



REQUEST FOR PROPOSAL

RESOURCE REVENUE POLICY

APRIL 2010

NUNAVUT TUNNGAVIK INC.

P.O. BOX 638
IQALUIT, NUNAVUT
X0A 0H0
www.tunngavik.com

PART I

SCOPE OF SERVICES

A. BACKGROUND

Nunavut Tunngavik Incorporated (NTI) was incorporated in 1993 as a non-profit corporation. Its mandate is to further the social, cultural, and economic welfare of Inuit in Nunavut. Its mandate is derived from the *Nunavut Land Claims Agreement* (NLCA), which embodies the settlement reached between the Government of Canada and Inuit in the Eastern Arctic.

The Lands Policy Advisory Committee (LPAC) is a standing committee of the Board of Directors of NTI, established through approval and adoption of the Rules and Procedures for the Management of Inuit Owned Lands (the “Rules”) and by resolution of the NTI Board.

The LPAC is mandated by the Rules to advise NTI and the Regional Inuit Associations (RIA or RIAs) on Inuit land and resource management policy, to provide for a coordinated system of land management of Inuit Owned Lands (IOL or IOLs), and to maintain consistency of policy development and application throughout Nunavut.

The Resource Revenue Policy Working Group (the “Working Group”), established by the LPAC in March 2010, is tasked with creating a Resource Revenue Policy.

B. SCOPE OF SERVICES

NTI is seeking a consultant, consulting firm or consultants to draft a Resource Revenue Policy (the “Policy”), with necessary background notes and papers elaborating on the issues in the Policy, taking into account work done to date (the “Services”).

The Policy will reflect certain forms of resource revenue sharing that is supported by both NTI and RIAs. In particular, the Policy will take into account, but is not limited to, the following issues:

- a) Authorities and accountabilities of NTI and the RIAs with respect to participation in benefits from mineral resource extraction;
- b) Information on historic IOL selection including process and general categories and land quantum transfers between communities and or regions of Nunavut;
- c) Integration of Mineral Exploration Agreements (including Production Leases, Royalty and Fee Schedules) with NLCA Article 26 and 27 Inuit Impact and Benefit Agreements (IIBAs) and Benefit Plans;
- d) Standards for Mineral Exploration Agreements (including Production Leases, Royalty and Fee Schedules) and IIBAs;
- e) Proposed mechanisms for allocating resource revenue;
- f) Proposed options and formulas for resource revenue sharing among NTI and the

- RIAs;
- g) Status of subsurface IOL parcels;
- h) Liability issues; and
- i) Taxation issues

The Policy must include sections on:

- a) Introduction (including purpose, scope, definitions and application)
- b) Guiding Principle,
- c) Principles,
- d) Objectives,
- e) Policy Statements,
- f) Policy Implementation,
- g) Review and Amendment.

In addition, the Proponent must be capable of providing any necessary additional services that may be requested in accordance with the Timeline provided in Part II.

PART II
TIMELINE

A. DRAFT POLICY

If selected, the Proponent is expected to complete a draft Policy by July 16, 2010 and submit it to the Working Group for review.

B. LPAC AND NTI BOARD APPROVAL

The draft Policy will be presented to the LPAC for review and recommendation before August 2010, and to the NTI Board of Directors for an overview presentation at its August 2010 Board meeting.

C. FINAL APPROVAL

The final draft Policy is expected to be submitted to NTI Annual General Meeting by October 8, 2010.

D. WORK GROUP DISCRETION

The Working Group may extend the above deadlines if additional time is needed.

PART III

PROPONENT - MINIMUM REQUIREMENTS

To be considered by NTI for the purpose of this RFP, the Proponent must demonstrate:

- Knowledge of the NLCA;
- Knowledge of Inuit organizations in Nunavut including NTI and RIA By-Laws, policies and responsibilities (including DIO status);
- Knowledge of the Nunavut economy;
- Knowledge of the regulatory process for non-renewable resources in Nunavut;
- Experience in policy development in the natural resources;
- Expertise in the non-renewable resource sector, notably exploration and mining projects in Nunavut;
- Knowledge of land and mineral administration on Inuit owned and federal lands in Nunavut; and
- Financial and tax expertise, including experience/knowledge in establishing trusts or similar public funds (especially resource-related trusts or funds).

