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[www.wlwb.ca](http://www.wlwb.ca)

May 19, 2017

File: W2017C0002

Mr. David Wells  
Diavik Diamond Mines (2012) Inc.  
P.O. Box 2498, 300-5201, 50<sup>th</sup> Avenue  
Yellowknife, NT X1A 2P8

Dear Mr. Wells,

**ISSUANCE OF A TYPE "A" LAND USE PERMIT**

Attached is Land Use Permit No. W2017C0002 granted by the Wek'èezhii Land and Water Board (WLWB) in accordance with the *Mackenzie Valley Resource Management Act*. A copy of this Permit has been filed in the Public Registry at the WLWB. The WLWB approved Land Use Permit W2017C0002 commencing May 19, 2017 and expiring May 18, 2022.

Please read through the Terms and Conditions of the Land Use Permit W2017C0002 and the Board's Reasons for Decision carefully. The review summary and attachments contain comments received from reviewers, and commitments made by DDMI.<sup>1</sup> Please be advised that this letter, with attached Land Use Permit and Terms and Conditions, all inspection reports, and correspondence related thereto, will become a part of the Public Registry, and are intended to keep all interested parties informed of the manner in which the Permit requirements are being met. All Public Registry material will be considered if an amendment to the Permit is requested.

The full cooperation of Diavik Diamond Mines (2012) Inc. is anticipated and appreciated. If you have any questions or concerns, please contact Anneli Jokela at (867) 765-4588 or email at [ajokela@wlwb.ca](mailto:ajokela@wlwb.ca).

Yours Sincerely,

A handwritten signature in blue ink, appearing to read "Mike Nitsiza".

Mike Nitsiza  
Acting Chair, Wek'èezhii Land and Water Board

Attachments: Land Use Permit W2017C0002

Copy to: Tracy Covey, GNWT – Department of Lands; Diavik Distribution List

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<sup>1</sup> See WLWB ([www.wlwb.ca](http://www.wlwb.ca)) Online Registry for W2017C0002 - Diavik - Land Use Permit Application - Mineral Exploration - Review Summary and Attachments - May 5\_17.pdf



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Permit Class	Permit No	Amendment No
A	W2017C0002	

**LAND USE PERMIT**

Subject to the Mackenzie Valley Land Use Regulations and the terms and conditions in this Permit, authority is hereby granted to:

Diavik Diamond Mines (2012) Inc.

Permittee

To proceed with the land use operation described in application of:

Signature David Wells	Date March 29, 2017
Type of Land use Operation Mineral Exploration	
Location The Lac de Gras, Thonokied, and Glowworm Lake areas: Min: 64° 20' N, 108° 45' W; Max: 64° 55' N, 111° 30'W	

This permit may be assigned, extended, discontinued, suspended or cancelled pursuant to the Mackenzie Valley Land Use Regulations.

Dated at Yellowknife this 19 day of May, 2017

Signature A/Chair

Signature Witness

Effective Date

May 19, 2017

Expiry Date

May 18, 2022

**Attention**

It is a condition of this Permit that the Permittee comply with the provisions of the *Mackenzie Valley Resource Management Act* and regulations and the terms and conditions set out herein. A failure to comply may result in suspension or cancellation of this Permit by the Board.



**Conditions Annexed to and Forming Part  
of Land Use Permit # W2017C0002**

**Part A: Scope of Permit**

1. This Permit entitles Diavik Diamond Mines (2012) Inc. to conduct the following land-use operation:
  - a) winter road construction;
  - b) fuel positioning and storage;
  - c) ground geophysical, geological, and geochemical surveys;
  - d) diamond drilling programs and reverse circulation drilling programs; and

Operations are to be located in the Lac de Gras, Thonokied, and Glowworm Lake areas: Min: 64° 20' N, 108° 45' W; Max: 64° 55' N, 111° 30' W

2. This Permit is issued subject to the conditions contained herein with respect to the use of land for the activities and area identified in Part A, item 1 of this Permit.
3. Compliance with the terms and conditions of this Permit does not excuse the Permittee from its obligation to comply with the requirements of any applicable Federal, Territorial, Tłı̄chǫ, or Municipal laws.

