

**MEMORANDUM OF AGREEMENT TO AMEND THE LABRADOR INUIT LAND
CLAIMS AGREEMENT**

BETWEEN:

THE INUIT OF LABRADOR AS REPRESENTED BY THE NUNATSIAVUT
GOVERNMENT

and

HER MAJESTY THE QUEEN IN RIGHT OF NEWFOUNDLAND AND LABRADOR

and

HER MAJESTY THE QUEEN IN RIGHT OF CANADA

(hereinafter referred to as "the Parties")

The authorized representatives of the Parties agree to submit the amendments to the Labrador Inuit Land Claims Agreement (hereinafter referred to as "LILCA") set out in Annexes A to C attached to this Memorandum of Agreement (hereinafter referred to as "MOA") for consent by the Parties in accordance with Part 2.16 of the LILCA.

The authorized representatives of the Parties to the LILCA recommend that the following amendments be made to the LILCA in accordance with part 2.16 of the LILCA:

- The document entitled "Nunavik Inuit/Labrador Inuit Overlap Area" attached to this MOA as Annex "A" is to be added to the LILCA as "Chapter 24";
- Schedule 2-A of the LILCA is to be deleted and replaced with Schedule 2-A attached to this MOA as Annex "B"; and
- Schedule 19-A of the LILCA is to be deleted and replaced with Schedule 19-A attached to this MOA as Annex "C".


The authorized representatives of the Parties recommend the amendments to Schedule 19-A come into effect on the December 1st following the date on which Chapter 24 is added to the LILCA, and Schedule 2-A of the LILCA is amended pursuant to this MOA.

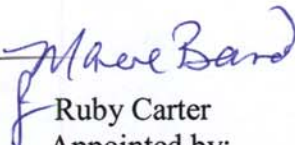
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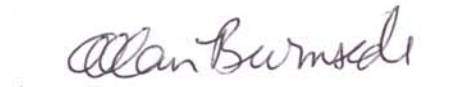
This MOA remains in effect until the amendments set out in this MOA are consented to by the Parties in accordance with Part 2.16 of the Labrador Inuit Land Claims Agreement or until it is terminated by written agreement of the Parties, whichever happens first.

The definitions of the LILCA apply to this MOA.

Executed this 27 day of January 2009 by the undersigned authorized representatives of the Parties.


Toby Andersen
Appointed by:
Nunatsiavut Government


Ruby Carter
Appointed by:
Province of Newfoundland
and Labrador


for Mavis Dellert
Appointed by:
Department of Indian Affairs
and Northern Development



ANNEX "A"

Chapter 24: Nunavik Inuit/Labrador Inuit Overlap Area

Whereas Nunavik Inuit and Labrador Inuit have agreed that the area set out in Schedule 24-A and described in Schedule 24-B is an overlap area;

Whereas Nunavik Inuit and Labrador Inuit have entered into the Overlap Agreement relating to the sharing of the Nunavik Inuit/Labrador Inuit Overlap Area; and

Whereas this chapter sets out rights of Labrador Inuit in the Nunavik Marine Portion of the Overlap Area.

Part 24.1 Definitions and Interpretation

In this chapter:

"Adjusted Basic Needs Level" means the level of harvesting by Nunavik Inuit identified in sections 5.2.15 to 5.2.18 of the Nunavik Inuit Land Claims Agreement;

"Archaeological Investigation" means any archaeological research, survey, excavation, reconstruction, work or other activity within the Nunavik Marine Portion of the Overlap Area;

"Archaeological Site" means a site or work within the Nunavik Marine Portion of the Overlap Area of archaeological, ethnographical or historical importance, interest or significance or a place where an Archaeological Specimen is found, and includes explorers' cairns and burial sites;

"Archaeological Specimen" means an object or specimen found in an Archaeological Site and includes explorers' documents, human remains and associated burial objects;

"Basic Needs Level" means the level of harvesting by Nunavik Inuit identified in sections 5.2.12 to 5.2.14 of the Nunavik Inuit Land Claims Agreement;

"Consult and Consultation" means:

- a) the provision, to the party to be consulted, of notice of a matter to be decided in sufficient form and detail to allow that party to effectively assess the matter and to prepare advice on the matter;
- b) the provision of a reasonable period of time in which the party to be

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consulted may prepare its advice on the matter, and provision of an opportunity to present such advice to the party obliged to consult;

- c) full and fair consideration by the party obligated to consult on any advice presented; and
- d) the immediate provision of written reasons by the party obligated to consult for any advice that is rejected or varied;

“Designated Agency” means the government agencies, and departments, or their successors, described in Schedule 20-1 of the Nunavik Inuit Land Claims Agreement signed December 1st, 2006;

“Harvest” means the reduction of Wildlife into possession and the attempt thereto, and includes hunting, trapping, fishing, netting, egging, picking, collecting, gathering, spearing, killing, capturing or taking by any means;

“Inuit Domestic Harvest Level” has the same meaning as in section 13.1.1;

“Inuit Harvest Level” means the quantity of a species of population of Wildlife or Plant established in accordance with part 12.4;

“Labrador Portion of the Overlap Area” means the area set out in Schedule 24-C and described in Schedule 24-D;

“Nunavik Inuk” or “Nunavik Inuit” means an Inuk or Inuit as defined under the *James Bay and Northern Québec Agreement*;

“Nunavik Marine Portion of the Overlap Area” means the area set out in Schedule 24-E and described in Schedule 24-F;

“Nunavik Marine Region Wildlife Board” means the Board described in part 5.2 of the Nunavik Inuit Land Claims Agreement;

“Overlap Agreement” means the “Agreement Relating to the Nunavik Inuit/Labrador Inuit Overlap Area” between the Nunavik Inuit and the Inuit of Labrador signed on November 24, 2005;

“Total Allowable Harvest” has the same meaning as in section 12.1.1;

“Total Allowable Take” for a species, stock or population means an amount of Wildlife able to be lawfully harvested as established by the Nunavik Marine Region Wildlife Board pursuant to sections 5.2.10 and 5.2.11 of the Nunavik Inuit Land Claims Agreement; and

“Wildlife” means all terrestrial, aquatic, avian and amphibian flora and fauna ferae

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naturae, and all parts and products thereof.

