

FINANCIAL ADMINISTRATION ACT

CONSOLIDATION OF GUARANTEES AND INDEMNITIES REGULATIONS

R.R.N.W.T. 1990,c.F-4

(Current to: June 2, 2010)

AS AMENDED BY NORTHWEST TERRITORIES REGULATIONS:

R.R.N.W.T. 1990,c.F-4(Supp.)

R-008-98

R-124-98

AS AMENDED BY NUNAVUT REGULATIONS:

R-011-2009

In force May 15, 2009

This consolidation is not an official statement of the law. It is an office consolidation prepared for convenience only. The authoritative text of regulations can be ascertained from the *Revised Regulations of the Northwest Territories, 1990* and the monthly publication of Part II of the *Northwest Territories Gazette* (for regulations made before April 1, 1999) and Part II of the *Nunavut Gazette* (for regulations made on or after April 1, 1999).

A copy of a regulation of Nunavut can be obtained from the Territorial Printer at the address below. The *Nunavut Gazette* and this consolidation are also available online at <http://www.justice.gov.nu.ca/english/legislation.html> but are not official statements of the law.

Any registered regulations not yet published in the *Nunavut Gazette* can be obtained through the Registrar of Regulations at the address below.

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GLOSSARY OF TERMS USED IN CONSOLIDATIONS

Miscellaneous

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| c. | means "chapter". |
| CIF | means "comes into force". |
| NIF | means "not in force". |
| s. | means "section" or "sections", "subsection" or "subsections", "paragraph" or "paragraphs". |
| Sch. | means "schedule". |

Citation of Acts

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| R.S.N.W.T. 1988,c.D-22 | means Chapter D-22 of the <i>Revised Statutes of the Northwest Territories, 1988</i> . |
| R.S.N.W.T. 1988,c.10(Supp.) | means Chapter 10 of the Supplement to the <i>Revised Statutes of the Northwest Territories, 1988</i> . (Note: The Supplement is in three volumes.) |
| S.N.W.T. 1996,c.26 | means Chapter 26 of the 1996 Annual Volume of the Statutes of the Northwest Territories. |
| S.Nu. 2002,c.14 | means Chapter 14 of the 2002 Annual Volume of the Statutes of Nunavut. |

Citation of Regulations and other Statutory Instruments

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|-----------------------|---|
| R.R.N.W.T. 1990,c.A-1 | means Chapter A-1 of the <i>Revised Regulations of the Northwest Territories, 1990</i> . |
| R-005-98 | means the regulation registered as R-005-98 in 1998. (Note: This is a Northwest Territories regulation if it is made before April 1, 1999, and a Nunavut regulation if it is made on or after April 1, 1999 and before January 1, 2000.) |
| R-012-2003 | means the regulation registered as R-012-2003 in 2003. (Note: This is a Nunavut regulation made on or after January 1, 2000.) |
| SI-005-98 | means the instrument registered as SI-005-98 in 1998. (Note: This is a Northwest Territories statutory instrument if it is made before April 1, 1999, and a Nunavut statutory instrument if it is made on or after April 1, 1999 and before January 1, 2000.) |
| SI-012-2003 | means the instrument registered as SI-012-2003 in 2003. (Note: This is a Nunavut statutory instrument made on or after January 1, 2000.) |

GUARANTEES AND INDEMNITIES REGULATIONS

1. In these regulations, "Government of Canada" includes a corporation named in Schedule II of the *Financial Administration Act* (Canada).

Government Guarantees and Indemnities

2. Contracts that contain a guarantee or indemnity by the Government of Nunavut are exempt from the operation of sections 66 to 67.2 of the Act where the guarantee or indemnity is made in favour of

- (a) the Government of Canada;
- (b) a public agency; or
- (c) the government of a province or territory.
R.R.N.W.T. 1990,c.F-4(Supp.),s.2; R-008-98,s.2; R-124-98,s.2;
R-011-2009,s.2.

3. A payment made under a guarantee or indemnity referred to in section 2 must be made from the Consolidated Revenue Fund and charged against a suitable appropriation.

4. Contracts that contain a guarantee or indemnity by a public agency are exempt from the operation of sections 86 and 87 of the Act where the guarantee or indemnity is made in favour of

- (a) the Government of Nunavut;
- (b) the Government of Canada; or
- (c) the Canada Mortgage and Housing Corporation.
R-011-2009,s.3.

Notice to Members of Legislative Assembly

5. A notice under subsection 67(1.1) or 87(1.1) of the Act must be in writing and must contain

- (a) a statement of the maximum liability of the proposed guarantee; and
- (b) a statement of the essential terms and conditions of the proposed guarantee.
R-008-98,s.3.

5.1. A notice under subsection 67.2(5) of the Act must be in writing and must contain the following:

- (a) where the maximum liability under the indemnity exceeds \$500,000,
 - (i) a statement of the maximum liability of the proposed indemnity,
 - (ii) a description of the measures taken to minimize any potential risk to the Government in respect of the proposed indemnity,

- (iii) the results of the risk assessment that has been carried out, and
 - (iv) a statement as to the cost and availability of insurance in respect of the indemnity;
 - (b) where the maximum liability under the indemnity cannot be quantified,
 - (i) a description of the measures taken to minimize any potential risk to the Government in respect of the proposed indemnity,
 - (ii) the results of the risk assessment that has been carried out, and
 - (iii) a statement as to the cost and availability of insurance in respect of the indemnity.
- R-124-98,s.3.

6. A notice under subsection 67(1.1), 67.2(5) or 87(1.1) of the Act may properly be given to a member of the Legislative Assembly by delivering it to the office of the Clerk of the Legislative Assembly. R-008-98,s.3; R-124-98,s.4.