**Part B: Definitions** (defined terms are capitalized throughout the Permit)

**Act** - the *Mackenzie Valley Resource Management Act*.

**Archaeological Overview** - as defined by the Prince of Wales Northern Heritage Centre – Guidelines for Developers.

**Archaeological Impact Assessment** - as defined by the Prince of Wales Northern Heritage Centre – Guidelines for Developers.

**Board** - the Wek'èezhì Land and Water Board established in subsection 57.1(1) of the *Mackenzie Valley Resource Management Act*.

**Borehole** - a hole that is made in the surface of the ground by drilling or boring.

**Contingency Plan** - a document, developed in accordance with Aboriginal Affairs and Northern Development Canada's *Guidelines for Spill Contingency Planning* (April 2007), that describes the set of procedures to be implemented to minimize the effects of a spill.

**Drilling Fluids** - any liquid mixture of water, sediment, drilling muds, chemical additives or other wastes that are pumped down hole while drilling and are specifically related to drilling activity.

**Drilling Waste** - all materials or chemicals, solid or liquid, associated with drilling, including drill cuttings and Drilling Fluids.

**Engagement Plan** – a document, developed in accordance with the Boards' *Engagement and Consultation Policy* and the *Engagement Guidelines for Applicants and Holders of Water Licences and Land Use Permits*, that clearly describes how, when, and which engagement activities will occur with an affected party during the life of the projects.

**Flowing Artesian Well** - a well in which water:

- a) Naturally rises above the ground surface or the top of any casing; and
- b) Flows naturally, either intermittently or continuously.

**Fuel Storage Container** - a container for the storage of petroleum or allied petroleum products with a capacity of less than 230 litres.

**Fuel Storage Tank** - a closed container for the storage of petroleum or allied petroleum products with a capacity of more than 230 litres.

**Greywater** – all liquid wastes from showers, baths, sinks, kitchens, and domestic washing facilities but not including toilet wastes.

**Habitat** - the area or type of site where a species or an individual of a species of wildlife naturally occurs or on which it depends, directly or indirectly, to carry out its life processes.

**Inspector** - an Inspector designated by the Minister under the *Mackenzie Valley Resource Management Act*.

**Minister** - the Minister of Indian Affairs and Northern Development Canada or the Minister of the Government of the Northwest Territories – Department of Lands, as the case may be.

**Ordinary High Water Mark** - the usual or average level to which a body of water rises at its highest point and remains for sufficient time so as to change the characteristics of the land. In flowing waters (rivers, streams) this refers to the "active channel/bank-full level" which is often the 1:2 year flood flow return level. In inland lakes, wetlands, or marine environments, it refers to those parts of the Watercourse bed and banks that are frequently flooded by water so as to leave a mark on the land and where the natural vegetation changes from predominately aquatic vegetation to terrestrial vegetation (excepting water tolerant species). For reservoirs, this refers to normal high operating levels (full supply level).

**Permafrost** - ground (soil or rock) that remains at or below 0°C for at least two consecutive years.

**Permittee** – the holder of this Permit

**Secondary Containment** - containment that prevents liquids that leak from Fuel Storage Tanks or containers from reaching outside the containment area and includes double-walled Tanks, piping, liners, and impermeable barriers.

**Sewage** - all toilet wastes and Greywater.

**Sewage Disposal Facilities** - Sump(s) and/or Sewage collection tank(s) and/or storage containers designed to hold Sewage.

**Sump** - a man-made pit or natural depression in the earth's surface used for the purpose of depositing waste that does not contain Toxic Material, such as non-toxic Drilling Waste or Sewage, therein.

**Toxic Material**- any substance that enters or may enter the environment in a quantity or concentration or under conditions such that it:

- a) Has or may have an immediate or long-term harmful effect on the environment or its biological diversity;
- b) Constitutes or may constitute a danger to the environment on which life depends; or
- c) Constitutes or may constitute a danger in Canada to human life or health.

**Waste** – any garbage, debris, chemical, or Toxic Material to be used, stored, disposed of, or handled on land, and also as defined in section 51 of the Act.