Part 24.2 Harvesting

- 24.2.1 Labrador Inuit have the right to Harvest Wildlife in the Nunavik Marine Portion of the Overlap Area, as set out in this chapter.
- 24.2.2 Labrador Inuit rights and obligations respecting the Harvesting of Wildlife in the Nunavik Marine Portion of the Overlap Area shall be the same as those of Nunavik Inuit under Article 5 of the Nunavik Inuit Land Claims Agreement, except Labrador Inuit do not have rights under Article 5 - part 2, sections 5.3.15, 5.3.16 and 5.3.17, Article 5 - parts 4, 5 (except for sections 5.5.1 and 5.5.2), 6, 7 and 8 of the Nunavik Inuit Land Claims Agreement.
- 24.2.3 In recommending a Basic Needs Level or Adjusted Basic Needs Level for a stock, species or population of Wildlife in the Nunavik Marine Portion of the Overlap Area under section 5.2.3 of the Nunavik Inuit Land Claims Agreement, the Nunavik Marine Region Wildlife Board shall take into account historic and current harvesting of that stock, species or population by Nunavik Inuit and Labrador Inuit.
- 24.2.4 Labrador Inuit shall determine with Nunavik Inuit how to allocate any established Basic Needs Level or Adjusted Basic Needs Level for a stock, species or population, between Nunavik Inuit and Labrador Inuit. Their joint determination shall be provided to the Nunavik Marine Region Wildlife Board. Any allocations under this section shall not exceed the Adjusted Basic Needs Level established for that stock, species or population.
- 24.2.5 Nunavik Inuit and Labrador Inuit have the right to share the right to harvest set out in sections 12.3.6 and 12.3.7 of this Agreement and section 5.3.7 of the Nunavik Inuit Land Claims Agreement, subject to any applicable obligations, in the Labrador Portion of the Overlap Area and the Nunavik Marine Portion of the Overlap Area. The harvest shall not exceed the Total Allowable Harvest or the Total Allowable Take within either of those overlap areas.
- 24.2.6 In recommending any Inuit Harvest Level in the Labrador Portion of the Overlap Area under section 12.4.5, the Nunatsiavut Government shall take into account historic and current harvesting by Nunavik Inuit and Labrador Inuit.
- 24.2.7 In recommending any Inuit Domestic Harvest Level for a species or stock of Fish in the Labrador Portion of the Overlap Area under section 13.6.4, the Nunatsiavut Government shall take into account historic and current harvesting of that species or stock by Nunavik Inuit and Labrador Inuit.

Part 24.3 Park Impacts and Benefits Agreement

- 24.3.1 Labrador Inuit and Parks Canada shall attempt to harmonize the Labrador Inuit Park

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Impacts and Benefits Agreement for the Torngat Mountains National Park Reserve of Canada with any Nunavik Inuit park impacts and benefits agreement for the Torngat Mountains National Park Reserve of Canada.

Part 24.4 Carving Stone

24.4.1 Notwithstanding section 4.6.9, Labrador Inuit and Nunavik Inuit have agreed to share the right to extract Carving Stone in the Labrador Portion of the Overlap Area.

Part 24.5 Archaeological Resources

24.5.1 Where Archaeological Sites and Archaeological Specimens are determined by Labrador Inuit and Nunavik Inuit to be those of Labrador Inuit, or of both Labrador Inuit and Nunavik Inuit, Labrador Inuit shall have the same rights and obligations as Nunavik Inuit with respect to the treatment of those Archaeological Sites and Archaeological Specimens in the Nunavik Marine Portion of the Overlap Area.

