

# THE DEHCHO FIRST NATIONS MASTER TRUST AGREEMENT

EFFECTIVE MARCH 8, 2006

BETWEEN:

Dehcho First Nations,  
as represented by the Grand Chief of the Dehcho First Nations,  
Acho Dene Koe First Nation,  
Deh Gah Got'ie First Nation,  
K'agee Tu First Nation,  
Katlodeeche First Nation,  
Liidli Kue First Nation,  
Na\_ahdee First Nation,  
Pehdzeh Ki First Nation,  
Sambaa K'e Dene Band,  
TtheK'edeli First Nation,  
West Point First Nation,  
Fort Liard Métis Local 67,  
Fort Providence Métis Council, and  
Fort Simpson Métis Local 52  
(referred to as the "Settlers")

AND:

CIBC TRUST CORPORATION  
(referred to as the "Trustee" or the "Trustees")

Background

WHEREAS:

- A. On June 22, 2005, the Dehcho First Nations signed a Settlement Agreement with Her Majesty the Queen in Right of Canada, as represented by the Minister of Indian Affairs and Northern Development, concerning an action commenced by the Dehcho First Nations against Canada, Todd Buringame, chair of the Mackenzie Valley Environmental Impact Review Board and the Mackenzie Valley Environmental Impact Review Board (herein called the "Settlement Agreement").
- B. Pursuant to the Settlement Agreement, Her Majesty the Queen in Right of Canada, as represented by the Minister of Indian Affairs and Northern Development agreed to pay the sum of fifteen million (\$15,000,000.00) dollars to the Dehcho First Nations for Fiscal Years 2005/06 to 2007/08 to enable them to identify and implement economic

development opportunities in relation to the Mackenzie Gas Project. The first five million (\$5,000,000.00) dollars (herein defined as the "Settlement Funds") is payable in accordance with Article 3 of the Settlement Agreement and the next ten million (\$10,000,000.00) dollars (herein defined as the "Economic Development Funding") is payable over the following two years in accordance with Article 14.3 of the Settlement Agreement.

- C. The Dehcho First Nations and each Dehcho First Nation has determined that "Economic Development Funding" as defined in the Settlement Agreement is satisfied by the application of the Settlement Funds and Economic Development Funding towards the purposes in the proportions allocated in this Trust.
- D. The Dehcho First Nations and each Dehcho First Nation wish to preserve the capital of the Settlement Funds and the Economic Development Funding and any other contribution of capital to this Trust for the betterment of the people of the Dehcho First Nations for future generations and to use the income and capital gains from the investment of the Trust Funds in accordance with this Trust .
- E. It is intended that the Trustee be guided by the Declaration of Rights of the Dehcho First Nations passed at Kakisa Lake, August 19, 1993:

We the Dene of the Dehcho have lived on our homeland according to our own laws and systems of government since time immemorial.

Our homeland is comprised of the ancestral territories and waters of the Dehcho Dene.

We were put here by the Creator as keepers of our waters and lands.

The Peace Treaties of 1899 and 1921 with the non-Dene recognize the inherent political rights and powers of the Dehcho First Nation. Only sovereign peoples can make treaties with each other. Therefore our aboriginal rights and titles and oral treaties cannot be extinguished by any Euro-Canadian government.

Our laws from the Creator do not allow us to cede, release, surrender or extinguish our inherent rights. The leadership of the Dehcho upholds the teaching of the Elders as the guiding principles of the Dene government now and in the future.

Today we reaffirm, assert and exercise our inherent rights and powers to govern ourselves as a nation.

We the Dene of the Dehcho stand firm behind our First Nation government.

- F. By resolution passed unanimously at the Winter Leadership Meeting on the 8th day of March, 2006, in Fort Simpson, Northwest Territories, the Dehcho First Nations and each Dehcho First Nation have approved this Trust and have authorized the Dehcho First Nations and each Dehcho First Nation to sign and implement this Trust and all related documentation.

**THEREFORE**, the Dehcho First Nations and each Dehcho First Nation agree with the Trustee and with each other as follows:

**1. NAME OF TRUST**

- 1.1 The Trust created by this agreement shall be known as the **Dehcho First Nations Master Trust**, however, in carrying out the powers granted to the Trustee under this agreement, the Trustee shall be entitled to use and carry on the activities of the Trust under such other names as may be convenient to it.

**2. DEFINITIONS**

- 2.1 "Authorized Expenses" means the expenses reasonably incurred by the Trustee in each Fiscal Year in carrying out the terms of the Trust including the administration fees of the Trustee in accordance with the Trustee Compensation Agreement and payment of accounting costs, legal costs, investment costs (including payments to Investment Advisors) and the remuneration and reasonable expenses of the Investment Management Board Members, and other costs reasonably incurred by the Trustee.
- 2.2 "Authorized Investments" means investments purchased with the Trust Fund and selected by the Investment Advisor and which the Trustee is authorized to purchase in accordance with the terms of this Trust ;
- 2.3 "Beneficiary" or "Beneficiaries" means:
- 2.3.1 the Dehcho First Nations;
  - 2.3.2 each of the Dehcho First Nations;
  - 2.3.3 Members of the Dehcho First Nations;
  - 2.3.4 such trusts as may be established for the benefit of the Dehcho First Nations pursuant to the terms of this Trust.
- 2.4 "Community Development Fund" means the Fund by this name established in accordance with the terms of this Trust ;
- 2.5 "Dehcho First Nation" means any of Acho Dene Koe First Nation, Deh Gah Got'ie First Nation, K'agee Tu First Nation, Katlodeeche First Nation, Liidli Kue First Nation, Na\_ahdee First Nation, Pehdzeh Ki First Nation, Sambaa K'e Dene Band, TtheK'edeli First Nation, West Point First Nation, Fort Liard Métis Local 67, Fort Providence Métis Council, or Fort Simpson Métis Local 52;
- 2.6 "Dehcho First Nations" means, collectively, Acho Dene Koe First Nation, Deh Gah Got'ie First Nation, K'agee Tu First Nation, Katlodeeche First Nation, Liidli Kue First Nation, Na\_ahdee First Nation, Pehdzeh Ki First Nation, Sambaa K'e Dene Band, TtheK'edeli First Nation, West Point First Nation, Fort Liard Métis Local 67, Fort Providence Métis Council, and Fort Simpson Métis Local 52, as represented by the public body performing various functions of government in respect to their people and traditional lands, as governed by the Leadership, and located in Fort Simpson, Northwest Territories;