**Waste Management Plan (WMP)** - a document, developed in accordance with the Board's *Guidelines for Developing a Waste Management Plan*, that describes the methods of waste management from waste generation to final disposal.

**Watercourse** - a natural body of flowing or standing water or an area occupied by water during part of the year, and includes streams, springs, swamps and gulches but does not include groundwater.

**Part C: Conditions Applying to All Activities** (headings correspond to subsection 26(1) of the Mackenzie Valley Land Use Regulations)

**26(1)(a) Location and Area**

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|----|---|-------------------------------|
| 1. | The Permittee shall not conduct any part of the land-use operation within three hundred (300) metres of any privately owned or leased land or structure, unless otherwise authorized in writing by the Board. | <b>Private Property</b>       |
| 2. | The Permittee shall use an existing campsite, as described in the complete application.   | <b>Existing Camp</b>          |
| 3. | Prior to the commencement of drilling, the Permittee shall submit the drill target locations on a 1:50,000-scale map with coordinates and map datum to an Inspector and the Board.                            | <b>Drill Locations</b>        |
| 4. | The Permittee shall locate all lines, trails, and right-of-ways to be constructed parallel to any Watercourse a minimum of 100 metres from the Ordinary High Water Mark, except at crossings.                 | <b>Parallel Watercourse</b>   |
| 5. | The Permittee shall not conduct this land-use operation on any lands not designated in the complete application.  | <b>Location of Activities</b> |

**26(1)(b) Time**

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| 6.  | At least 48 hours prior to the commencement of this land-use operation, the Permittee's Field Supervisor shall contact an Inspector at (867) _____.  | <b>Contact Inspector</b>      |
| 7.  | At least 48 hours prior to commencement of this land-use operation, the Permittee shall provide the following information, in writing, to the Board <u>and</u> an Inspector:<br>(a) the name(s) of the person(s) in charge of the field operation; (b) alternates; and (c) all methods for contacting the above person(s). | <b>Identify Agent</b>         |
| 8.  | The Permittee shall submit a progress report to the Inspector and the Board every month during which there is an active drill program.   | <b>Progress</b>               |
| 9.  | The Board and/or Inspector reserve the right to impose closure of any area to the Permittee in periods when dangers to natural resources are severe.   | <b>Closure</b>                |
| 10. | At least ten days prior to the completion of the land-use operation, the Permittee shall advise an Inspector of: (a) the plan for removal or storage of equipment and materials; and (b) when final cleanup and reclamation of the land used will be completed.  | <b>Reports Before Removal</b> |

**26(1)(c) Type and Size of Equipment**

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| 11. | The Permittee shall not use any equipment except of a similar type, size, and number to that listed in the complete application. | <b>Only Approved Equipment</b> |
|-----|--|--------------------------------|

### **26(1)(d) Methods and Techniques**

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| 12. | Prior to the movement of any vehicle that exerts pressure on the ground in excess of 35 kPa, the Permittee shall scout proposed lines and routes to select the best location for crossing streams and avoiding terrain obstacles. | <b>Detours and Crossings</b>                 |
| 13. | Immediately upon completion of operations at each Borehole, the Permittee shall remove or cut off and seal each drill casing at ground level.   | <b>Mineral Exploration<br/>Drill Casings</b> |
| 14. | The Permittee shall construct and maintain the overland portion of winter roads with a minimum of 10 cm of packed snow and/or ice at all times during this land-use operation.  | <b>Winter Roads</b>                          |
| 15. | The Permittee shall not erect camps or store material, other than that required for immediate use, on the ice surface of a Watercourse.   | <b>Storage on Ice</b>                        |
| 16. | Prior to the expiry of this Permit, the Permittee shall replace all excavated material, unless otherwise authorized in writing by an Inspector.   | <b>Excavated Material</b>                    |

### **26(1)(e) Type, Location, Capacity, and Operation of All Facilities**

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| 17. | The Permittee shall ensure that the land use area is kept clean at all times.   | <b>Clean Work Area</b>  |
| 18. | The Permittee shall not locate any Sump within 100 metres of the Ordinary High Water Mark of any Watercourse, unless otherwise authorized in writing by an Inspector. | <b>Sumps From Water</b> |