PART IV

PROPONENT - QUESTIONNAIRE

INSTRUCTIONS:

1. Proponents must answer all questions below and submit the answers on a separate piece of paper with their proposal.
2. Proposals should follow the order of questions as they are asked. In response to each question, restate the main question (denoted by a number or a letter) in bold font followed by your answers stated in regular font. Responses should be thorough and answer the specific question asked.
3. Supporting material must be clearly referenced to the appropriate question. Information and materials which are strictly promotional in nature should not be used.

A. INFORMATION CONCERNING PROPONENT

1. Provide all of the following information:
 - Name of Proponent
 - Contact Name/Title
 - Address
 - Telephone and Fax Numbers
 - E-mail address
2. A brief description of the Proponent's applicable background, experience or qualifications relating to the provision of the Services.

B. INFORMATION CONCERNING INDIVIDUAL(S)

1. Identify all individual(s) within your organization who will be involved in providing the Services.
2. Identify sub-contractors that you plan to use, if any.
3. Who will have primary responsibility for each requirement described in the Scope of Services?
4. Provide a brief resume of each individual who will be involved in providing the Services.

C. OWNERSHIP STRUCTURE

1. Describe the ownership of the organization, which shall include the following (if applicable):

- The year the organization was formed and began offering services.
- The ownership structure. Indicate all entities that have an ownership stake in the corporation.
- List affiliated entities/companies or joint ventures.
- Describe recent or planned changes to the ownership or organization structure.

2. Provide one organization chart that diagrams the ownership and relationships between the parent-subsidiary, affiliate, and joint venture entities, if any.

3. Provide the locations of each of the offices of the organization and those of any affiliates. For each office, provide the function, the number of professionals, and the product focus.

D. FEES AND EXPENSES

1. Provide fee schedules (e.g. hourly rate or daily date) for all individual(s) who will be involved in providing the Services.

2. Provide the total estimated hours of work and the total estimated dollar amount that you would charge for providing all of the Services listed in the Scope of Services.

PART V

RFP CERTIFICATION FORM

(Proponents must sign and submit this certificate with their proposal)

1. I certify that I have the authority to bind the Proponent indicated below to provide the services offered in the Proponent's proposal.
2. I understand that by submitting this proposal the Proponent agrees to the following:
 - A. The Proponent meets or exceeds the minimum requirements contained in the RFP.
 - B. The Proponent has the professional capability to provide the Services contained in the RFP.
 - C. If selected, the Proponent will provide the Services at the prices quoted by the Proponent in its proposal.
 - D. If selected and if requested, the Proponent will provide additional services related to the election not included in required services described above. Additional fees will be paid in respect of each additional service.
3. I certify that in making this proposal the Proponent has not consulted with others for the purpose of restricting competition.
4. I certify that the information contained in the proposal is true and accurately portrays all aspects of the Proponent's ability to provide the services described in the RFP. The Proponent has not made any knowingly false statements in its proposal.
5. I am aware that any substantive misinformation or misrepresentation may disqualify the proposal from further consideration or contracting opportunities with NTI and RIAs.

Name of Proponent: _____

Signature of signing individual/officer: _____

Title of signing officer: _____

PART VI

AUTHORIZATION TO RELEASE INFORMATION

(Proponents must execute the following authorization and release and submit it with their proposal)

The undersigned Proponent authorizes NTI to obtain information regarding the Proponent's performance on other contracts, agreements or other business arrangements, its business reputation, and any other matter pertinent to the evaluation of the Proponent's proposal.

The Proponent authorizes representatives of NTI to contact any and all of the persons, entities, and references which are, directly or indirectly, listed, submitted, or referenced in the Proponent's proposal.

The Proponent releases, acquits, and forever discharges NTI, its directors, officers, employees, and agents from any and all liability whatsoever, including all claims, demands and causes of action of every nature and kind affecting the undersigned that it may have or ever claim to have relating to information, data, opinions, and references obtained by NTI and relied upon by NTI in relation to the evaluation of the Proponent's proposal.

The undersigned further authorizes any and all persons and entities to provide information, data, and opinions with regard to the undersigned's performance under any contract, agreement, or other business arrangement, the undersigned's ability to perform, the undersigned's business reputation, and any other matter pertinent to the evaluation of the undersigned. The undersigned hereby releases, acquits and forever discharges any such person or entity and their officers, directors, employees and agents from any and all liability whatsoever, including all claims, demands and causes of action of every nature and kind affecting the undersigned that it may have or ever claim to have relating to information, data, opinions, and references supplied to NTI in relation to the evaluation of the Proponent's proposal.