- 2.7 "Dehcho First Nations Resolution" means a duly executed written resolution of the Leadership adopted at a duly convened meeting, in accordance with the bylaws of the Dehcho First Nations;
- 2.8 "Economic Development Funding" means the sum of ten million (\$10,000,000.00) dollars as defined in the Settlement Agreement as Category B funds as outlined in Article 14.3 of the Settlement Agreement;
- 2.9 "Economic Development Fund" means the Fund by this name established in accordance with the terms of this Trust ;
- 2.10 "Education Fund" means the Fund by this name established in accordance with the terms of this Trust ;
- 2.11 "Elders Heritage Fund" means the Fund by this name established in accordance with the terms of this Trust ;
- 2.12 "Fiscal Year" means the calendar year;
- 2.13 "Fund" or "Funds" means any of the funds established pursuant to the terms of this Trust, including, but not limited to:
- 2.13.1 the Immediate Opportunities Fund;
  - 2.13.2 the Economic Development Fund;
  - 2.13.3 the Community Development Fund;
  - 2.13.4 the Elders Heritage Fund;
  - 2.13.5 the Education Fund;
  - 2.13.6 the Land Acquisition Fund;
  - 2.13.7 such other trusts or funds as may be established for the benefit of the Dehcho First Nations pursuant to the terms of this Trust.
- 2.14 "Future Generations Funds" means the Elders Heritage Fund, the Education Fund and the Land Acquisition Fund established in accordance with the terms of this Trust;
- 2.15 "Income Tax Act" or any reference to a specific provision or provisions thereof means the *Income Tax Act*, R.S.C. 1985 (5th Supp.), Chapter 1, as amended from time to time, including any rules or regulations passed thereunder, or such provision or provisions, as the case may be, as amended from time to time, of any legislation of the Parliament of Canada from time to time in force of like or similar effect, and any legislation of any legislature of any province of Canada from time to time in force of like or similar effect;
- 2.16 "Inflation Factor" means at any time the percentage change in average prices in Canada for the Fiscal Year ended immediately prior to that time, as measured by the national all-items consumer price index, or its replacement from time to time, as determined by the appropriate agency or department of the Government of Canada;
- 2.17 "Immediate Opportunities Fund" means the Fund by this name established in accordance with the terms of this Trust ;
- 2.18 "Investment Advisor" or "Investment Advisors" means the firm or firms named by the Leadership on the recommendation of the Investment Management Board, experienced in managing trust assets and registered with the Alberta Securities Commission as

Investment Counsel/Portfolio Manager. The primary Investment Advisor to the Trust must hold the designation of "Certified Investment Management Analyst" (CIMA) or "Chartered Financial Analyst" (CFA), (or the successor designation stipulated by the institution which regulates such designations if the name of the designation changes after the date of this Trust);

- 2.19 "Investment Management Agreement" means an agreement between the Trustee and an Investment Advisor which has been approved by the Investment Management Board, by which the investment management responsibility for property comprising the Trust Fund is vested with the Investment Advisor, not the Trustee, to be undertaken pursuant to the terms of this Trust and the Investment Management Agreement;
- 2.20 "Investment Management Board" means a board established pursuant to the terms of this Trust of at least three but not greater than nine persons chosen by a Dehcho First Nations Resolution;
- 2.21 "Investment Management Board Member" means a member of the Investment Management Board appointed in accordance with this Trust;
- 2.22 "Investment Policy Statement" means a written investment plan for the investment of the Trust Fund, approved by the Investment Management Board from time to time, after having received the advice of the Investment Advisor and the Trustee, which governs the investment of the Trust Fund in Authorized Investments by the Investment Advisor;
- 2.23 "Land Acquisition Fund" means the Fund by this name established in accordance with the terms of this Trust;
- 2.24 "Leadership" means the Grand Chief and the Governing Body of the Dehcho First Nations duly elected in accordance with the bylaws of the Dehcho First Nations;
- 2.25 "Master Trust" means the Dehcho First Nations Master Trust;
- 2.26 "Member" means a person who is a member of any of the Dehcho First Nations;
- 2.27 "Mid-Term Funds" means the Economic Development Fund and the Community Development Fund established in accordance with the terms of this Trust ;
- 2.28 "Net Income" means income of the Trust Fund and the Funds as determined by the law of trusts, less payment of expenses, but excluding:
  - 2.28.1 The fair market value of any shares or other securities received as stock dividends;
  - 2.28.2 Any net proceeds of sale of any Trust property (including share redemptions);
  - 2.28.3 The fair market value of any option or other right granted to the Trustee to acquire any property;
  - 2.28.4 Any capital gain realized on the disposition of Trust property, whether deemed or actual; and

- 2.28.5 Any other amount that is deemed to be income under any applicable provision of the *Income Tax Act*;
- 2.29 "Replacement Trust" means a trust settled by the Dehcho First Nations upon receipt of a favourable Advance Tax Ruling from Canada Revenue Agency as contemplated by Article 4.3, on terms substantially the same as this Master Trust, and providing greater detail on the management of each of the Funds;
- 2.30 "Settlement Agreement" means the Settlement Agreement between Her Majesty the Queen in Right of Canada, as represented by the Minister of Indian Affairs and Northern Development and Grand Chief Herb Norwegian on his own behalf and on the behalf of the Dehcho First Nations, dated June 22, 2005;
- 2.31 "Settlement Funds" means the sum of five million (\$5,000,000.00) dollars to be paid by Canada to Grand Chief Herb Norwegian on his own behalf and on behalf of the Dehcho First Nations, and each Dehcho First Nation as defined in the Settlement Agreement and particularly comprising Category A funds as contemplated in Article 14 of the Settlement Agreement;
- 2.32 "Termination Date" means the date upon which the earliest of the following will occur:
- 2.32.1 the expiration of twenty years from the date of the death of the last survivor of all the lineal descendants of Her Majesty Queen Elizabeth II who are alive at the effective date of this Trust. Provided that, if the Legislature of the Northwest Territories amends its Perpetuities Act to abolish the rule against perpetuities as it affects trusts of this nature and if the Trustee and the Leadership amend this Trust to adopt such law, then such new law shall apply to this Trust, and the Dehcho First Nations may amend this Trust to provide that this Trust may last in perpetuity;
- 2.32.2 such earlier date as the Trustee will determine and which is authorized by not less than seventy five percent (75%) of the Members eighteen years of age or older who vote in a referendum held for such purpose. Notwithstanding any other rule or provision for the conduct of a referendum, no less than sixty percent (60%) of the eligible voters of the Dehcho First Nations must vote in the referendum for it to be valid;
- 2.32.3 the transfer of the Trust Fund to the Replacement Trust established pursuant to the terms of this Trust;
- 2.33 "Trust" means the Dehcho First Nations Master Trust established under this agreement;
- 2.34 "Trust Fund" means:
- 2.34.1 The Settlement Funds;
- 2.34.2 The Economic Development Funding; and
- 2.34.3 Such other funds or property as may be added to the Trust from time to time by the Dehcho First Nations;

2.34.4 Any property acquired in substitution for such funds or property; and

2.34.5 The accumulated Net Income earned on such funds or property, or upon any such accumulated Net Income retained by the Trustee;

**But Excluding:**

2.34.6 Any funds or property distributed, granted or disposed of in accordance with the terms of this Trust Agreement.

2.35 "Trustee" or "Trustees" means a trust company duly incorporated and licensed to carry on the business of a trustee in any of the provinces or territories of Canada and which is a member institution of the Canada Deposit Insurance Corporation which has the duty to insure deposits in the account pursuant to the *Canada Deposit Insurance Corporation Act* RSC 1985, C-3, 5.1;

2.36 "Trustee Compensation Agreement" means an agreement between the Dehcho First Nations and the Trustee which sets out, among other things, the remuneration of the Trustee.

### 3. ESTABLISHMENT OF TRUST AND APPOINTMENT OF TRUSTEE

#### Settlement of property and appointment of Trustee

3.1 The Settlers hereby transfer and assign to the Trustee the Settlement Funds and the Economic Development Funding upon the trusts and subject to the powers and provisions contained in this Trust and hereby appoints the Trustee as the Trustee of the Trust Fund.

#### Acceptance by Trustee

3.2 The Trustee hereby accepts its appointment as Trustee of the Trust Fund and the trusts imposed upon it under the terms of this agreement and it agrees to be bound by the provisions hereof and to administer and carry out the terms and provisions of this agreement.

