period shall address:

- (i) How employment of Inuit people will be managed including the complexities introduced by the annual cycle of work in Nunavut and the cultural cycles of Inuit life;
- (ii) Anticipated levels of absenteeism and turnover;
- (iii) Details on what work will be carried out by Inuit Beneficiaries;
- (iv) Strategies for the successful recruitment of Inuit Beneficiaries;
- (v) Strategies for the successful retention and promotion of Inuit Beneficiaries;
- (vi) Career progression planning through promotions/advancement for Inuit Beneficiaries;
- (vii) Effective management of all staff;
- (viii) Cultural awareness training for non-Inuit workers;
- (ix) Monitoring, monthly reporting, annual presentations to the Schedule 24 Advisory Panel and auditing protocols; and
- (x) How the Project Co Inuit Liaison Director will work to monitor and achieve successful implementation of the Inuit Labour Plan for the Construction Period.

- (b) Not less than 60 days prior to the Assumption of Operations Date, an Inuit Labour Plan for the Operating Period (the "**Inuit Labour Plan for the Operating Period**").

The Inuit Labour Plan for the Operating Period must include details on how Project Co intends to achieve its specified level of Initial Inuit Labour Requirement for the Operating Period and Ongoing Inuit Labour Requirement for the Operating Period. The Inuit Labour Plan for the Operating Period shall address:

- (i) How employment of Inuit people will be managed including the complexities introduced by the annual cycle of work in Nunavut and the cultural cycles of Inuit life;
 - (ii) Details on what work will be carried out by Inuit;
 - (iii) Anticipated levels of absenteeism and turnover;
 - (iv) Strategies for successful recruitment of Inuit Beneficiaries;
 - (v) Strategies for successful retention and promotion of Inuit Beneficiaries;
 - (vi) Approach to how escalating levels of Inuit labour will be achieved;
 - (vii) Succession planning;
 - (viii) Effective management of all staff;
 - (ix) Cultural awareness training for non-Inuit workers;
 - (x) Monitoring, annual reporting and presentations to the Schedule 24 Advisory Panel and auditing protocols; and
 - (xi) How the Project Co Inuit Liaison Director will work to monitor and achieve successful implementation of the Inuit Labour Plan for the Operating Period.
- (c) Within 60 days after the Effective Date, an Inuit Training Plan (the "**Inuit Training Plan**").

The Inuit Training Plan must include details on how Project Co intends to achieve the Inuit Training Requirement in the Construction Period. The Inuit Training Plan shall:

- (i) Identify which items from Table 2.6 [*Inuit Training Objectives*] will be used;
- (ii) Detail how Inuit Beneficiaries will be identified and recruited as well as in which geographic locations;
- (iii) Address the complexities introduced by the annual cycle of work in Nunavut, the cultural cycles of Inuit life;
- (iv) Address the capacity of Project Co's staff to supervise, monitor and support and coordinate trainees;

- (v) Monitoring, monthly reporting, annual presentations to the Schedule 24 Advisory Panel and auditing protocols; and
 - (vi) Discuss partnerships with educational institutions.
- (d) Within 60 days after the Effective Date, an Inuit Business Plan (the "**Inuit Business Plan**").

The Inuit Business Plan must include details on how Project Co intends to achieve the Inuit Business Construction Requirement and Inuit Business Operations Requirement. The Inuit Business Plan shall:

- (i) Identify the work intended to be carried out by Inuit Businesses, as well as the dollar value of work;
- (ii) Detail how qualified Inuit Businesses will be identified and integrated into the Project;
- (iii) Detail any preferential policies with regards to contracting with Inuit Businesses;
- (iv) Describe how relationships with Inuit Businesses will be managed;
- (v) Monitoring, annual reporting and presentations to the Schedule 24 Advisory Panel and auditing protocols; and
- (vi) How the Project Co Inuit Liaison Director will work to monitor and achieve successful implementation of the Inuit Business Plan.

