

[BANK ADDRESS]

IRREVOCABLE LETTER OF CREDIT

[The term "DOCUMENTARY CREDIT" may also be used instead of "Letter of Credit"]

DATE OF ISSUE: [date] **OUR REFERENCE NUMBER:** [Bank's reference number]

AMOUNT: CAD\$#####.00

MAXIMUM #####.00

CANADIAN DOLLARS ONLY

APPLICANT

["Customer" can be used instead
of "Applicant"]:

[Company's Name]

[Company's Address]

BENEFICIARY:

RECEIVER GENERAL FOR CANADA

ON BEHALF OF THE MINISTER OF

INDIAN AFFAIRS AND NORTHERN DEVELOPMENT

P.O. BOX 100, BLDG. 918

IQALUIT, NUNAVUT

X0A 0H0

ATTENTION: REGIONAL DIRECTOR GENERAL,
NUNAVUT REGION

RE: SECURITY PURSUANT TO [the Water Licence Type and Number]

AT THE REQUEST AND FOR THE ACCOUNT OF [Company's Name] (THE
"APPLICANT"), WE, [Banks Name], HEREBY ESTABLISH IN YOUR FAVOUR OUR
IRREVOCABLE LETTER OF CREDIT NO. [Bank's Reference Number] ("CREDIT") FOR
SUMS NOT EXCEEDING IN THE AGGREGATE [Amount of Security required stated in
Canadian Dollars].

THIS CREDIT IS AVAILABLE WITH US FOR DRAWING AT SIGHT, WITHOUT
ENQUIRY AS TO WHETHER YOU HAVE A RIGHT AS BETWEEN YOURSELF AND
THE APPLICANT TO MAKE SUCH DEMAND AND WITHOUT RECOGNIZING ANY
CLAIM OF THE APPLICANT, AGAINST PRESENTATION TO US, BY YOU OR YOUR
DULY AUTHORIZED REPRESENTATIVE OR AGENT, OF THE FOLLOWING
DOCUMENTS:

1. A SIGHT DRAFT DRAWN ON [Bank's Name and Address of the Branch that the security can be drawn at,
usually one of the bank's larger commercial banking centres]; AND
2. THE ORIGINAL OF THIS IRREVOCABLE LETTER OF CREDIT NO. [Bank's Reference Number]
FOR ENDORSEMENT OF PAYMENT THEREON; AND
3. A STATEMENT SIGNED BY AN OFFICIAL OF THE DEPARTMENT OF INDIAN AFFAIRS AND
NORTHERN DEVELOPMENT CERTIFYING

- 1) THAT THE SIGNATORY IS AN OFFICIAL OF THE DEPARTMENT OF INDIAN AFFAIRS AND NORTHERN DEVELOPMENT AND HAS AUTHORITY TO SIGN THE STATEMENT ON BEHALF OF THE MINISTER OF INDIAN AFFAIRS AND NORTHERN DEVELOPMENT (THE “MINISTER”), AND

A) EITHER

- 1) THAT THE MINISTER IS ENTITLED TO APPLY THE AMOUNT DRAWN, BEING ALL OR PART OF THE SECURITY POSTED AND MAINTAINED PURSUANT TO [the Water Licence Type and Number] ISSUED BY THE NUNAVUT WATER BOARD, WHETHER AS ORIGINALLY ISSUED OR AS AMENDED OR RENEWED FROM TIME TO TIME, OR
- 2) THAT THIS CREDIT IS DUE TO EXPIRE IN 30 DAYS OR LESS AND THAT THE APPLICANT HAS NOT REPLACED THIS CREDIT BY POSTING WITH THE MINISTER OTHER SECURITY SATISFACTORY TO THE MINISTER.

PARTIAL DRAWINGS ARE PERMITTED.

THIS CREDIT IS EFFECTIVE FROM [time] A.M. ON [effective date as required by Water Licence] AND SHALL EXPIRE AT OUR COUNTERS AT [time] P.M. [expiry date] (THE “INITIAL EXPIRATION DATE”). THIS CREDIT SHALL BE RENEWED AUTOMATICALLY FOR AN ADDITIONAL ONE-YEAR PERIOD FROM THE INITIAL EXPIRATION DATE, AND FOR AN ADDITIONAL ONE-YEAR PERIOD FROM EACH FUTURE EXPIRATION DATE, UNLESS AT LEAST NINETY (90) DAYS PRIOR TO THE OPERATIVE EXPIRATION DATE WE NOTIFY YOU IN WRITING BY REGISTERED MAIL OR COURIER THAT WE ELECT NOT TO CONSIDER THIS CREDIT RENEWED FOR SUCH ADDITIONAL PERIOD.

WE HEREBY AGREE THAT ALL DRAFTS DRAWN UNDER AND IN COMPLIANCE WITH THE TERMS OF THIS CREDIT SHALL BE DULY HONOURED BY US IF PRESENTED FOR PAYMENT ON OR BEFORE THE OPERATIVE EXPIRATION DATE.

EXCEPT SO FAR AS IS OTHERWISE EXPRESSLY STATED HEREIN, THIS CREDIT IS SUBJECT TO THE UNIFORM CUSTOMS AND PRACTICE FOR DOCUMENTARY CREDITS (1993 REVISION), INTERNATIONAL CHAMBER OF COMMERCE, PUBLICATION NO. 500. NOTWITHSTANDING ARTICLE 17 OF SAID PUBLICATION, IF THIS CREDIT EXPIRES DURING AN INTERRUPTION OF BUSINESS AS DESCRIBED IN ARTICLE 17, WE AGREE TO EFFECT PAYMENT IF THIS CREDIT IS DRAWN ON US WITHIN FIFTEEN (15) DAYS AFTER THE RESUMPTION OF BUSINESS.

[Bank's Name]

[Official's Name and Position]

[Official's Name and Position]