#### Purpose of Trust

3.3 The purposes of this Trust are as follows:

3.3.1 To use the Trust Property for the benefit of the Dehcho First Nations and for the benefit of present and future generations of the Members of the Dehcho First Nations;

3.3.2 To ensure that the Trust Property is invested prudently;

3.3.3 To preserve the capital of the Trust Property in order to generate income in accordance with the terms of this Trust;

3.3.4 To enhance the capital value of the Trust Property;

- 3.3.5 To insure that the wealth generated from the Trust Property benefits equitably and fairly the Members of the Dehcho First Nations;
- 3.3.6 To assist the Dehcho First Nations to improve the quality of life for all Members of the Dehcho First Nations by providing payment of income to the Dehcho First Nations in accordance with the terms of this Trust;
- 3.3.7 To assist the Dehcho First Nations to enhance the principles in the Declaration of Rights of the Dehcho First Nations passed at Kakisa Lake, August 19, 1993.

#### **Term of Trust**

- 3.4 This Trust will remain in force and effect from March 8, 2006 until the Termination Date at which time the Trust Property will be dealt with in such manner as will be determined in a referendum authorized by not less than seventy five percent (75%) of the Members eighteen years of age or older who vote in a referendum held for such purpose. Notwithstanding any other rule or provision for the conduct of a referendum, no less than sixty percent (60%) of the eligible voters of the Dehcho First Nations must vote in the referendum for it to be valid. In such event, the Trustee shall hold the Trust Fund until instructed how to dispose of the Trust Fund in accordance with the terms of the referendum. Provided that if the Trust is terminated for the purpose of resettling the Trust Fund on the Replacement Trust, then a referendum is not required.

#### **Settlement of Additional Property**

- 3.5 The Settlers intend to settle additional property on this Trust. The philosophy of the people of the Dehcho First Nations is that the land is sacred and that any payments received by the Dehcho First Nations for use of their lands or for the sale of any resource from the lands should be retained as capital because it is really in substitution for something that has been taken from the land. Therefore, the Dehcho First Nations intend to settle any such payment upon this Trust so that such payments will be a symbolic recognition of the importance of preserving the land.

#### **4. ESTABLISHMENT OF FUNDS AND USE OF THE TRUST PROPERTY**

- 4.1 The Trustee shall establish the following Funds:
  - 4.1.1 the Immediate Opportunities Fund;
  - 4.1.2 the Economic Development Fund;
  - 4.1.3 the Community Development Fund
  - 4.1.4 the Elders Heritage Fund;
  - 4.1.5 the Education Fund, and
  - 4.1.6 the Land Acquisition Fund.
- 4.2 The Trustee shall invest the Trust Fund in accordance with this Trust as directed by the Investment Advisor or Investment Advisors, or as permitted by the rules governing the Funds.
- 4.3 The Settlers will seek an Advance Tax Ruling from Canada Revenue Agency that all income earned in the Replacement Trust is not subject to income tax, and that the Dehcho First Nations is a public body performing a function of government in Canada for



the purposes of paragraph 149(1)(c) of the Income Tax Act. Upon receipt of such favourable Advance Tax Ruling, the Trustee shall distribute the Trust Fund to the Dehcho First Nations which shall settle the Replacement Trust on terms substantially the same as this Master Trust, and shall settle all of the Trust Fund on the Replacement Trust.

- 4.4 The Trustee shall not mortgage, pledge, assign, encumber or grant any security interest of any kind whatsoever against the Trust Fund for any purpose whatsoever, unless allowed under the terms of a Fund.
- 4.5 The Trustee shall allocate any contribution to the Trust by the Dehcho First Nations in the following proportions:
- 4.5.1 Forty percent (40%) to the Immediate Opportunities Fund;
- 4.5.2 Thirty-five percent (35%) to the Mid-Term Funds as follows:
- a. Forty to sixty percent (40% to 60%) to the Economic Development Fund; and
  - b. Forty to sixty percent (40% to 60%) to the Community Development Fund;
- 4.5.3 Twenty-five percent (25%) to the Future Generations Funds as follows:
- a. Twenty percent (20%) to the Elders Heritage Fund;
  - b. Forty percent (40%) to the Education Fund; and
  - c. Forty percent (40%) to the Land Acquisition Fund.

## **IMMEDIATE OPPORTUNITIES FUND**

### **Allocation of Capital Contributions**

- 4.6 The Settlers hereby irrevocably direct that forty percent (40%) of all capital settled on the Master Trust shall be allocated to the Immediate Opportunities Fund.

### **Purposes of the Fund**

- 4.7 Terms defined in Schedule 1 to this Trust have the same meanings in the Immediate Opportunities Fund.
- 4.8 The purposes of the Immediate Opportunities Fund are as follows:
- 4.8.1 To foster development of economic capabilities among Members of the Dehcho First Nations through loans, investments, grants, loan guarantees and other forms of assistance to community or individually-owned enterprises and ventures, with profit as the primary motive, which will provide employment,

training, or business experience to Members, with an emphasis on building occupational and management skills.

#### **Business Venture Account**

- 4.9 The Trustee will create a Business Venture Account within the Immediate Opportunities Fund which will be available for investment in Business Venture Investments, which will be funded from:
- 4.9.1 An amount equal to the annual Net Income of the Immediate Opportunities Fund (not including income from any interest in a Business Venture Investment owned by the Trust and allocated to the Immediate Opportunities Fund); and
- 4.9.2 An amount equal to net annual capital gains that are instructed to be transferred to the Business Venture Account by the Investment Management Board.

#### **Application of the Business Venture Account**

- 4.10 Commencing in 2007, by April 30<sup>th</sup> in each year, the Business Venture Account, as valued at December 31<sup>st</sup> in the prior year, shall be eligible to be used by the Trustee for Business Venture Investments, approved by the Investment Management Board in accordance with Schedule 1, to the extent that the Business Venture Account has not already been used for Business Venture Investments in prior years.

#### **Income from Business Venture Investments**

- 4.11 All income received from any interest in a Business Venture Investment owned by the Trust and allocated to the Immediate Opportunities Fund and the capital gains on disposition of any Business Venture Investment shall be allocated as follows:
- 4.11.1 50% shall be retained by the Immediate Opportunities Fund;
- 4.11.2 25% shall be allocated to the Community Development Fund;
- 4.11.3 25% shall be allocated to the Future Generations Funds.

#### **Restriction on Encumbering Fund**

- 4.12 The Trustee shall not mortgage, pledge, assign, encumber, or grant any security interest of any kind whatsoever against the capital of the Immediate Opportunities Fund, except to the extent of any unapplied portion of the Business Venture Account.

#### **Investment Allocation**

- 4.13 It is intended that the Immediate Opportunities Fund, other than Business Venture Account, will be invested within the following ranges:
- 4.13.1 25% to 50% in equities;
- 4.13.2 50% to 75% in income assets.

## MID-TERM FUNDS

### Allocation of Capital Contributions

- 4.14 The Settlers hereby irrevocably direct that thirty-five percent (35%) of all capital settled on the Master Trust shall be allocated to the Mid-Term Funds as follows:
- 4.14.1 A minimum of forty percent (40%) and a maximum of sixty percent (60%) to the Economic Development Fund.
- 4.14.2 A minimum of forty percent (40%) and a maximum of sixty percent (60%) to the Community Development Fund.
- 4.15 The allocation between the Economic Development Fund and the Community Development Fund shall be determined by the Leadership on an annual basis upon advice from the Investment Management Board and the Investment Advisors, concerning returns on investment and long term growth of each of these Funds.

## ECONOMIC DEVELOPMENT FUND

### Allocation of Capital Contributions

- 4.16 Forty to sixty percent (40% to 60%) of any capital contributions allocated to the Mid-Term Funds shall be allocated to the Economic Development Fund.