2.6 Inuit Training

Project Co will be required to meet the minimum Inuit Training Requirement (the "**Inuit Training Requirement**"), which is:

- (a) Achieving 100 points according the following table:

TABLE 2.6

INUIT TRAINING OBJECTIVES

Category	Points	Minimum and Maximum Points	Comments
Pre-apprenticeship programs	1.5 point for each student who passes.	Minimum: N/A Maximum: 25	<p>Pre-apprenticeship programs are offered by Nunavut Arctic College. Programs from other institutions must be approved by the GN. Inuit Beneficiary students must complete coursework and pass. There is no minimum grade above a passing grade (which is 70%). Only 15 points can be applied to Inuit Beneficiary students that do not continue into an apprenticeship program with ongoing work associated with the Project. There are a number of GN programs to assist with the cost of courses and living expenses.</p> <p>To qualify for points in this category, Project Co must notify the GN of Inuit Beneficiary students enrolled in the pre-apprenticeship program before the course starts.</p>
Apprenticeship programs		Minimum: 40 Maximum: N/A	Points are given for each year completed for each Inuit Beneficiary. A completion of a year required the minimum required work experience (hours) and successful completion of school component
Completion of Year 1	1.5 points for new hire 2.25 points for continuing hire		At least 50% of the required work hours for each year must be

Category	Points	Minimum and Maximum Points	Comments
Completion of Year 2	2.25 points for new hire 3.0 points for rehire		associated with the Project for the period from the Effective Date until 1 year before the Target Service Commencement Date. After that at least 25% of the required work hours for each year must be associated with the Project. In all cases this can include the use of apprentices from other projects. The balance can be from work on other projects in Nunavut or the rest of Canada.
Completion of Year 3	3.0 points for new hire 3.75 points for rehire		
Completion of Year 4	3.75 points for new hire 4.7 points for rehire		
Achievement of Journeyman (final exam)	2.25 points		
Relevant college and other certification programs	4 points for each program or certification completed	Minimum: N/A Maximum: 12	Examples include of University of Guelph airport management program, International Association of Airport Executives program, IATA Aviation Management Professional Certification, IATA Airport Diploma, Canadian Construction Association Gold Seal Relevance of program must be demonstrated by Project Co and approved by GN
On the job training	1 point for every 24 hours of training	Minimum: N/A Maximum: 20	
Professional	5 points for each	Minimum:	Points are tied to attainment of

Category	Points	Minimum and Maximum Points	Comments
designations	designation	N/A Maximum: 10	professional designations, not registration in a program. This would include Chartered Accountant, Engineer, Professional Engineer, Power Engineer (any class) etc. Inuit Beneficiary must be employed for at least a year by a company working on the Project. Project Co must notify the GN of Inuit Beneficiaries within this category within 60 days of them commencing their program and/or their employment with the company working on the Project.
Technical skills - Major e.g. firefighter and, heavy equipment operator	3 points for National Fire Protection Association (NFPA) firefighter 10-01 level 1 or level 2 4 points for NFPA firefighter 10-03 level 1, level 2 or Aircraft Fire & Rescue ARFF 2.5 points for fire officer level i 5 points for fire officer level ii 3 points for heavy equipment operator certification(for those without previous class 3 license) 1.5 points for heavy equipment operation	Minimum: N/A Maximum: 60 for the category with sublimits of 40 for firefighter and 40 for heavy equipment operator	Project Co must demonstrate that the Inuit Beneficiary did not have qualifications before attaining certification. Points awarded on successful completion of certification.

Category	Points	Minimum and Maximum Points	Comments
	certification (for those with previous class 3 license)		

(b) The following conditions apply to Section 2.6(a) of this Schedule 24 *[Inuit Content]*:

- (i) Points can only be provided for training of Inuit Beneficiaries.
- (ii) All training must be relevant and Project specific.
- (iii) Apprenticeship shall include on the job work hours, the majority of which must be associated with the Project.
- (iv) Loaning out apprentices to other contractors in Iqaluit is encouraged and will count towards hours on the Project.
- (v) The 100 points will be counted 1 year after Target Service Commencement (to allow them to loan out apprentices to other firms to complete their training).

(c) The monitoring, reporting and auditing protocols of the Inuit Training Plan shall include semi-annual reports that include names, year of apprenticeship, length of employment and confirmation of enrollment.

(d) Project Co may seek relief from the Inuit Training Requirement if Project Co can demonstrate that it has diligently carried out their Inuit Training Plan, but has been unable to achieve the 100 points. To seek relief under this clause Project Co must convene a meeting with GN and the Schedule 24 Advisory Panel. 10 Business Days before the meeting, Project Co must distribute materials to the GN and the Schedule 24 Advisory Panel to the present the following:

- (i) Evidence of Inuit Training Plan efforts to date;
- (ii) Evidence of Inuit Training Plan achievements to date;
- (iii) Challenges to Inuit Training Plan;
- (iv) Adjustments to implementation of Inuit Training Plan already attempted and results;
- (v) Proposed level of relief to Inuit Training Requirement; and

- (vi) Future adjustments to implementation of Inuit Training Plan.