### **26(1)(f) Control or Prevention of Ponding of Water, Flooding, Erosion, Slides, and Subsidence of Land**

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| 19. | The Permittee shall insulate the ground surface beneath all structures associated with this land-use operation to prevent:<br>(a) any vegetation present from being removed; (b) the melting of Permafrost; and (c) the ground settling and/or eroding. | <b>Permafrost Protection</b>       |
| 20. | The land-use operation shall not cause obstruction to any natural drainage.   | <b>Natural Drainage</b>            |
| 21. | The Permittee shall, where flowing water from a Borehole is encountered: (a) plug the Borehole in such a manner as to permanently prevent any further outflow of water; and (b) immediately report the occurrence to the Board and an Inspector.        | <b>Flowing Artesian Well</b>       |
| 22. | The Permittee shall not conduct off-road vehicle travel in areas without snow-covered surfaces.   | <b>Off-road Vehicle Travel</b>     |
| 23. | The Permittee shall prepare the site in such a manner as to prevent rutting of the ground surface.  | <b>Prevention of Rutting</b>       |
| 24. | The Permittee shall suspend overland travel of equipment or vehicles at the first sign of rutting.  | <b>Suspend Overland<br/>Travel</b> |

25.	The Permittee shall not move any equipment or vehicles unless the ground surface is in a state capable of fully supporting the equipment or vehicles without rutting or gouging.	<b>Vehicle Movement Freeze-up</b>
26.	The Permittee shall not use any material other than clean water and snow in the construction of ice bridges.	<b>Ice Bridge Materials</b>
27.	The Permittee shall not use any materials other than clean snow and water in the construction of snow fills.	<b>Snowfill Materials</b>
28.	Prior to spring break-up or completion of the land-use operation, the Permittee shall clean up and either remove or v-notch all snowfills from stream crossings, unless otherwise authorized in writing by an Inspector.	<b>Remove or V-Notch Snowfills</b>
29.	Prior to spring break-up or completion of the land-use operation, the Permittee shall clean up and v-notch all ice bridges, unless otherwise authorized in writing by an Inspector.	<b>V-notch Ice Bridges</b>
30.	The Permittee shall minimize approach grades on all Watercourse crossings.	<b>Minimize Approach</b>
31.	The Permittee shall not ford wet streams.	<b>No Fording of Streams</b>
<b>26(1)(g) Use, Storage, Handling, and Ultimate Disposal of Any Chemical or Toxic Material</b>		
32.	The Permittee shall not use any Drilling Fluids, muds, or additives that were not identified in the complete application, unless the MSDSs are provided to the Board and Inspector and usage of the chemical(s) is authorized in writing by the Board.	<b>Drilling Chemicals</b>
33.	At least seven days prior to the use of any chemicals that were not identified in the complete application, the MSDS sheets must be provided to an Inspector and the Board.	<b>Chemicals</b>
34.	When drilling within 100 metres of the Ordinary High Water Mark of any Watercourse, and when drilling on ice, the Permittee shall contain all drill water and waste in a closed circuit system for reuse, off-site disposal, or deposit into a land-based Sump or natural depression.	<b>Drilling Near Water or On Ice</b>
35.	The Permittee may deposit Drilling Waste that does not contain Toxic Material in a Sump or natural depression. Any Sumps or natural depressions used to deposit Drilling Waste must be located at least 100 metres from the Ordinary High Water Mark of any Watercourse, unless otherwise authorized in writing by an Inspector.	<b>Drilling Waste</b>
36.	The Permittee shall remove all Drilling Waste containing Toxic Material to an approved disposal facility.	<b>Drilling Waste Disposal</b>
37.	The Permittee shall not allow any Drilling Waste to spread to the surrounding lands or Watercourses.	<b>Drilling Waste Containment</b>