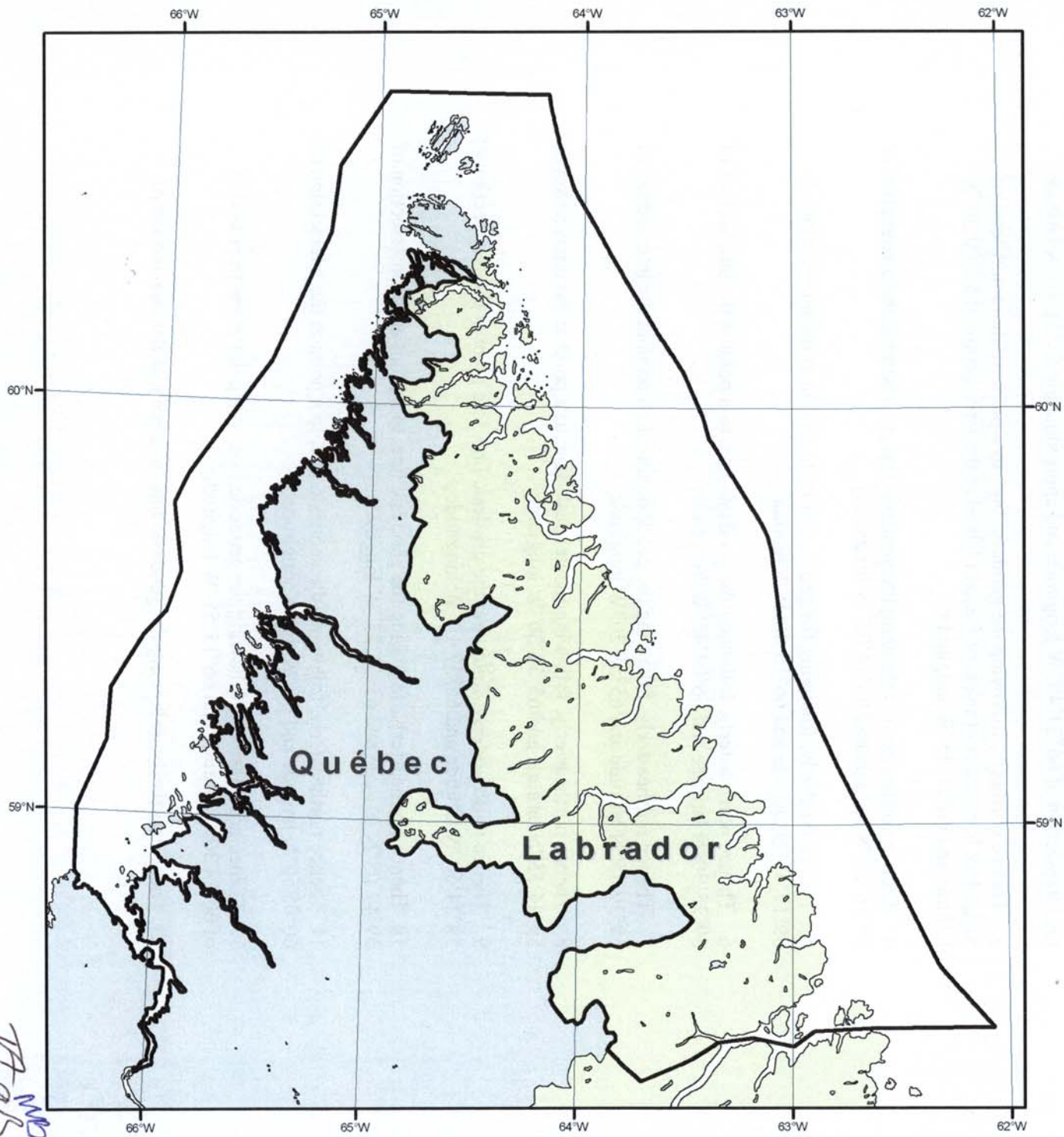
24.5.2 Upon receipt of an application for a permit to conduct Archaeological Investigations in the Nunavik Marine Portion of the Overlap Area, the Designated Agency, as the permitting authority, shall forward a copy of the application to the Nunatsiavut Government as soon as practicable.

24.5.3 Prior to issuing a permit to conduct Archaeological Investigations in the Nunavik Marine Portion of the Overlap Area, the Designated Authority, as the permitting authority, shall Consult the Nunatsiavut Government about the permit application, whether or not a permit should be issued and, if so, the terms and conditions to be attached to it.

Part 24.6 Amendment

24.6.1 Canada shall not agree, without the consent of Labrador Inuit, to any amendment of the Nunavik Inuit Land Claims Agreement that would affect the rights of Labrador Inuit in the Nunavik Marine Portion of the Overlap Area.

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Labrador Inuit Land Claims Agreement


Schedule 24-A

Nunavik Inuit/Labrador Inuit Overlap Area

~~This is not an authoritative map. It has been prepared for illustrative purposes only. Schedule 24-B metes and bounds are the authoritative source.~~

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 Overlap Area



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SCHEDULE 24-B
NUNAVIK INUIT/LABRADOR INUIT OVERLAP AREA

In the event of a discrepancy between the illustrative map of Schedule 24-A and the written descriptions of Schedule 24-B, this Schedule shall prevail.

The Nunavik Inuit / Labrador Inuit Overlap Area is bounded within the following:

1. Commencing at the Jurisdictional Boundary on the southern shore of McLellan Strait;
2. Thence westerly and southerly along the boundary of Quebec to Cap Naujaat at the intersection of $66^{\circ}21'40''$ W longitude and approximately $58^{\circ}51'10''$ N latitude;
3. Thence northerly, following the geodesic line, to a point offshore northeast of Sallijukak Islet and northwest of Beacon Island at the intersection of $59^{\circ}00'30''$ N latitude and $66^{\circ}21'45''$ W longitude;
4. Thence northeasterly, following the geodesic line, to a point at the intersection of $59^{\circ}10'20''$ N latitude and $66^{\circ}14'05''$ W longitude;
5. Thence northerly, following the geodesic line, to a point at the intersection of $59^{\circ}17'45''$ N latitude and $66^{\circ}13'40''$ W longitude;
6. Thence northeasterly, following the geodesic line, to a point at the intersection of $59^{\circ}25'30''$ N latitude and $66^{\circ}04'45''$ W longitude;
7. Thence northeasterly, following the geodesic line, to a point at the intersection of $59^{\circ}29'15''$ N latitude and $65^{\circ}58'20''$ W longitude;
8. Thence northeasterly, following the geodesic line, to a point at the intersection of $59^{\circ}34'55''$ N latitude and $65^{\circ}54'30''$ W longitude;
9. Thence northwesterly, following the geodesic line, to a point at the intersection of $59^{\circ}44'50''$ N latitude and $65^{\circ}57'10''$ W longitude;
10. Thence northeasterly, following the geodesic line, to a point at the intersection of $59^{\circ}49'05''$ N latitude and $65^{\circ}53'25''$ W longitude;
11. Thence northeasterly, following the geodesic line, to a point at the intersection of $60^{\circ}05'50''$ N latitude and $65^{\circ}29'45''$ W longitude;
12. Thence northeasterly, following the geodesic line, to a point at the intersection of $60^{\circ}24'30''$ N latitude and $65^{\circ}13'55''$ W longitude;
13. Thence northerly, following the geodesic line, to a point at the intersection of