2.7 Schedule 24 Advisory Panel

GN shall establish a Schedule 24 Advisory Panel (the "**Schedule 24 Advisory Panel**") to:

- (a) Provide information, advice and guidance to Project Co in terms of meeting the Inuit Labour Requirements, the Inuit Business Requirement and the Inuit Training Requirement including assisting Project Co to find ways to overcome issues.
- (b) Receive and review with Project Co the initial drafts of each component of the Inuit Engagement Plan and the annual reports on the success of the components of the Inuit Engagement Plan.
- (c) Provide guidance to GN on assessing requests the relief under Sections 2.1(c), 2.2(c) and 2.6(d) of this Schedule 24 [*Inuit Content*].

The Schedule 24 Advisory Panel shall be composed of:

- Executive Coordinator NNI Secretariat
 - Director of Trades and Technology, Arctic College
 - ██████████, Director of Policy, Nunavut Tunngavik Inc.
 - ██████████, Director, Nunavut Territory, Service Canada
- (d) Project Co and the GN will meet with the Schedule 24 Advisory Panel at least annually until Service Commencement to review the updated Inuit Labour Plan for the Construction Period and Inuit Labour Plan for the Operating Period. Project Co may request more frequent meetings.
 - (e) In any application for relief from any requirement of an Inuit Plan for which Project Co is entitled to seek relief, the Schedule 24 Advisory Panel shall consider the following:
 - (i) Project Co's demonstrated effort in meeting the plan requirements.
 - (ii) Project co's adaptation of the plan to changed circumstances;
 - (iii) Project Co's effort in making adaptations;
 - (iv) Project co's level of success achieved during prior periods;
 - (v) local labour market conditions; and
 - (vi) Project Co resources dedicated to achieving plan success.

- (f) A failure of any non-GN body to appoint a representative or a failure of a representative to attend a Schedule 24 Advisory Panel will not constitute a reason for the Schedule 24 Advisory Panel not to meet and carry out its intended function.
- (g) Project Co shall provide facilities for each Schedule 24 Advisory Panel meeting at its own cost. Meetings shall be held at such locations in Iqaluit as may be decided by the panel. Meetings may be held by conference call or video call provided each panel member can hear and be heard. Project Co will take minutes of meetings of the Schedule 24 Advisory Panel and will circulate minutes of each meeting to all members of the Schedule 24 Advisory Panel. The Schedule 24 Advisory Panel may invite to its meetings or exclude from any meeting or from any part of any meetings any individuals as may be decided by the majority of the panel members present.

2.8 Failure to Meet Inuit Content Requirements

The monitoring, reporting and auditing protocols contained in the Inuit Engagement Plan shall be designed to include specific identification of Inuit Beneficiaries participating, detailed reporting of the level of involvement and achievement and shall include the creation of an auditable record of Inuit Engagement Plan achievements. In the event that Project Co fails to meet any of the Inuit Labour Requirement, the Inuit Business Requirement or the Inuit Training Requirement, Project Co, GN and the Schedule 24 Advisory Panel shall meet to determine an appropriate remedial strategy to address such failure.

Project Co will pay to GN the following Inuit Content Payments unless relief has been granted to Project Co pursuant to Section 2.1(c):

- (a) *Cumulative Inuit Labour Requirement for the Construction Period:* Onetime payment equal to:
 - (1) : for each 1% by which the Construction Period Inuit Labour Ratio for the Construction Period falls below the Cumulative Inuit Labour Requirement for the Construction Period; plus
 - (2) : for each 1% by which the Construction Period Inuit Labour Ratio for the Construction Period falls below 15%;

The minimum payment is zero. Payment is due and payable within 20 days after Service Commencement. Any payment due under Section 2.8(a) of this Schedule 24 [*Inuit Content*] can be offset against payments made pursuant to Section 2.8(b) of this Schedule 24 [*Inuit Content*];

- (b) *Annual Inuit Labour Requirement for the Construction Period:* An periodic payment, payable in respect of the periods described in Section 2.1(b) only, equal to : for each 1% by which the Construction Period Inuit Labour Ratio for any such period falls below the Annual Inuit Labour Requirement for the Construction Period. The minimum payment is zero. Payment is due and payable within 20 days after the last day of each period to and including the end of the first Contract Year after Service Commencement;

- (c) *Initial Inuit Labour Requirement for the Operating Period:* Onetime payment equal to:
- (1) : for each 1% by which the Operating Period Inuit Labour Ratio falls below the Initial Inuit Labour Requirement for the Operating Period; plus
 - (2) : for each 1% by which the Operating Period Inuit Labour Ratio falls below 20%.