### Purposes of the Fund

- 4.17 The purposes of the Economic Development Fund are as follows:
- 4.17.1 To foster development of economic capabilities for the community through community owned enterprises and ventures, with profit as its primary goal, which will provide employment, training, and business experience to Members, develop permanent facilities for the benefit of the community and create an income for the Dehcho First Nations on a medium to long-term basis.
- 4.17.2 Without restricting the generality of the foregoing, the following are examples of Economic Development Investments:
- a. Utility companies;
  - b. Transportation facilities such as airports;
  - c. Airlines;
  - d. Tourism facilities;
  - e. Toll roads;
  - f. Toll bridges;
  - g. Commercial Real Estate.

### **Economic Development Account**

- 4.18 The Trustee will create an Economic Development Account within the Economic Development Fund which will be available for investment in Economic Development Investments, which will be funded from annual allocations equal to:
- 4.18.1 the annual Net Income from the Economic Development Fund; and
  - 4.18.2 the net annual capital gains that are instructed to be transferred to the Economic Development Account by the Investment Management Board.

### **Application of the Economic Development Account**

- 4.19 Commencing in 2007, by April 30<sup>th</sup> in each year, the Economic Development Account, as valued at December 31<sup>st</sup> in the prior year, shall be eligible to be used by the Trustee for Economic Development Investments, approved by the Investment Management Board in accordance with a policy to be developed, similar to Schedule 1, to the extent that the Economic Development Account has not used in prior years.

### **Restriction on Encumbering Fund**

- 4.20 The Trustee shall not mortgage, pledge, assign, encumber, or grant any security interest of any kind whatsoever against the capital of the Economic Opportunities Fund, except to the extent of any unused portion of the Economic Development Account.

### **Investment Allocation**

- 4.21 It is intended that the capital of the Economic Development Fund, other than the Economic Development Account, will be invested within the following ranges:
- 4.21.1 30% to 60% in equities;
  - 4.21.2 40% to 70% in income assets.
  - 4.21.3 The intention is to provide steady income for the benefit of the Dehcho First Nations but have some capital growth to adjust for inflation.

## **COMMUNITY DEVELOPMENT FUND**

### **Allocation of Capital Contributions**

- 4.22 Forty to sixty percent (40% to 60%) of any capital contributions allocated to the Mid-Term Funds shall be allocated to the Community Development Fund.

### **Purposes of the Fund**

- 4.23 The purposes of the Community Development Fund are as follows:

- 4.23.1 To foster development of economic capabilities for the community through community owned enterprises and ventures, which will provide employment, training, and business experience to Members, and develop permanent facilities for the benefit of the community.
- 4.23.2 Without restricting the generality of the foregoing, the following are examples of Community Development investments:
- a. Homes for senior citizens;
  - b. Schools;
  - c. Dehcho First Nations office buildings;
  - d. Women's shelters;
  - e. Hospitals;
  - f. Recreational facilities;
  - g. Health clinics;
  - h. Healing centres;
  - i. Day care facilities.

#### **Community Development Account**

- 4.24 The Trustee will create an Community Development Account within the Community Development Fund which will be available for investment in Community Development Investments, which will be funded from annual allocations equal to:
- 4.24.1 the annual Net Income from the Community Development Fund; and
  - 4.24.2 the net annual capital gains that are instructed to be transferred to the Community Development Account by the Investment Management Board;
  - 4.24.3 Provided that, the value of the Fund shall be adjusted annually to account for the Inflation Factor.

#### **Application of the Community Development Account**

- 4.25 Commencing in 2007, by April 30<sup>th</sup> in each year, the Community Development Account, as valued at December 31<sup>st</sup> in the prior year, shall be eligible to be used by the Trustee for Community Development Investments, approved by the Investment Management Board, on the advice of a council of elders, in accordance with a policy to be developed, similar to Schedule 1, to the extent that the Community Development Account has not already been used in prior years.

#### **Restriction on Encumbering Fund**

- 4.26 The Trustee shall not mortgage, pledge, assign, encumber, or grant any security interest of any kind whatsoever against the Community Development Fund, except to the extent of any unused portion of the Community Development Account.

#### **Investment Allocation**

- 4.27 It is intended that the Community Development Fund, other than the Community Development Account, will be invested within the following ranges:

4.27.1 35% to 65% percent equities;

4.27.2 35% to 65% income assets.

4.27.3 The investment goal of the Community Development Fund is to outpace inflation while also generating gains and income.

## **FUTURE GENERATIONS FUNDS**

### **Allocation of Capital Contributions**

4.28 The Settlers hereby irrevocably direct that twenty-five percent (25%) of all capital settled on the Master Trust shall be allocated to the Future Generations Funds as follows:

4.28.1 Twenty percent (20%) to the Elders Heritage Fund;

4.28.2 Forty percent (40%) to the Education Fund;

4.28.3 Forty percent (40%) to the Land Acquisition Fund.

## **ELDERS HERITAGE FUND**

### **Allocation of Capital Contributions**

4.29 Twenty percent (20%) of any capital contributions allocated to the Future Generations Funds shall be allocated to the Elders Heritage Fund.

### **Purposes of the Fund**

4.30 The purposes of the Elders Heritage Fund are as follows:

4.30.1 The Elders Heritage Fund will distribute half of its income annually to the Dehcho First Nations for the purposes of the Elders Heritage Fund and invest the other half of the income as capital. Every five years one half of the capital appreciation earned in the Elders Heritage Fund will be distributed to the Dehcho First Nations for the purposes of the Elders Heritage Fund.

4.30.2 Should the Dehcho First Nations wish to maintain the growth of capital of this Fund, they may choose to limit the distributions from time to time if there are extended periods of higher inflation or economic downturns.

4.30.3 This Fund is viewed as an investment in the Dehcho First Nations cultural future.

### **Elders Heritage Account**

4.31 The Trustee shall create the Elders Heritage Account within the Elders Heritage Fund which will be available for investment in Elders Projects, which will be funded from annual allocations equal to:

4.31.1 one half of the annual Net Income from the Elders Heritage Fund; plus

- 4.31.2 one half of the increase in the value of the Fund of the Elders Heritage Fund allocated every five years.

#### **Application of the Elders Heritage Fund**

- 4.32 Commencing in 2007, by April 30<sup>th</sup> in each year, the Elders Heritage Account, as valued at December 31<sup>st</sup> in the prior year, shall be eligible to be used by the Trustee for projects for the benefit of Elders, approved by the Investment Management Board, on the advice of a Council of Elders, in accordance with a policy to be developed, similar to Schedule 1, to the extent that the Elders Heritage Account has not already been used in prior years.

#### **Restriction on Encumbering Fund**

- 4.33 The Trustee shall not mortgage, pledge, assign, encumber, or grant any security interest of any kind whatsoever against the Elders Heritage Fund, except to the extent of any unused portion of the Elders Heritage Account.

#### **Investment Allocation**

- 4.34 It is intended that the Elders Heritage Fund, other than the Elders Heritage Account, will be invested within the following ranges:

4.34.1 40% to 75% in equities;

4.34.2 25% to 60% in income assets.

4.34.3 The goal is to have the Elders Heritage Fund last into perpetuity so that it should provide inflation protection and some provision for population growth.

## **EDUCATION FUND**

#### **Allocation of Capital Contributions**

- 4.35 Forty percent (40%) of any capital contributions allocated to the Future Generations Funds shall be allocated to the Education Fund.

#### **Purposes of the Fund**

- 4.36 The purposes of the Education Fund are as follows:
- 4.36.1 The Dehcho First Nations believe that the ongoing success of its people is dependent upon having a well-educated population.
- 4.36.2 The Education Fund would advance the education of the Dehcho people through the provision of scholarships, fellowships, bursaries, grants, loans and other forms of assistance to Members wishing to pursue further education.