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60°34'10"N latitude and 65°11'45"W longitude;

14. Thence northeasterly, following the geodesic line, to a point northwest of the Button Islands at the intersection of 60°45'00"N latitude and 64°57'45"W longitude;

15. Thence east along 60°45'00"N latitude to the intersection with a line every point of which is at a distance of 12 nautical miles from the nearest point of the baselines described in the *Territorial Sea Geographical Coordinates Order* issued pursuant to the *Oceans Act*;

16. Thence in a general southerly direction following the line every point of which is at a distance of 12 nautical miles from the nearest point of the baselines described in the *Territorial Sea Geographical Coordinates Order* issued pursuant to the *Oceans Act* to the intersection of that limit with 58°30'45"N latitude;

17. Thence westerly, following the geodesic line, to a point south of Big Island at the intersection of 58°30'45"N latitude and 62°38'20"W longitude;

18. Thence westerly, following the geodesic line, to a point southeast of Rose Island at the intersection of 58°30'20"N latitude and 62°53'55"W longitude;

19. Thence southwesterly, following the geodesic line, to a point southwest of Upernavik Island at the intersection of 58°28'10"N latitude and 62°59'45"W longitude;

20. Thence northwesterly, following the geodesic line, to a point southwest of Branagin Island at the intersection of 58°29'25"N latitude and 63°11'00"W longitude;

21. Thence westerly, following the geodesic line, to point NP1 as illustrated in Canada Lands Survey Record 89784, dated February 01, 2005 and recorded in the Crown Lands Registry, St. John's, Newfoundland and Labrador under No. SP369;

22. Thence southwesterly and northwesterly following the surveyed line to point NP13, as illustrated on Canada Lands Survey Record 89784;

23. Thence northwesterly, extending the line from NP13 through NP14 to a point where it intersects the Jurisdictional Boundary;

Thence northerly following said Jurisdictional Boundary to the point of commencement.

The Nunavik Inuit / Labrador Inuit Overlap Area, includes all the marine area, islands, lands and waters within the bounded area excluding the following:

1. As illustrated in the Detail B, C and D of the descriptive map plan prepared by the Department of Natural Resources Canada, Canada Lands Survey Record 89788, dated

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November 15, 2004 and recorded in the Land Registry Office at St John's, Newfoundland and Labrador under Number SP 367:

Detail B: Parcel 98-1 and Parcel "LAB 1"

Detail C: Labrador Inuit Lands parcel LIL-01

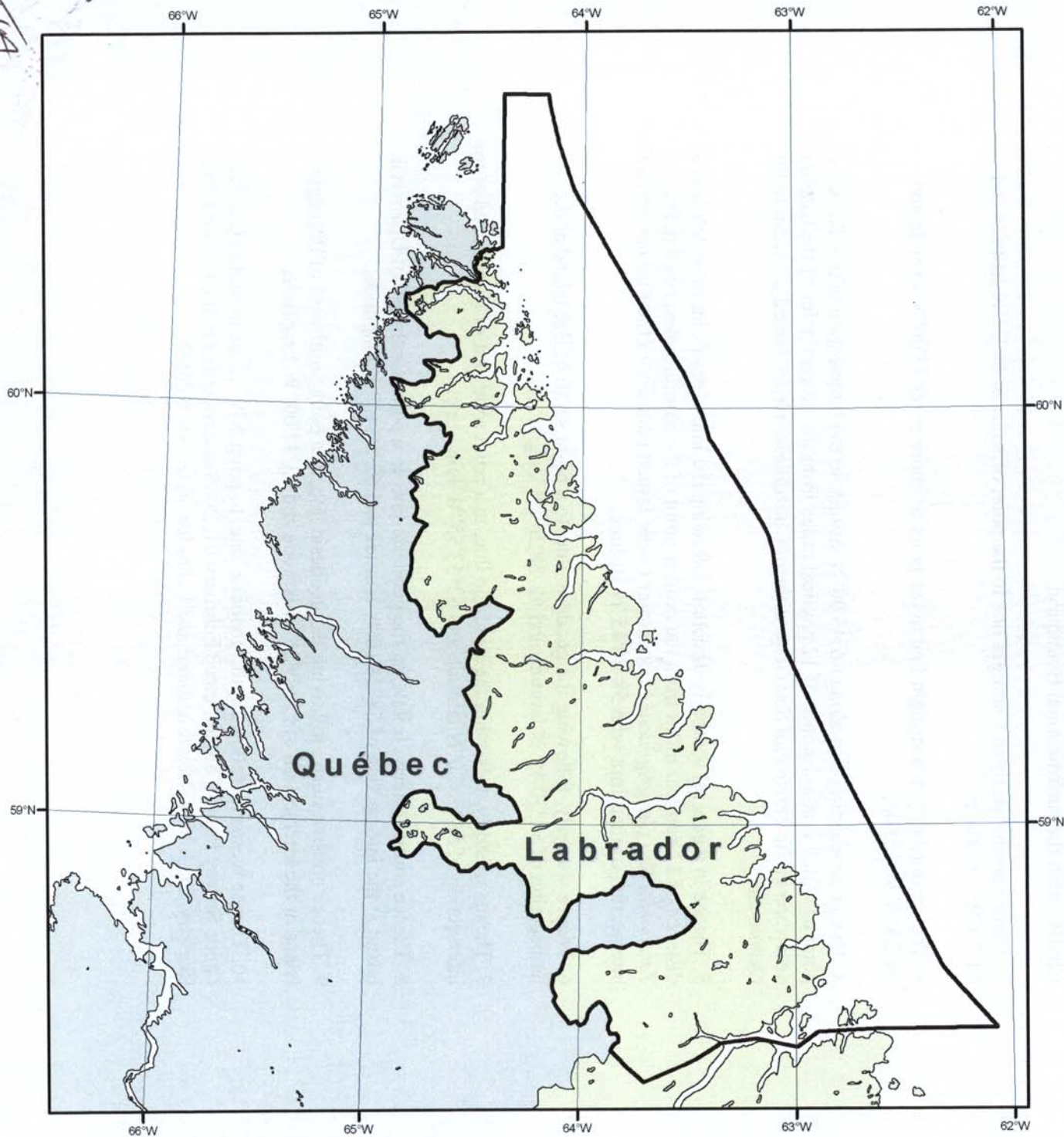
Detail D: Parcels A, B, C and D.

