

**Cowessess Treaty Land Entitlement Trust, and
Cowessess First Nation Flood Claim Trust:
2017 Annual General Meeting**

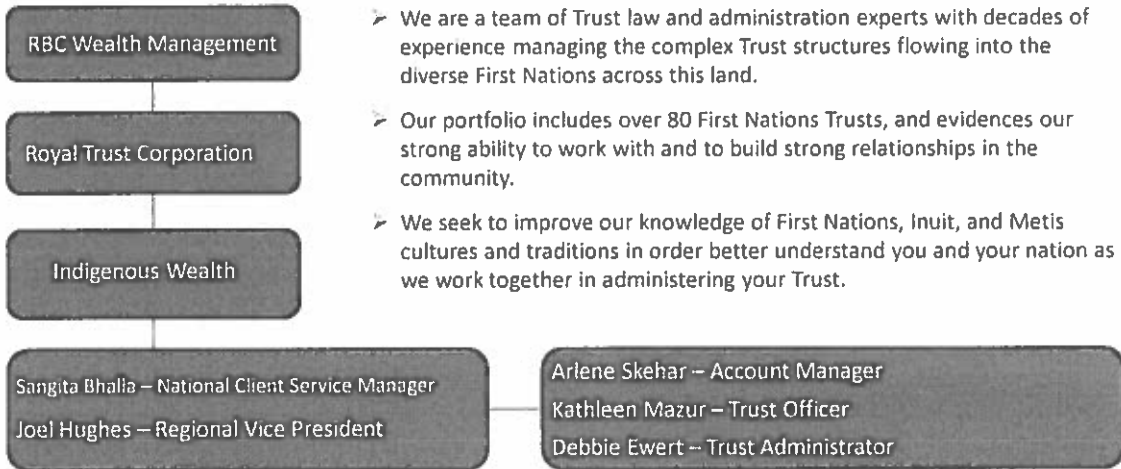
Joel Hughes, PhD
Regional Vice President
Indigenous Wealth
Royal Trust Corporation

October 1, 2018 | Royal Trust Corporation / Indigenous Wealth

Agenda

- What is the role of Royal Trust Indigenous Wealth
- Trust 101
- Cowessess Flood Claim and TLE Trust Overview and Update
- Questions

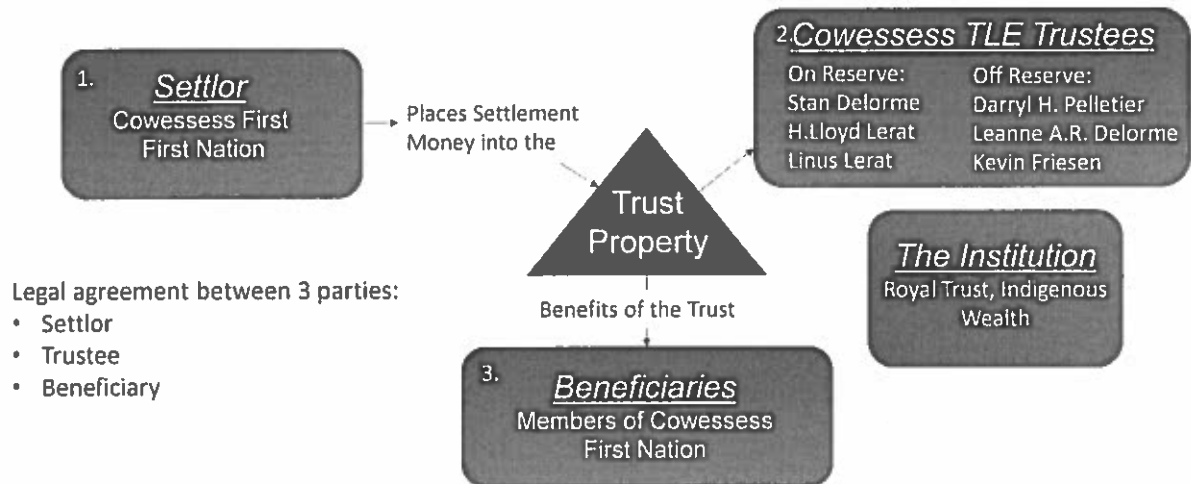
Royal Trust Corporation: Indigenous Wealth



- We are a team of Trust law and administration experts with decades of experience managing the complex Trust structures flowing into the diverse First Nations across this land.
- Our portfolio includes over 80 First Nations Trusts, and evidences our strong ability to work with and to build strong relationships in the community.
- We seek to improve our knowledge of First Nations, Inuit, and Metis cultures and traditions in order better understand you and your nation as we work together in administering your Trust.