4.36.3 The Education Fund could also provide educational institutions, facilities, programs, resources and opportunities for Dehcho First Nations people of all ages and educational achievement.

4.36.4 The Education Fund will last into perpetuity, while maintaining an income for the present and future generations of students, regardless of age.

**Payment of Net Income**

4.37 The Trustee shall pay an amount equal to the Net Income of the Education Fund less the Inflation Factor for the education of Members of the Dehcho First Nations.

**Restriction on Encumbering Fund**

4.38 The Trustee shall not mortgage, pledge, assign, encumber, or grant any security interest of any kind whatsoever against the Education Fund.

**Investment Allocation**

4.39 It is intended that the Education Fund will be invested within the following ranges:

4.39.1 35% to 65% in equities;

4.39.2 35% to 65% in income assets.

**LAND ACQUISITION FUND**

**Allocation of Capital Contributions**

4.40 Forty percent (40%) of any capital contributions allocated to the Future Generations Funds shall be allocated to the Land Acquisition Fund.

**Purposes of the Fund**

4.41 The purposes of the Land Acquisition Fund are as follows:

4.41.1 This Fund is meant to have the longest outlook of all of the Dehcho First Nations Funds.

4.41.2 Every twenty-five years this Fund will disburse twenty-five percent of the capital appreciation over the previous twenty-five years. These proceeds are to be used in the purchase of real estate, which encompasses anything from raw land, to developing an urban reserve, to investment in real estate investments.

4.41.3 The Leadership at the time of the disbursement will make that choice based upon their view at that time. The Leadership may delay removing the proceeds for up to three years if it determines the economic environment is not suitable at the twenty-five year anniversaries.



### **Land Acquisition Account**

4.42 On December 31, 2031, the Trustee shall create the Land Acquisition Account within the Land Acquisition Fund which will be available for investments in land as long term investments for the Dehcho First Nations, which will be funded from:

4.42.1 Twenty five percent (25%) of the increase in the value of the Fund allocated every twenty five years.

### **Payment of Net Income**

4.43 The Trustee shall reinvest all the Net Income of the Fund.

### **Restriction on Encumbering Fund**

4.44 The Trustee shall not mortgage, pledge, assign, encumber, or grant any security interest of any kind whatsoever against the Land Acquisition Fund, except to the extent of any undistributed portion of the Land Acquisition Account.

### **Investment Allocation**

4.45 It is intended that the Land Acquisition Fund, other than the Land Acquisition Account, will be invested within the following ranges:

4.45.1 40% to 85% in equities;

4.45.2 15% to 60% in income assets.

### **Twenty Five Year Review**

4.46 As a matter of pride in the creation of this Trust structure in partnership with the Dehcho People, Tom Wooding would like to have his descendants invited to any ceremonies arising from the application of the Land Acquisition Account moneys, at the descendants' own expense.

## **5. INVESTMENT MANAGEMENT BOARD**

5.1 The Leadership shall, by way of a Dehcho First Nations Resolution appoint at least three but not greater than nine persons as members of the Investment Management Board the composition of which shall meet the following qualifications:

5.1.1 all members must be eighteen years of age or older;

5.1.2 none of the members may be a member of the Leadership or a member of the elected governing body of any of the Dehcho First Nations;

5.1.3 all members must be residents of Canada;

5.1.4 a majority must be Members of the Dehcho First Nations;

- 5.1.5 all members must not have been convicted of an indictable offense or a summary conviction offense involving fraud, theft or false pretences;
- 5.1.6 none of the members can be an undischarged bankrupt.
- 5.1.7 all members must be mentally competent.
- 5.2 A person shall cease to be an Investment Management Board Member if:
  - 5.2.1 he or she dies;
  - 5.2.2 he or she resigns;
  - 5.2.3 he or she ceases to satisfy the qualifications of an Investment Management Board Member as set out in this Trust; or
  - 5.2.4 he or she fails, without reasonable excuse, after receipt of appropriate prior notice thereof, to attend 3 consecutive meetings of the Investment Management Board; or
  - 5.2.5 the Investment Management Board terminates the appointment of the Investment Management Board Member by a resolution passed by a two thirds majority of the Investment Management Board.
- 5.3 The Leadership will forthwith (and in any event within 60 days) appoint a person to act as a replacement upon the resignation, disqualification or death of an Investment Management Board Member, for the balance of the member's term of appointment.
- 5.4 Each Investment Management Board Member shall hold office for a term of three years, provided however, the initial appointment of the Investment Management Board may include appointments for terms of less than three years in order that no more than one-third of the Investment Management Board have terms expiring in any given year. A member of the Investment Management Board may be reappointed.
- 5.5 The Investment Management Board will meet at least quarterly and the conduct of all meetings will be governed by the following rules:
  - 5.5.1 the quorum for meeting of the Investment Management Board will be a majority of its members, with each member to be present in person, or attending by telephone or other communication facility which permits each member to communicate with all other members at the meeting;
  - 5.5.2 except as specifically otherwise provided or required herein, all decisions and actions of the Investment Management Board will be in accordance with the majority vote of the members in attendance at the meeting;
  - 5.5.3 in case of a tie, the Chair will cast the deciding vote;
  - 5.5.4 meetings of the Investment Management Board will be held at such location as the Investment Management Board may determine, and may be held more or

less frequently (but in any event as least quarterly) as the Investment Management Board may from time to time determine;

- 5.5.5 minutes of decisions taken at all Investment Management Board meetings will be recorded and such record will be circulated to and be signed by the Chair and one other member of the Investment Management Board.
- 5.6 Meetings of the Investment Management Board may be formally called by the Chair or any two members. Notice of such meetings shall be delivered, faxed, e-mailed or telephoned to each member not less than seven (7) days before the meeting is to take place. No notice of any such meeting shall be necessary if all members are present, or if those absent have signified their consent in writing to the meeting being held in their absence. The members may appoint a day or days in any month or months for regular meetings at an hour to be named and of such regular meeting, no notice need be sent.
- 5.7 Members of the Investment Management Board will elect a Chair from amongst them, who must be a Member. The position of Chair will be for one year and will expire at the first meeting of the Investment Management Board, next following the Trust's first year end. The retiring Chair will be eligible to be re-elected to the position of Chair; provided all conditions of eligibility for the Investment Management Board are met. The Chair shall continue in his or her capacity as Chair until the Investment Management Board has elected his or her successor.
- 5.8 The following rules apply in respect to remuneration of the Investment Management Board:
  - 5.8.1 the remuneration of the Investment Management Board Members will be such amount as is determined from time to time by Leadership;
  - 5.8.2 all members will be reimbursed for reasonable expenses incurred by them.
- 5.9 Following each appointment of individual members of the Investment Management Board, the Trustee and the Investment Advisor will arrange a seminar for the purposes of:
  - 5.9.1 familiarizing the individual members on the terms of the Trust, the responsibilities of the members and the procedures for making and implementing Investment Management Board decisions;
  - 5.9.2 learning about investments and modern portfolio theory;
  - 5.9.3 specifically addressing the process for considering applications for financial assistance from the Funds pursuant to guidelines established by the leadership;
  - 5.9.4 such other issues as may assist the Investment Management Board.
- 5.10 The role of the Investment Management Board is as follows:
  - 5.10.1 to meet regularly with the Investment Advisor to review the investments of the Trust Fund;