2. Water Lot WL-01, for greater certainty being that lot adjacent to LIL-01.

For greater certainty, all coordinates are in reference to the North American Datum 1983 (NAD 83).

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Labrador Inuit Land Claims Agreement


Schedule 24-C

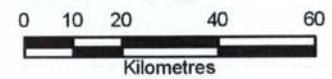
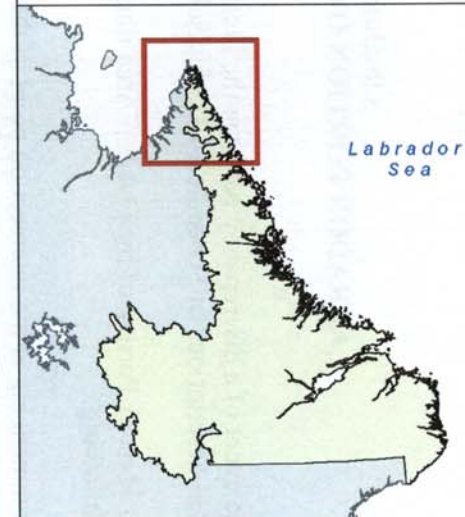
Labrador Portion of the Overlap Area

~~This is not an authoritative map. It has been prepared for illustrative purposes only. Schedule 24-D metes and bounds are the authoritative source.~~

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 Labrador Portion of the Overlap Area



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Schedule 24-D
LABRADOR PORTION OF THE OVERLAP AREA

In the event of a discrepancy between the illustrative map of Schedule 24-C and the written descriptions of Schedule 24-D, this Schedule shall prevail.

The Labrador Portion of the Overlap Area illustrated on Schedule 24-C is bounded within the following:

1. Commencing at the intersection point of the Shoreline of Killiniq Island at Cape Chidley with the Jurisdictional Boundary;
2. Thence northeasterly in a straight line to the point offshore at $60^{\circ}23'N$ latitude and $64^{\circ}24'W$ longitude;
3. Thence northerly in a straight line to the point offshore at $60^{\circ}45'00''N$ latitude and $64^{\circ}24'W$ longitude;
4. Thence proceeding east along $60^{\circ}45'00''N$ latitude to the intersection with a line every point of which is at a distance of 12 nautical miles from the nearest point of the baselines described in the *Territorial Sea Geographical Coordinates Order* issued pursuant to the *Oceans Act*;
5. Thence in a general southerly direction following the line every point of which is at a distance of 12 nautical miles from the nearest point of the baselines described in the *Territorial Sea Geographical Coordinates Order* issued pursuant to the *Oceans Act* to the intersection of that limit with $58^{\circ}30'45''N$ latitude;
6. Thence westerly, following the geodesic line, to a point south of Big Island at the intersection of $58^{\circ}30'45''N$ latitude and $62^{\circ}38'20''W$ longitude;
7. Thence westerly, following the geodesic line, to a point southeast of Rose Island at the intersection of $58^{\circ}30'20''N$ latitude and $62^{\circ}53'55''W$ longitude;
8. Thence southwesterly, following the geodesic line, to a point southwest of Upernavik Island at the intersection of $58^{\circ}28'10''N$ latitude and $62^{\circ}59'45''W$ longitude;
9. Thence northwesterly, following the geodesic line, to a point southwest of Branagin Island at the intersection of $58^{\circ}29'25''N$ latitude and $63^{\circ}11'00''W$ longitude;
10. Thence westerly, following the geodesic line, to point NP1 as illustrated in Canada Lands Survey Record 89784, dated February 01, 2005 and recorded in the Crown Lands Registry, St. John's, Newfoundland and Labrador under No. SP369;

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11. Thence southwesterly and northwesterly following the surveyed line to point NP13, as illustrated on Canada Land Survey Records 89784;
12. Thence northwesterly, extending the line from NP13 through NP14 to a point where it intersects the Jurisdictional Boundary;
13. Thence in a general northerly direction following said Jurisdictional Boundary to the intersection with the southern shoreline of McLelan Strait;
14. Thence northeasterly to the intersection point of the Jurisdictional Boundary with the northern shoreline of McLelan Strait on Killiniq Island;
15. Thence in a general northerly direction following said Jurisdictional Boundary to the point of commencement.