Name of Proponent: _____

Signature of signing individual/officer: _____

Title of signing officer: _____

PART VII

GENERAL TERMS AND CONDITIONS

A. SUBMISSION OF PROPOSALS

1. A Proponent responding to this RFP must submit answers to all of the questions posed in Part IV of this RFP and must sign and submit the forms included in Parts V and VI.

2. Except as provided in this paragraph, **Joe Adla Kunuk, Chief Executive Officer for NTI**, shall be the sole point of contact regarding the RFP from the date of issuance until selection of the successful Proponent.

3. Questions related to the interpretation of this RFP must be submitted to **Art Yuan, Legal Counsel for NTI** in writing or by e-mail. The e-mail address is ayuan@tunnngavik.com. A return e-mail address must be included on any request for clarification. The post office address is as follows:

Nunavut Tunngavik Incorporated
P.O. Box 638
Iqaluit, Nunavut
X0A 0H0

4. A Proponent must not issue any news releases or make any statement to the news media pertaining to this RFP or any proposal or contract or work resulting from this RFP without the prior written approval of NTI.

5. NTI reserves the right to amend this RFP at any time. In the event that it becomes necessary to amend the RFP, the amendment will be provided to all Proponents who received the original RFP. The response of a Proponent must include acknowledgement of all addenda.

6. Proposals must be **received** by NTI no later than 5 p.m. E.T. on May 18, 2010 at the following address:

Nunavut Tunngavik Inc.
Attention: Joe Adla Kunuk
Chief Executive Officer
3rd Floor, Igluvut Bldg.
P.O. Box 638 Iqaluit, NU X0A 0H0
Fax: (867) 975-4949
E-mail: jkunuk@tunnngavik.com

7. Proposals, in paper copy form, must be submitted in a sealed envelope. The words "Resource Revenue Policy," the closing date, and the proponent's name, must be

included on the proposal and on the outside of the envelope.

8. Proposals transmitted by fax or e-mail will be accepted under the following conditions:

- The faxed or e-mailed proposal must be received on or before the closing date at the fax number or e-mail address stated in this Request for Proposals, with the words "Resource Revenue Policy" on the subject line.
- To ensure that the proposal is received before the closing date, it is recommended that it be sent by fax or e-mail well in advance of the closing date, and that the proponent confirm receipt by return e-mail or fax or by telephone inquiry.

9. NTI will not accept liability for any claim, demand or other actions for any reason should a fax or e-mail transmission be interrupted, not received in its entirety, received after the stated closing time and date, received by any other fax unit other than at the fax address stated above, or for any other reason.

10. NTI will not consider any proposal that is delivered after the closing date or time, or delivered to any address other than that provided above.

B. REJECTION OF PROPOSALS AND WAIVER OF DEFICIENCIES

A proposal may not be considered, and may be rejected as non-responsive, if it does not include all of the information requested.

NTI reserves the right to waive or permit cure of nonmaterial deficiencies in a proposal, provided, however, that such waiver is in the best interests of NTI. The decision as to whether a deficiency will be waived or will require the rejection of a proposal will be solely within the discretion of NTI.

C. CLARIFICATION OF PROPOSALS

NTI reserves the right to contact a Proponent after the submission of its proposal for the purpose of clarifying information contained in the proposal and to ensure mutual understanding. Clarifications may occur throughout the proposal evaluation process. Clarifications may include, but are not limited to, written questions, interviews, site visits, review of past performance if the Proponent has provided goods or services to NTI, and requests for corrective pages. Where applicable, clarification of responses shall be in writing and shall address only the information requested. Responses shall be submitted within the time specified in NTI's request. The information received from the Proponent shall not be considered in the evaluation of a Proponent's proposal if the information materially alters the content of the proposal or alters the type of services the Proponent is offering NTI.

D. COST OF PROPOSAL

NTI is not responsible for any costs incurred by the Proponent which are related to the preparation or delivery of the proposal, or for any other activities carried out by the Proponent in relation to this RFP.

E. COPYRIGHT

By submitting a proposal, the Proponent agrees that NTI may copy the Proponent's proposal for the purposes of facilitating evaluation of the Proposal. The Proponent consents to such copying by submitting a proposal and warrants that such copying will not violate the rights of a third party.

F. DISPOSITION OF PROPOSALS

All proposals become the property of NTI and will not be returned to the Proponent. Late proposals will not be considered.

G. REQUEST FOR CONFIDENTIALITY

Any request for confidential treatment of information must be included with the proposal and must enumerate specific legal grounds in support of keeping the information confidential. The request must also include the name, address, and telephone number of the person authorized by the Proponent to respond to any inquiries by NTI concerning the confidential status of the materials.