- 5.10.2 to prepare the Investment Policy Statement, review it at least once annually and make revisions when appropriate;
- 5.10.3 to ensure that the investments of the Trust Fund are made in accordance with the Investment Policy Statement;
- 5.10.4 to make recommendations to the Leadership concerning the appointment of an Investment Advisor or replacement of an Investment Advisor;
- 5.10.5 work with the Trustee to ensure that all investments of the Trust Fund are Authorized Investments;
- 5.10.6 act as the liaison between the Leadership, the Trustee and the Investment Advisors on all issues related to the Trust;
- 5.10.7 report annually to the Leadership concerning the investment of the Trust Funds;
- 5.10.8 receive and consider applications for financial assistance from the Funds pursuant to guidelines established by the Leadership;

## 6. **INVESTMENT ADVISOR**

- 6.1 Upon the decision to appoint a new Investment Advisor, the Investment Management Board will conduct interviews of firms who meet the qualifications of Investment Advisors and recommend the names of Investment Advisors to the Leadership. After such consultation as to the selection of the Investment Advisors, and upon receipt of a Leadership resolution so directing, the Trustee shall enter into an Investment Management Agreement with one or more Investment Advisors which meets the qualifications defined in this Trust. The Trustee will not be required to act upon a Leadership resolution directing it to retain an Investment Advisor if, in the opinion of the Trustee, the Investment Advisor to be appointed is not qualified under the provisions of this Trust and has not been approved by the Investment Management Board.

## 7. **AUTHORIZED INVESTMENTS**

- 7.1 The Trustee shall ensure that the capital of the Trust Fund is invested, as directed by the Investment Advisor or Investment Advisors, in accordance with the Prudent Investor Rule as that rule is implemented in the Alberta *Trustee Act*, RSA 2000, Chapter T-8, as amended from time to time.
- 7.2 The Dehcho First Nations may, by special resolution, amend this Trust by adopting the Prudent Investor Rule of another jurisdiction in Canada. The intention of the Settlers is that the Trust Fund be invested in accordance with Modern Portfolio Theory, as that principle is adopted by the Prudent Investor Rule in the Alberta *Trustee Act*, and as Modern Portfolio Theory evolves over the term of this Trust.
- 7.3 At the date of this Trust, section 3(5) of the Alberta *Trustee Act* requires the following:

3(5) Without restricting the matters that a trustee may consider, in planning the investment of trust funds, a trustee must consider the following matters, insofar as they are relevant to the circumstances of the trust:

- a. the purposes and probable duration of the trust, the total value of the trust's assets and the needs and circumstances of the beneficiaries;
- b. the duty to act impartially towards beneficiaries and between different classes of beneficiaries;
- c. the special relationship or value of an asset to the purpose of a trust or to one or more of the beneficiaries;
- d. the need to maintain the real value of the capital or income of the trust;
- e. the need to maintain a balance that is appropriate to the circumstances of the trust between
  - i. risk,
  - ii. expected total return from income and appreciation of capital,
  - iii. liquidity, and
  - iv. regularity of income;
- f. the importance of diversifying investments to an extent that is appropriate to the circumstances of the trust;
- g. the role of different investments or courses of action in the trust portfolio;
- h. the costs, such as commissions and fees, of investment decisions or strategies;
- i. the expected tax consequences of investment decisions or strategies.

7.4 In addition to the matters that a trustee must consider in planning the investment of trust funds as outlined in section 3(5) of the Alberta *Trustee Act*, the Trustee and the Investment advisor must also consider the following matters which are peculiar to the Dehcho First Nations:

7.4.1 The terms of the each of the Funds;

7.4.2 The importance of inflation and/or population growth as it pertains to the goals of each Fund.

7.5 The Investment Advisor shall assist the Investment Management Board in preparing a written Investment Policy Statement for each of the Funds which includes the following:

7.5.1 A statement of the goals of the investment plan over the short term;

7.5.2 A statement of the goals of the investment plan over the long term;

7.5.3 A statement of how the investment plan complies with the purposes of each Fund and the matters required to be considered under the prudent investor rule;

7.5.4 A range of the allowable investment mix of equities and income investments;

- 7.5.5 A commentary as to how the goals of each Fund will be balanced against the prevailing economic circumstances;
  - 7.5.6 The standards for investment performance including, but not limited to: methods of performance calculation, the time horizon to be used in the evaluation process, benchmarks to be used, statement as to whether relative performance or absolute return is to be used for each Fund;
  - 7.5.7 A statement as to how reasonable diversification will be accomplished for each Fund;
  - 7.5.8 Guidelines as to contact and communication frequency and methods.
- 7.6 The Investment Advisor shall meet at least once per year with the Investment Management Board and review, and when necessary revise the Investment Policy Statement for each of the Funds. Any changes shall be in writing and signed by the Investment Advisor and the Investment Management Board.
- 7.7 The Investment Advisor shall provide a copy of the Investment Policy Statement and any revised Investment Policy Statements to the Trustee and the Leadership within 15 days of approval by the Investment Management Board.
- 7.8 The Trustee shall cause the Trust Fund to be invested in Authorized Investments in accordance with the Investment Policy Statement as directed by the Investment Advisor provided that the Trustee shall first obtain the following:
- 7.8.1 A copy of a current Investment Management Agreement between the Trustee and the Investment Advisor, which has been approved by the Investment Management Board, and which appoints the Investment Advisor and authorizes the Investment Advisor to retain such additional advisors as directed by the Investment Management Board;
  - 7.8.2 A copy of the current Investment Policy Statement that has been approved by the Investment Management Board.
- 7.9 The Investment Management Agreement shall authorize the Investment Advisor and the Trustee to purchase Authorized Investments in accordance with the terms of this Trust, the Investment Management Agreement and the Investment Policy Statement.
- 7.10 The Trustee shall regularly review the terms of the Investment Management Agreement and Investment Policy Statements and advise the Leadership, the Investment Management Board and the Investment Advisor of any inconsistency with the Trust, the Investment Management Agreement and the Investment Policy Statements.
- 7.11 The Trustee shall obtain from the Investment Advisor a monthly report documenting the list of investments acquired during that month. The Trustee shall obtain from the Investment Advisor a quarterly report confirming that the investments at the time of the quarterly report are Authorized Investments, and that they fit within the parameters of the applicable Investment Policy Statement, and note and explain any exceptions. The Trustee shall forward such reports to the Investment Management Board and to the Leadership.
- 7.12 The Trustee shall satisfy itself that the investment of the Trust Fund by the Investment Advisor complies with the Investment Policy Statement and are Authorized Investments

and shall notify the Leadership, the Investment Advisor and the Investment Management Board of non-compliance with the Investment Policy Statement and this Trust.

- 7.13 Upon receipt of a Leadership resolution or an Investment Management Board resolution so directing, the Trustee shall evaluate or cause to have evaluated the performance of the Investment Advisors against industry standards for portfolios with similar policies, objectives and investment guidelines and advise the Leadership and the Investment Management Board of the results.
- 7.14 For the purposes of ensuring compliance under this section, the Trustee shall be entitled, with prior approval of the Leadership and the Investment Management Board, to engage qualified analysts or evaluators at the expense of the Trust, where the Trustee deems it necessary to do so.
- 7.15 The Trustee shall not be required to restrict investments by the Investment Advisor in the securities, shares, obligations or other interests of the Trustee or any affiliated, subsidiary, holding or related company or company of the Trustee, notwithstanding that the Trustee may benefit therefrom, and the Trustee shall not be required to account for or to disgorge any such benefit.
- 7.16 Subject to the terms and conditions set out in this Trust, the Trustee may allow the Investment Advisor to delegate from time to time to other investment advisors (including any investment advisor affiliated or related to the Trustee or to the Investment Advisor) the discretion to manage all or any part of the Trust Fund, including the ability to:
- 7.16.1 Sub-delegate such discretionary powers; and
- 7.16.2 Invest the Trust Fund in Authorized Investments selected by and purchased by the Investment Advisor,
- Such delegations shall be subject to such supervision and upon such terms and conditions as the Trustee, acting reasonably and in good faith, deems advisable.
- 7.17 The Trustee and the Investment Advisor may invest in pooled funds or common trust funds and such investments shall not be a delegation of investment authority with respect to the investment of trust funds.
- 7.18 The Trustee may retain investments made with funds from the Business Venture Account, Economic Development Account, Community Development Account or Elders Heritage Account for such length of time as the Trustee may, in its absolute discretion, deem advisable. Such investments are considered to be authorized for the purpose of this Trust, even though they may not fit the investment criteria of the Prudent Investor Rule. The Trustee shall not be liable for any loss that may result from the investment or retention of any assets made with funds from the Business Venture Account, Economic Development Account, Community Development Account or Elders Heritage Account. Such investments will not be taken into consideration in determining the investment mix in any of the Funds.