The Labrador Portion of the Overlap Area, includes all the marine area, islands, lands and waters within the bounded area excluding the following:

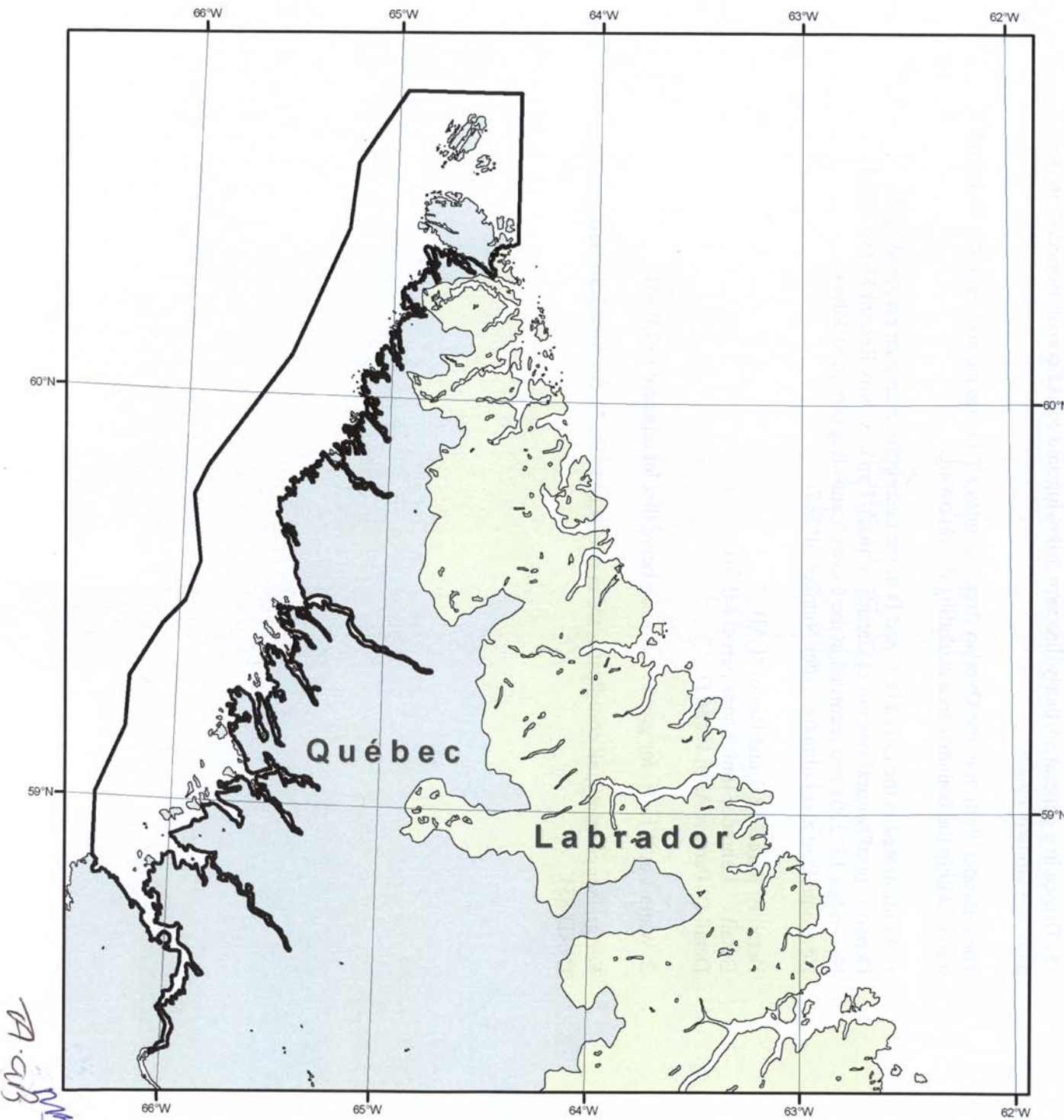
1. As illustrated in the Detail B, C and D of the descriptive map plan prepared by the Department of Natural Resources Canada, Canada Lands Survey Record 89788, dated November 15, 2004 and recorded in the Crown Lands Registry at St John's, Newfoundland and Labrador under Number SP 367:

Detail B: Parcel 98-1 and Parcel "LAB 1"
Detail C: Labrador Inuit Lands parcel LIL-01
Detail D: Parcels A, B, C and D.

2. Water Lot WL-01, for greater certainty being that lot adjacent to LIL-01.

For greater certainty, all coordinates are in reference to the North American Datum 1983 (NAD 83).