The minimum payment is zero. Payment is due and payable within 20 days after the last day of the 5th Contract Year;

- (d) *Ongoing Inuit Labour Requirement for the Operating Period:* A payment made every fifth year equal to:
- (1) : for each 1% by which the Operating Period Inuit Labour Ratio falls below Ongoing Inuit Labour Requirement for the Operating Period; plus
 - (2) : for each 1% by which the Operating Period Inuit Labour Ratio falls below 20%,

The minimum payment is zero. Payment is due and payable within 20 days after the last day of every 5th Contract Year, beginning 30 days after the last day of the 10th Contract Year;

- (e) *Inuit Business Construction Requirement:* A onetime payment equal to : for each 1% by which the aggregate of all paid invoices from Inuit Businesses for work, supplies or services completed before Service Commencement related to design and construction as a percentage of total Capital Costs is less than the Inuit Business Construction Requirement, The minimum payment is zero. Payment is due and payable within 20 days after Service Commencement; and

- (f) *Inuit Business Operations Requirement:* A payment made every fifth year equal to : for each 1% by which the aggregate of the paid invoices from Inuit Businesses for work, services or supplies as percentage of total operations, maintenance and lifecycle costs (excluding financing, utility and energy costs) falls below the Inuit Business Operations Requirement. The minimum payment is zero. Payment is due and payable within 20 days after the last day of every 5th Contract Year, beginning 30 days after the last day of the 5th Contract Year.

- (g) *Inuit Training Requirement:* A onetime payment equal to : for each 1 point by which the aggregate number of points falls below the Inuit Training Requirement of 100. The minimum payment is zero. Payment is due and payable within 20 days after the first anniversary of the Target Service Commencement Date.

- (h) *NPE Points*: Project Co will not be required to assign NPE Points to itself in respect of any failure to achieve a requirement under this Schedule 24 if Project Co is required to make a payment to GN in respect thereof.

2.9 Cooperation with Consultation

Project Co, at the request of the GN Representative, shall co-operate with and provide reasonable assistance to GN in connection with any consultations by GN with any Inuit on issues pertaining to the Project.

2.10 Inuit Reporting

- (a) Project Co shall provide the GN Representative with each of the following:
 - (i) a report to GN on a monthly basis until the earlier of (i) the Service Commencement Date, and (ii) the second anniversary of the Effective Date, or otherwise as may periodically be requested by GN, on the status of Project Co's compliance with and performance of the Inuit Content Requirements and the Inuit Engagement Plan in such form and with such content as acceptable to the GN Representative, acting reasonably; and
 - (ii) such other documentation and information in respect of the Inuit Content Requirements as the GN Representative may reasonably request.
- (b) Project Co shall provide to the Schedule 24 Advisory Panel and the GN Representative an annual update of the Inuit Engagement Plan within sixty (60) days after the anniversary of the Effective Date, including an update of the Inuit Labour Plan for the Construction Period during the Construction Period and an update on the Inuit Labour Plan for the Operating Period during the Operating Period and submit the updated plan together with a report on the results achieved under the Inuit Engagement Plan during the preceding year.

3. OTHER INUIT MATTERS

3.1 Inuit Obligations of GN

Project Co shall cooperate with GN to assist GN with its efforts to comply with the requirements of Section 24 of the NLCA in respect of the Project. Such cooperation shall not require Project Co achieve any higher or more demanding Inuit content requirements than those set out in this Schedule 24 [*Inuit Content*]. Project Co shall, at its own reasonable cost and expense, having regard to and without detracting in any way from the content requirements defined in this Schedule 24 [*Inuit Content*] and its other obligations contained in this Agreement, cooperate in any required consultations or litigation or both in relation to the Inuit.

3.2 Designated Project Co Inuit Liaison Director

Project Co shall designate the Project Co Inuit Liaison Director pursuant to Section 2.3 of Schedule 3 *[Roles and Representatives]* who shall be an employee or contractor of Project Co, or of the Design Builder (during the Construction Period) or the Service Provider (during the Services Period). The Project Co Inuit Liaison Director shall have responsibility for the Inuit matters described in this Schedule 24 *[Inuit Content]*. The Project Co Inuit Liaison Director shall be available at all times to confer and consult with GN at the request of GN from time to time.

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