## 8. POWERS AND DUTIES OF THE TRUSTEE

- 8.1 The Leadership shall enter into a Trustee Compensation Agreement with the Trustee stipulating the specific services to be performed by the Trustee and the Trustee's fees. The terms of any Trustee Compensation Agreement are subject to the provisions of this Trust and in the event of any conflict, the Trust shall prevail.
- 8.2 Without in any way limiting or derogating from the powers, authorities, discretions and immunities otherwise available to the Trustee, whether under any statute or at law or otherwise, the Trustee has powers, authorities, discretions and immunities set forth in Schedule "A" and any exercise of discretion of the Trustee shall be final and conclusive upon all interested parties.
- 8.3 The Trustee may request of the Dehcho First Nations, and the Dehcho First Nations shall provide certificates, resolutions, instruments or agreements as may be reasonably necessary for the operation of the Trust or the making of Authorized Investments.
- 8.4 All authorizations, instructions and other communications required to be given in writing by the Leadership to the Trustee shall be signed by an authorized signatory and shall be in a form determined by, and acceptable to, the Trustee. An authorized signatory shall include any person or persons duly authorized by the Leadership as the case may be, to act in such capacity.
- 8.5 The Leadership shall deliver to the Trustee the name or names of their respective authorized signatories and shall be responsible for providing to the Trustee notice of any changes to the authorized signatories immediately following in each period.
- 8.6 The Trustee may act on the instructions of the authorized signatories last received from the Leadership until the Leadership advises the Trustee of any changes to such authorized signatories and provides the Trustee with the appropriate documentation.
- 8.7 The Trustee shall maintain complete records of all transactions affecting the Trust Fund.
- 8.8 Within one hundred twenty (120) days of the end of each Fiscal Year, the Trustee shall prepare and submit to the Leadership and the Investment Management Board an annual report and have prepared and submitted to the Leadership an audited financial statement of the Trust (annually if required by the Leadership, but at least every three years) for the purposes of informing the Leadership and the Investment Management Board about the status and expenditures from the Trust and whether the operation of the Trust is in compliance with the Trust. The Trustee shall certify whether all expenditures from the Trust were appropriately documented and authorized in compliance with the requirements of the Trust.
- 8.9 The Trustee shall submit to the Leadership and the Investment Management Board on a quarterly basis:
  - 8.9.1 A transaction statement detailing all the incomings and outgoings from the Trust Fund;
  - 8.9.2 An investment statement setting out transactions relating to Authorized Investments and confirming compliance with the Trust;



- 8.9.3 Quarterly reports prepared by the Investment Advisor stating the investment performance of the Trust Fund, net of investment fees.
- 8.10 If requested to do so, the Trustee shall provide the Leadership with an operational report on other matters generally affecting the Trust in form and substance reasonably required by the Leadership and the Investment Management Board, and as agreed by the Trustee.
- 8.11 A copy of the Trustee's report and the audited financial statements of the Trust shall be available for viewing by Members at the head office of the Dehcho First Nations and at such other places as may be directed by the Leadership.
- 8.12 At the request of the Leadership, the Trustee, members of the Investment Management Board and the Investment Advisors will participate in community information sessions as may be called by the Leadership from time to time to review the annual report or other activities of the Trustee.
- 8.13 The Trustee shall immediately notify the Leadership and the Investment Management Board in writing of any breaches of this Trust by the Trustee or any breaches of this Trust by the Investment Advisor of which it becomes aware.

## 9. **LIABILITY OF TRUSTEE**

- 9.1 The Trustee shall have no liability arising from the selection, actions or performance of the Investment Advisors and shall not be liable for any losses to the Trust resulting from an investment by the Investment Advisors provided the Trustee has complied with the terms of this Trust concerning Authorized Investments.
- 9.2 The Trustee shall have no obligations or liabilities in relation to funds once they are properly transferred out of the Trust and cease to be Trust property.
- 9.3 The Trustee shall not be liable for losses and damages incurred by the Trust or the Investment Management Board or the Investment Advisors unless the Trustee has:
- 9.3.1 Acted with a fraudulent intent or with negligence resulting in actual loss of the Trust property; or
- 9.3.2 Breached the Trust resulting in the actual loss of the Trust property.

## 10. **DISTRIBUTION OF INCOME**

- 10.1 In this Article, the following terms shall have the following corresponding meanings:
- 10.1.1 "Income for Tax Purposes" for a taxation year of the Trust means the income or loss of the Trust for such year computed in accordance with the provisions of the Income Tax Act regarding the calculation of income for the purposes of determining the "taxable income" of the Trust (other than subsections 75(2) and 104(6) thereof); and, for greater certainty, shall include taxable capital gains, net of allowable capital losses, and any notional or deemed amounts required to be

included in computing the taxable income of the Trust, but shall exclude capital dividends and the non-taxable portion of capital gains;

10.1.2 "Primary Income" means such part of the Income for Tax Purposes for a taxation year as is derived from property received from the Settlers at any time, or property substituted for such property, including:

- a. The Settlement Funds;
- b. The Economic Development Funding;
- c. Such other funds or property as may be added to the Trust from time to time by the Dehcho First Nations;
- d. Any property acquired in substitution for such funds or property;

which said Income For Tax Purposes is subject to attribution to the Dehcho First Nations by reason of the application of subsection 75(2) of the Income Tax Act, and is deemed to be income of the Dehcho First Nations and not income of the Trust for purposes of the Income Tax Act;

10.1.3 "Secondary Income" shall mean the Income for Tax Purposes for a taxation year, other than the Primary Income, if any; and

10.1.4 "Promissory Note" shall mean a demand non-interest-bearing promissory note evidencing indebtedness of the Trust, as may be issued unconditionally from time to time by the Trustee to a Beneficiary.

10.2 Notwithstanding any other provision of this Trust Agreement:

10.2.1 Any distribution directed to be made to the Dehcho First Nations in a Fiscal Year on account of the Net Income of the Trust shall be made for income tax purposes, firstly from the Secondary Income of the Trust (without regard to the Fund in which property giving rise to the Secondary Income is held), secondly from Primary Income, and lastly from capital of the Trust Fund.