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| 38.  | Prior to the expiry date of this Permit or the end of operations, whichever comes first, the Permittee shall backfill and restore all Sumps, unless otherwise authorized in writing by an Inspector.  | <b>Backfill Sumps</b>           |
| 39.  | The Permittee shall maintain a record of all spills. For all reportable spills, in accordance with the GNWT <i>Spill Contingency Planning and Reporting Regulations</i> , the Permittee shall: (a) immediately report each spill to the 24-hour Spill Report Line (867) 920-8130; (b) report each spill to an Inspector within 24 hours; and (c) submit, to the Board and an Inspector, a detailed report on each spill within 30 days. | <b>Report Spills</b>            |
| 40.  | The Permittee shall dispose of all Toxic Material as described in the approved Waste Management Plan.   | <b>Waste Chemical Disposal</b>  |
| 41.  | The Permittee shall dispose of all waste petroleum products by removal to an approved disposal facility or by incineration in a device designed for this purpose, as described in the approved Waste Management Plan.   | <b>Waste Petroleum Disposal</b> |
| <b>26(1)(h) Wildlife and Fish Habitat</b>                                  |   |                                 |
| 42.  | The Permittee shall take all reasonable measures to prevent damage to wildlife and fish Habitat during this land-use operation.   | <b>Habitat Damage</b>           |
| 43.  | The Permittee shall construct and maintain the water intake with an adequate screening device to prevent entrainment of fish.   | <b>Prevent Entrainment</b>      |
| 44.  | The Permittee shall not feed wildlife.  | <b>No Feeding of Wildlife</b>   |
| <b>26(1)(i) Storage, Handling, and Disposal of Refuse or Sewage</b>        |   |                                 |
| 45.  | The Permittee shall adhere to the Waste Management Plan, once approved, and shall annually review the plan and make any necessary revisions to reflect changes in operations, technology, chemicals, or fuels, or as directed by the Board. Revisions to the plan shall be submitted to the Board for approval.   | <b>Waste Management</b>         |
| 46.  | The Permittee shall keep all garbage and debris in a secure container until disposal.   | <b>Garbage Container</b>        |
| 47.  | The Permittee shall dispose of all garbage, waste, and debris as described in the approved Waste Management Plan, unless otherwise authorized in writing by an Inspector.   | <b>Remove Garbage</b>           |
| 48.  | The Permittee shall dispose of all Sewage and Greywater as described in the approved Waste Management Plan.   | <b>Sewage Disposal</b>          |
| <b>26(1)(j) Protection of Historical, Archaeological, and Burial Sites</b> |   |                                 |
| 49.  | The Permittee shall not operate any vehicle or equipment within 150 metres of a known or suspected historical or archaeological site or burial ground.  | <b>Archaeological Buffer</b>    |

50.	The Permittee shall not knowingly remove, disturb, or displace any archaeological specimen or site.	<b>Site Disturbance</b>
51.	The Permittee shall, where a suspected archaeological or historical site, or burial ground is discovered: (a) immediately suspend operations on the site; and (b) notify the Board at (867) 765-4592 or an Inspector at (867) 767-9187 ext. 24187, and the Prince of Wales Northern Heritage Centre at (867) 767-9347 ext. 71250 or ext. 71251.	<b>Site Discovery and Notification</b>
52.	At least 30 days prior to any new land disturbance, including new drill sites, the Permittee shall conduct an Archaeological Overview to identify areas of high and low potential for archaeological and burial sites and shall submit a summary report to the Board and the Prince of Wales Northern Heritage Centre.	<b>Archaeological Overview</b>
53.	Prior to disturbance in areas of high potential for archaeological or burial sites identified in the Archaeological Overview, the Permittee shall conduct an Archaeological Impact Assessment of the sites where disturbance is planned and shall submit a summary report to the Board and the Prince of Wales Northern Heritage Centre.	<b>AIA – High Potential</b>
<b>26(1)(k) Objects and Places of Recreational, Scenic, and Ecological Value</b>		
<b>26(1)(l) Security Deposit</b>		
54.	All costs to remediate the area under this Permit are the responsibility of the Permittee.	<b>Responsibility for Remediation Costs</b>
<b>26(1)(m) Fuel Storage</b>		
55.	The Permittee shall: (a) examine all Fuel Storage Tanks and containers for leaks a minimum once per day; and (b) repair all leaks immediately.	<b>Check for Leaks</b>
56.	The Permittee shall not place any Fuel Storage Containers or Tanks within 100 metres of the Ordinary High Water Mark of any Watercourse, unless otherwise authorized in writing by an Inspector.	<b>Fuel Near Water</b>
57.	The Permittee shall ensure that all fuel caches have adequate Secondary Containment.	<b>Fuel Cache Secondary Containment</b>
58.	The Permittee shall set up all refueling points with Secondary Containment.	<b>Secondary Containment – Refueling</b>
59.	The Permittee shall only use stands approved by an Inspector for supporting Fuel Storage Containers that are in use.	<b>Fuel Container Stands</b>
60.	The Permittee shall not allow petroleum products to spread to surrounding lands or Watercourses.	<b>Fuel Containment</b>
61.	The Permittee shall mark all Fuel Storage Containers and Tanks with the Permittee's name.	<b>Mark Containers</b>

