



Indian and Northern Affairs Canada Affaires indiennes et du Nord Canada

Indian Oil and Gas Canada **Pétrole et gaz des Indiens du Canada**

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Your file - Votre référence

May 2006

Our file - Notre référence
 A-1165-1-INT.GENERAL

Information Letter Statement of Account Surface/Subsurface Land and the Application of Interest

Indian Oil and Gas Canada (IOGC) is responsible for ensuring revenues are received on behalf of First Nations in a timely manner. Starting in May 2006, IOGC will be providing companies with a "Statement of Account" for Surface and Subsurface Land agreements. The initial statement will show all outstanding amounts up to and including April 30, 2006.

Interest will be calculated on outstanding amounts starting with the April 2006 period, therefore amounts due prior to April 1, 2006 will be charged interest only for the month of May 2006 on the initial statement. Manual billing covers prior time periods where the amount was outstanding. Interest on outstanding Land amounts will be calculated on the premise that if the payment is late but paid in the current month, interest will be charged from the due date to the date the payment is received. If payment is not received in the current month, interest will be calculated to the end of the following month. If payment is made prior to the end of that month, no additional interest will be charged.

Example #1 - No Payment Received - Due Current Month

Payment Due Date	April 7, 2006
Payment Date	No Payment Made
Interest Calculation Dates	April 8-30, 2006 May 1-31, 2006

Example #2 - No Payment Received - Due Prior to Current Month (Initial Statement only)

Payment Due Date	March 7, 2006
Payment Date	No Payment Made
Interest Calculation Dates	May 1-31, 2006

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Example #3 - Payment Received After Due Date - Prior to Current Month End

Payment Due Date	April 7, 2006
Payment Date	April 28, 2006
Interest Calculation Dates	April 8-28, 2006

Example #4 - Payment Received After Due Date - Month Following Current Month

Payment Due Date	April 7, 2006
Payment Date	May 15, 2006
Interest Calculation Dates	April 8-30, 2006 May 1-31, 2006
Interest Calculation on Next Statement	No Additional Interest Adjustments

Regulatory Authority

IOGC has the authority to charge and collect interest through the *Interest and Administrative Charges Regulations* effective April 1, 1996. Information on these regulations can be found on the Department of Justice website: <http://laws.justice.gc.ca/en/F-11/SOR-96-188/index.html>.

Enquiries

For more information on the monthly statements and interest or for any questions regarding your statement, please contact:

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