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Labrador Inuit Land Claims Agreement

Schedule 24-E

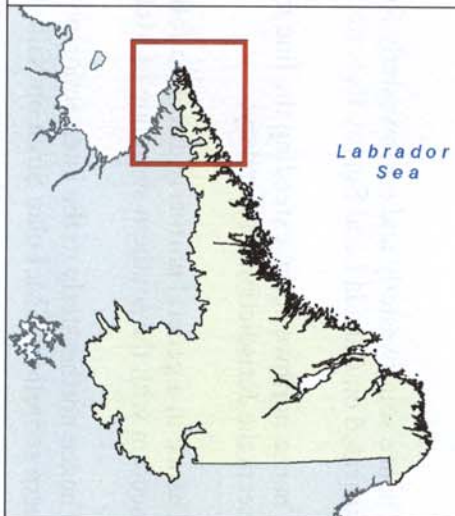
Nunavik Marine Portion of the Overlap Area

~~This is not an authoritative map. It has been prepared for illustrative purposes only. Schedule 24-F metes and bounds are the authoritative source.~~

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 Nunavik Marine Portion of the Overlap Area



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SCHEDULE 24-F
NUNAVIK MARINE PORTION OF THE OVERLAP AREA

In the event of a discrepancy between the illustrative map of Schedule 24-E and the written descriptions of Schedule 24-F, this Schedule shall prevail.

The Nunavik Marine Portion of the Overlap Area as illustrated on Schedule 24-E includes all the islands, lands and waters bounded within the following:

1. Commencing at the Jurisdictional Boundary on the southern shore of McLelan Strait;
2. Thence westerly and southerly along the boundary of Quebec to the intersection of $66^{\circ}21'40''$ W longitude at Cap Naujaat, at approximate $58^{\circ}51'10''$ N latitude;
3. Thence northerly, following the geodesic line, to a point offshore northeast of Sallijukak Islet and northwest of Beacon Island at the intersection of $59^{\circ}00'30''$ N latitude and $66^{\circ}21'45''$ W longitude;
4. Thence northeasterly, following the geodesic line, to a point at the intersection of $59^{\circ}10'20''$ N latitude and $66^{\circ}14'05''$ W longitude;
5. Thence northerly, following the geodesic line, to a point at the intersection of $59^{\circ}17'45''$ N latitude and $66^{\circ}13'40''$ W longitude;
6. Thence northeasterly, following the geodesic line, to a point at the intersection of $59^{\circ}25'30''$ N latitude and $66^{\circ}04'45''$ W longitude;
7. Thence northeasterly, following the geodesic line, to a point at the intersection of $59^{\circ}29'15''$ N latitude and $65^{\circ}58'20''$ W longitude;
8. Thence northeasterly, following the geodesic line, to a point at the intersection of $59^{\circ}34'55''$ N latitude and $65^{\circ}54'30''$ W longitude;
9. Thence northwesterly, following the geodesic line, to a point at the intersection of $59^{\circ}44'50''$ N latitude and $65^{\circ}57'10''$ W longitude;
10. Thence northeasterly, following the geodesic line, to a point at the intersection of $59^{\circ}49'05''$ N latitude and $65^{\circ}53'25''$ W longitude;
11. Thence northeasterly, following the geodesic line, to a point at the intersection of $60^{\circ}05'50''$ N latitude and $65^{\circ}29'45''$ W longitude;
12. Thence northeasterly, following the geodesic line, to a point at the intersection of $60^{\circ}24'30''$ N latitude and $65^{\circ}13'55''$ W longitude;
13. Thence northerly, following the geodesic line, to a point at the intersection of

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60°34'10"N latitude and 65°11'45"W longitude;

14. Thence northeasterly, following the geodesic line, to a point northwest of the Button Islands at the intersection of 60°45'00"N latitude and 64°57'45"W longitude;

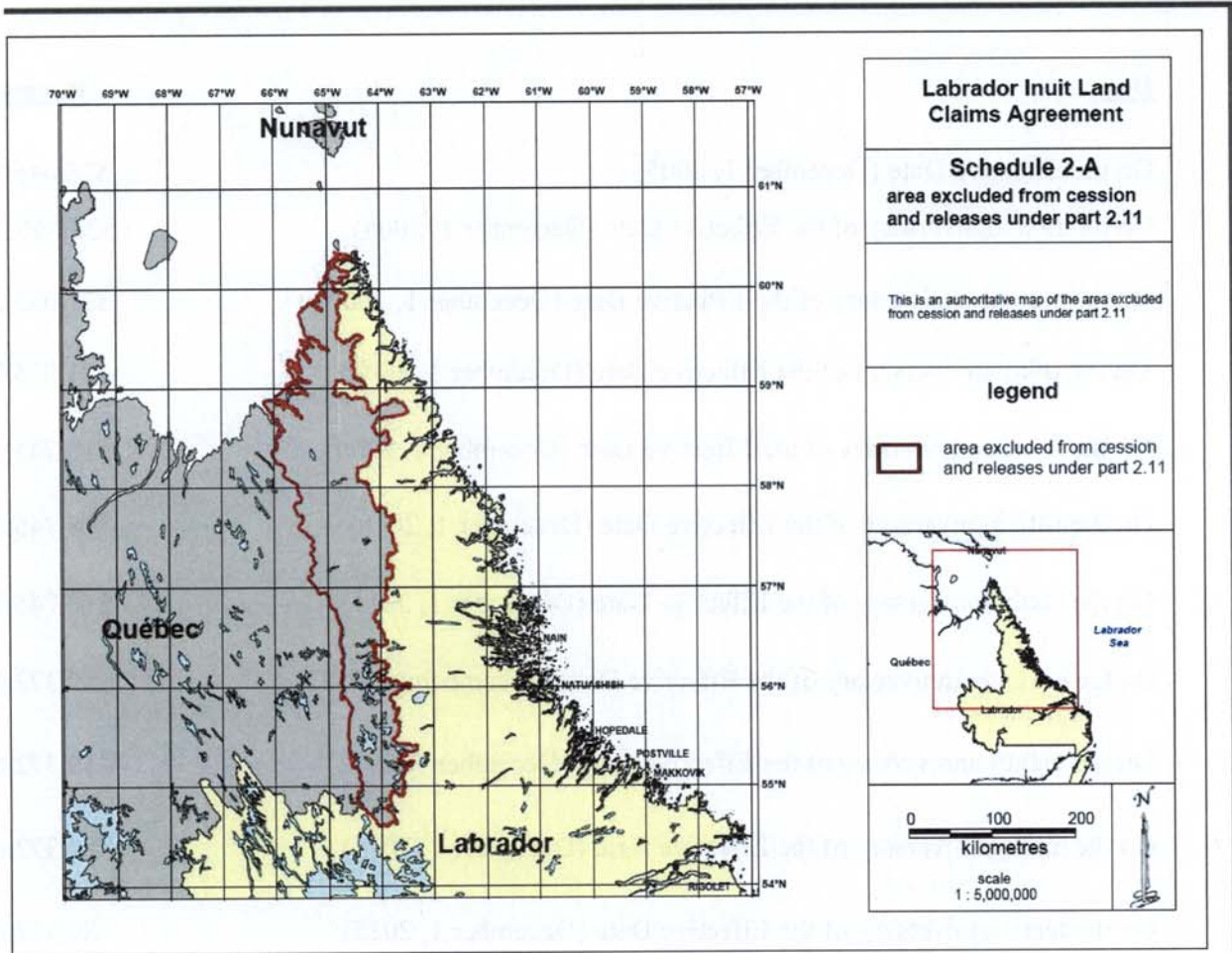
15. Thence east along 60°45'00"N latitude to the intersection of 64°24'W longitude, northeast of the Button Islands, being a point coincident with the Labrador Inuit Settlement Area, as defined in the Land Claims Agreement Between the Inuit of Labrador and Her Majesty the Queen In Right Of Newfoundland and Labrador and Her Majesty The Queen In Right Of Canada;