10.2.2 Should distributions made pursuant to Clause 10.2.1 be less than the full amount of Secondary Income in a Fiscal Year, a further distribution equal to the balance of Secondary Income shall be made to the Dehcho First Nations as a Beneficiary of the Trust;

10.2.3 Any amount of Net Income directed to be distributed to the Dehcho First Nations in a Fiscal Year shall become due and payable to the Dehcho First Nations on the last day of the year (less any amount of such Net Income distributed prior to that date in the year) in such a manner as to permit a deduction to be claimed in such amount by the Trust under Subsection 104(6) of the Income Tax Act or any similar provision). In order to effect such distribution, the following procedures shall apply:

- a. The Trustee shall calculate the Net Income, Primary Income and Secondary Income as soon as practicable following the end of the taxation year in accordance with the applicable provisions of Part I of the Income Tax Act;
- b. All Net Income required to be distributed in a Fiscal Year which has not been paid before the last day of the Fiscal Year shall be payable to the Dehcho First Nations as a Beneficiary on the last day of the Fiscal Year and shall be paid in cash or by the Trust issuing to the said Beneficiary within six months from the end of the taxation year a Promissory Note as absolute payment of the Trustee's obligation to pay such balance of Net Income to the said Beneficiary. For greater certainty, the Beneficiary shall have the legal right to enforce the payment of such amount on the last day of the Fiscal Year and thereafter until paid; and
- c. The Trustee shall take any and all additional or alternative steps as may be necessary to permit the Trust to claim a deduction pursuant to subsection 104(6) of the Income Tax Act in the amount of the Secondary Income in computing its Income for Tax Purposes for the taxation year.

## 11. AMENDMENTS

- 11.1 Except as otherwise provided in this agreement, no amendments to this Trust may be made for a period of two years after the effective date of this Trust.
- 11.2 Except as otherwise provided in this agreement, and subject to clause 11.1, no amendments to articles 2 through 13 are effective unless the proposed amendment is approved by not less than seventy five percent (75%) of the Members eighteen years of age or older who vote in a referendum held for such purpose. Notwithstanding any other rule or provision for the conduct of a referendum, no less than sixty percent (60%) of the eligible voters of the Dehcho First Nations must vote in the referendum for it to be valid.
- 11.3 Prior to the date of the referendum for amending this Trust, the Leadership, in their sole discretion, shall use appropriate means to inform the electors about the proposed amendments.
- 11.4 Notwithstanding clause 11.1 or 11.2, an amendment to a provision of this Trust which the Trustee and the Investment Management Board and the Leadership agree is of an administrative or procedural nature, or which is necessary to eliminate or reduce liability for tax of any kind, and which legal counsel for the Dehcho First Nations has advised in writing does not alter the purposes of the Trust, may be implemented at any time by a Dehcho First Nations Resolution.
- 11.5 Notwithstanding clause 11.1 or 11.2, the Trustee and the Leadership by a Dehcho First Nations Resolution may make amendments to this Trust as a result of changes in law. Such amendments may be initiated by the Leadership after receipt of a written opinion from legal counsel explaining the adverse consequences for the Trust or from changes in the law and the potential benefit of the proposed amendments.
- 11.6 The Trustee for the Dehcho First Nations may apply to a court of competent jurisdiction for advice and direction regarding any question concerning the interpretation of this Trust or relating to the scope and extent of the Trustee's powers.

**12. REMOVAL OF THE TRUSTEE**

- 12.1 The Trustee may cease to act under this Trust by serving 60 days written notice to the Leadership but no such resignation shall be effective until a new Trustee has been appointed by the Leadership.
- 12.2 Within 45 days of receiving the Trustee's notice of resignation, the Leadership shall appoint a new Trustee and will provide written directions to the resigning Trustee instructing them to transfer the property to the newly appointed, qualified Trustee, providing such newly appointed Trustee has executed a counterpart of this Trust.
- 12.3 If, within 45 days of receiving the Trustee's written notice of resignation, the Leadership has not appointed a new Trustee, the Trustee may make application to a court of competent jurisdiction in accordance with the provisions of the Trustee Act for an order discharging the Trustee from the Trust and appointing a new Trustee. For greater certainty, and subject to any order of the Court, the cost of such an application is an Authorized Expense.
- 12.4 The Leadership may remove the Trustee by serving twenty-one days' notice to the Trustee, or sooner if the Trustee has waived the notice period, provided that a new Trustee has been appointed by the Leadership.
- 12.5 Prior to serving notice of termination to the Trustee, the Leadership by Leadership resolution shall have selected a replacement Trustee who is qualified under the terms of this Trust.
- 12.6 The withdrawal or removal of the Trustee by the Leadership does not affect the rights, obligations, liabilities and responsibilities of either party which accrued prior to the effective date of the termination of the Trustee's appointment.
- 12.7 The Trustee shall provide the Dehcho First Nations with a complete account of its administration of the Trust, in a form satisfactory to the Dehcho First Nations, within thirty days of the date upon which the Trustee ceases to act.

**13. NOTICES**

- 13.1 Notices under this Trust are effective if delivered by facsimile or registered mail as follows:

- 13.1.1 To the Trustee:

- CIBC Trust Corporation  
309 – 8<sup>th</sup> Avenue S.W. 2<sup>nd</sup> floor  
Calgary, AB T2P 1C6

- 13.1.2 To the Dehcho First Nations:

- Dehcho First Nations

PO Box 89  
Fort Simpson, Northwest Territories X0E 0N0

**14. GENERAL**

- 14.1 This Trust represents the entire agreement among the parties and there are no other terms, conditions or agreements respecting the subject matter of this Trust other than as specifically stated.
- 14.2 This Trust will be construed, governed and enforced in accordance with the laws of the Northwest Territories which shall be the proper law of the Trust, other than the Prudent Investor Rule which shall be governed by the Trustee Act of the Province of Alberta until changed in accordance with this Trust.
- 14.3 This agreement enures to the benefit of and is binding on the parties and their respective successors.
- 14.4 This Agreement may be executed in several counterparts, each of which so executed shall be deemed to be an original, and such counterparts together shall constitute but one and the same instrument.

**IN WITNESS WHEREOF**, the Trustee has executed this Trust under corporate seal effective the 30 day of March, 2006 at Calgary, in the Province of Alberta.

**CIBC TRUST CORPORATION**

Per: [Signature] (seal)

Per: [Signature] (seal)

**AND FURTHERMORE IN WITNESS WHEREOF**, the Dehcho First Nations as represented by the Grand Chief has executed this Trust this 29 day of March, 2006 at Hay River in the Northwest Territories.

[Signature]  
Grand Chief of the Dehcho First Nations

[Signature]  
Witness  
[Signature]



AND FURTHERMORE IN WITNESS WHEREOF, each of the Dehcho First Nations have signed this Trust by their duly authorized representatives on the date specified:

\_\_\_\_\_  
Acho Dene Koe First Nation      Witness      March \_\_, 2006

\_\_\_\_\_  
Deh Gah Got'ie First Nation      Witness      March \_\_, 2006

\_\_\_\_\_  
K'agee Tu First Nation      Witness      March \_\_, 2006

\_\_\_\_\_  
Katlodeeche First Nation      Witness      March \_\_, 2006

  
\_\_\_\_\_  
Liidli Kue First Nation        
Witness      March 28, 2006

\_\_\_\_\_  
Na\_ahdee First Nation      Witness      March \_\_, 2006

\_\_\_\_\_  
Pehdzeh Ki First Nation      Witness      March \_\_, 2006

\_\_\_\_\_  
Sambaa K'e Dene Band      Witness      March \_\_, 2006

\_\_\_\_\_  
TtheK'edeli First Nation      Witness      March \_\_, 2006

\_\_\_\_\_  
West Point First Nation      Witness      March \_\_, 2006

EMc Leef  
Fort Liard Métis Local 67

R Tassant  
Witness

March 28 2006

ABTD  
Fort Providence Métis Council

R Tassant  
Witness

March 25, 2006

Marie Rabbity  
Fort Simpson Métis Local 52

R Tassant  
Witness

March 29, 2006