Any documents submitted which contain confidential information must be marked on the outside as containing confidential information, and each page upon which confidential information appears must be marked as containing confidential information. The confidential information must be clearly identifiable to the reader wherever it appears.

H. GOVERNING LAW

This RFP and any resulting contract shall be governed and construed in accordance with the laws of the Territory of Nunavut and the laws of Canada applicable therein. Proponents are responsible for ascertaining and complying with all pertinent statutes, regulations, bylaws, rules, legal requirements and restrictions. Any cause of action arising in connection with this RFP shall be brought only in the City of Iqaluit, in the Territory of Nunavut.

I. SIGNATURE OF PROPONENT

The offer made in the proposal, and any clarifications to that proposal, must be signed by an officer of the Proponent.

J. BACKGROUND AND REFERENCE CHECKS

A Proponent employing any person who has been convicted of fraud, breach of trust, or any similar offence shall be disqualified. NTI reserves the right to conduct criminal history, prior performance, reference checks, and other background investigations relating to the directors, officers, and employees, of the corporation. NTI further reserves the right to conduct such investigations in relation to managerial and supervisory personnel retained by the Proponent for the performance of the contract. The Proponent shall cause any and all waivers to be executed by the appropriate persons to effectuate the investigation.

K. AWARD OF CONTRACT

This document is not a Request for Tenders or otherwise an offer. This RFP should not be construed as an agreement to purchase goods or services. Issuance of this RFP in no way constitutes a commitment by NTI to award a contract. NTI is not bound to enter into a contract with the proponent who submits the lowest priced proposal or with any proponent. NTI will be under no obligation to receive further information from any proponent. NTI further reserves the right to cancel this RFP, to issue a new RFP or to award a contract in whole or in part if it is in the best interests of NTI. This RFP process is for NTI's benefit and is intended to provide NTI with competitive information to assist in the selection of goods and services. The successful Proponent will be determined in accordance with the evaluation criteria defined by NTI.

L. EVALUATION OF PROPOSALS

An Evaluation Committee will meet to evaluate and score the proposals. Upon completion of the evaluations, finalist interviews or presentations may be, and office visits may be, conducted with some Proponents. Determination of whether to conduct interviews or hear presentations and which Proponents to interview or hear is at the sole discretion of the Evaluation Committee. A decision to select a Proponent may be made by NTI without an interview or presentation, upon recommendation of the Evaluation Committee. All Proponents will be informed of the identity of the successful Proponent.

M. PROPOSAL EVALUATION

1. Evaluation Criteria: A Proponent must clearly demonstrate that they meet the minimum requirements described in Part III in order to be considered further. If the Proponent meets the minimum requirements, evaluation of its proposal will be based on the following criteria:

- I. Cost of services - 15%
- II. Responses to questionnaire - 20%
- III. Client references and testimonials - 10%
- IV. Knowledge and experience - 35%
- V. Inuit employment and training levels - 5%

- VI. Inuit Owned Firm – 5%
- VII. Interview or presentation (optional) - 10%

2. Interview or Presentation: A Proponent submitting a proposal must be prepared to conduct an interview or make a presentation, at NTI's request, to demonstrate its ability to perform as described in its written proposal. The interview or presentation may take place either at NTI's offices or at the Proponent's place of business. An interview or presentation will be sought only from finalists.

3. Sources of information in addition to the proposal: NTI reserves the right to obtain, from any and all sources, information concerning the Proponent or the Proponent's products, services, personnel, or subcontractors which the Proponent deems pertinent to this RFP, and to consider such information in evaluating the Proponent and its proposal. By submitting a proposal, each Proponent consents to NTI obtaining such information in the manner described above.

N. RESULTING CONTRACT

Any contract that NTI may, at its discretion, award as a result of this RFP will be based upon the proposal submitted by the successful Proponent, the scope of services contained in this RFP and any subsequent amendments, and negotiations of contractual terms and conditions satisfactory to both NTI and the Proponent.

O. RELEASE OF CLAIMS

With the submission of a proposal, each Proponent agrees that it will not bring any claim or have any cause of action against NTI respecting any misunderstanding concerning the information provided herein or concerning NTI's failure, negligence or otherwise, to provide the Proponent with pertinent information as intended by this RFP.

The Proponent agrees to indemnify and save harmless NTI from and against all claims, losses, damages, costs, expenses, actions and other proceedings, made, sustained, brought, prosecuted, threatened to be brought or prosecuted, in any manner based upon, occasioned by or attributable to this RFP.

(END)