Thence southerly and southwesterly, coincident with the Labrador Inuit Settlement Area, to the point of commencement.

For greater certainty, all coordinates are in reference to the North American Datum 1983 (NAD 83).

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ANNEX "B"



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ANNEX "C"

Schedule 19-A: Provisional Capital Transfer Payment Schedule	
<u>Date</u>	<u>Payments</u>
On the Effective Date (December 1, 2005)	\$28,046,971
On the first anniversary of the Effective Date (December 1, 2006)	\$28,046,971
On the second anniversary of the Effective Date (December 1, 2007)	\$21,035,228
On the third anniversary of the Effective Date (December 1, 2008)	\$21,035,228
On the fourth anniversary of the Effective Date (December 1, 2009)	\$18,745,309
On the fifth anniversary of the Effective Date (December 1, 2010)	\$18,745,309
On the sixth anniversary of the Effective Date (December 1, 2011)	\$18,745,309
On the seventh anniversary of the Effective Date (December 1, 2012)	\$9,372,654
On the eighth anniversary of the Effective Date (December 1, 2013)	\$9,372,654
On the ninth anniversary of the Effective Date (December 1, 2014)	\$9,372,654
On the tenth anniversary of the Effective Date (December 1, 2015)	\$9,372,654
On the eleventh anniversary of the Effective Date (December 1, 2016)	\$9,372,654
On the twelfth anniversary of the Effective Date (December 1, 2017)	\$9,372,654
On the thirteenth anniversary of the Effective Date (December 1, 2018)	\$9,372,654
On the fourteenth anniversary of the Effective Date (December 1, 2019)	\$9,372,654

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Notes for Finalizing Schedule 19-A

1. These notes will not form part of the Agreement. The purpose of these notes is to enable the Parties to calculate the amounts to be shown in the provisional schedule of payments under schedule 19-A and the amounts for the final schedule of payments.
2. In these notes:

“FDDIPI” means the Final Domestic Demand Implicit Price Index for Canada published by Statistics Canada; and

“Transition Date” means the date that is 15 months after the signature of the Agreement.

3. The provisional schedule of payments is calculated such that:
 - a. the provisional schedule will provide for a first payment on the Effective Date and subsequent payments on each anniversary date;
 - b. the present value of the amounts listed in the provisional schedule will equal **\$160.0** million multiplied by **110.2** the FDDIPI for the first quarter of 2003 and by dividing the resulting product by **100.0** the value of the FDDIPI for the second quarter of 1997; and
 - c. the present value referred to in note 3(b) is calculated using as a discount rate 4.755 percent, which is the 14-year amortized Consolidated Revenue Fund Lending Rate that the Minister of Finance for Canada has approved for August 2003, less 0.125 percent.
4. The final schedule of payments will be calculated prior to Effective Date by multiplying each amount in the provisional schedule of payments by **114.5** the value of the FDDIPI for the latest quarter available at that date or the value of FDDIPI for the quarter that includes the Transition Date, whichever is less, and by dividing the resulting product by **110.2** the value of the latest available FDDIPI for the first quarter of 2003.
5. If the period between the signature of the Agreement and the Effective Date exceeds 15 months, each amount in the provisional schedule will be adjusted by multiplying the resulting amount in note 4 by $(1 + DR)^Y \times (1 + [DR \times d/365])$

where “DR” is the same discount rate described in note 3(c),

where “Y” is the number of complete years between the Transition Date and the Effective Date, and

where “d” is the number of days in any partial year between the Transition Date and the Effective Date.

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- The final schedule of payments will be incorporated into the Agreement immediately prior to the first December 1st following the date on which Schedule 2-A of LILCA is amended pursuant to this MOA.

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