62.	The Permittee shall mark all stationary fuel caches and fuel storage facilities with flags, posts, or similar devices so that they are at all times plainly visible to local vehicle travel.	<b>Mark Fuel Location</b>
63.	Within ten days of the establishment of any fuel cache, the Permittee shall report the location and quantity of the cache in writing to an Inspector and the Board.	<b>Report Fuel Location</b>
64.	The Permittee shall seal all outlets of Fuel Storage Containers and store the containers on their sides with the outlets located at 3 and 9 o'clock, except for containers currently in use.	<b>Seal Outlet</b>
65.	The Permittee shall adhere to the Contingency Plan, once approved, and shall annually review the plan and make any necessary revisions to reflect changes in operations, technology, chemicals, or fuels, or as directed by the Board. Revisions to the plan shall be submitted to the Board for approval.	<b>Contingency Plan</b>
66.	Prior to commencement of operations, the Permittee shall ensure that spill-response equipment is in place to respond to any potential spills.	<b>Spill Response</b>
67.	All equipment that may be parked for two hours or more, shall have a haz-mat/drip tray under it or be sufficiently diapered. Leaky equipment shall be repaired immediately.	<b>Drip Trays</b>
68.	The Permittee shall clean up all leaks, spills, and contaminated material.	<b>Clean Up Spills</b>
<b>26(1)(n) Methods and Techniques for Debris and Brush Disposal</b>		
69.	The Permittee shall not clear areas larger than identified in the complete application.	<b>Minimize Area Cleared</b>
<b>26(1)(o) Restoration of the Lands</b>		
70.	Prior to the expiry date of this Permit, the Permittee shall complete all cleanup and restoration of the lands used.	<b>Final Cleanup and Restoration</b>
71.	The Permittee shall carry out progressive reclamation of disturbed areas as soon as it is practical to do so.	<b>Progressive Reclamation</b>
<b>26(1)(p) Display of Permits and Permit Numbers</b>		
72.	The Permittee shall display a copy of this Permit in each campsite established to carry out this land-use operation.	<b>Display Permit</b>
<b>26(1)(q) Biological and Physical Protection of the Land</b>		
73.	The Permittee shall not move any equipment or commence any drilling when one or more caribou are within five hundred (500) metres.	<b>CARIBOU DISTURBANCE</b>

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|-----|---|--|
| 74. | If migratory birds or their nesting areas, or any species at risk are encountered during the course of operations, the Permittee shall minimize all activity so as to not disturb these animals.  | <b>Migratory Bird Disturbance</b>                |
| 75. | The Permittee shall ensure that all persons working under the authority of the Land Use Permit are aware of and will adhere to the conditions as stated in the Land Use Permit.   | <b>Notification To All Employees/Contractors</b> |
| 76. | If any plan is not approved by the Board, the Permittee shall revise the plan according to the Board's direction and re-submit it to the Board for approval.  | <b>Resubmit Plan</b>                             |
| 77. | The Permittee shall adhere to the Engagement Plan, once approved, and shall annually review the plan and make any necessary revisions to reflect changes in operations or as directed by the Board. Revisions to the plan shall be submitted to the Board for approval. | <b>Engagement Plan</b>                           |
| 78. | All revised plans submitted to the Board shall include a brief summary of the changes made to the plan.   | <b>Summary of Changes</b>                        |