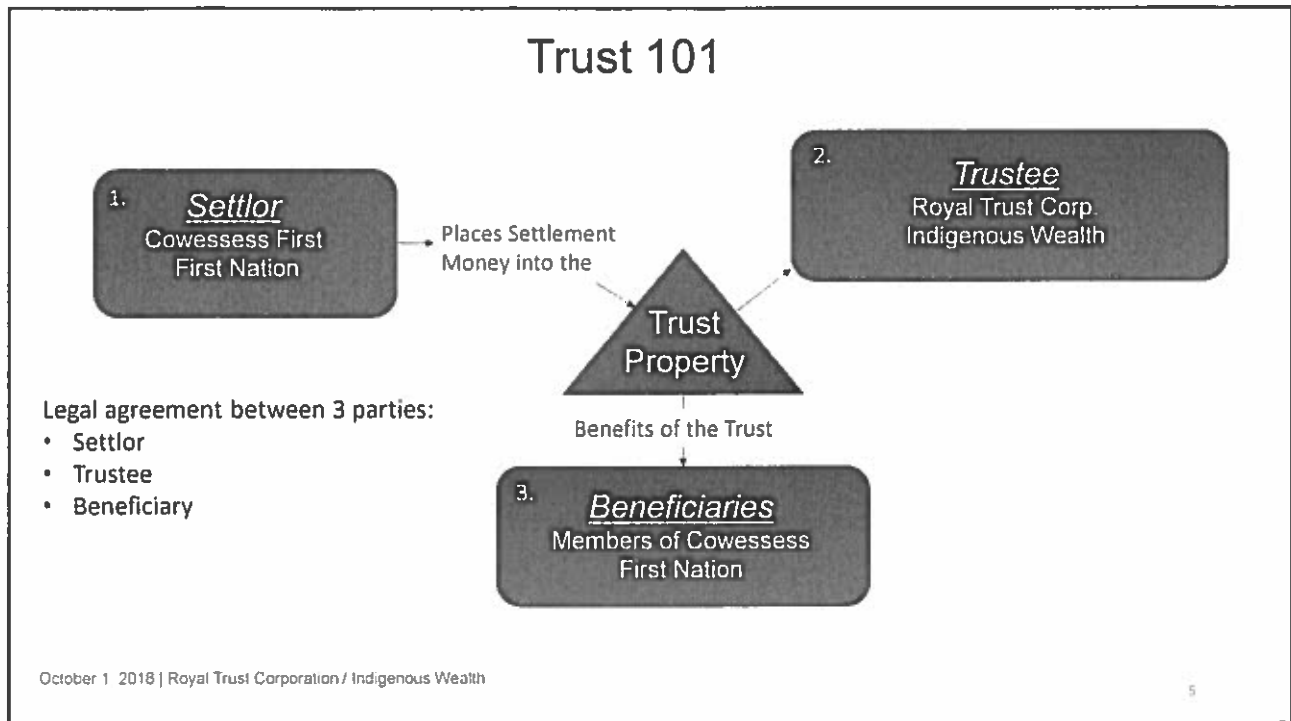
October 1, 2018 | Royal Trust Corporation / Indigenous Wealth

Trust 101



- Legal agreement between 3 parties:
- Settlor
 - Trustee
 - Beneficiary

October 1, 2018 | Royal Trust Corporation / Indigenous Wealth



Transfer to Royal Trust

	Initial Value April 2018	Value at July 31, 2018
Trust Account	\$9,120,653	\$9,470,059
Revenue Trust Account	\$1,797	\$1797
Band Account	\$58,185	\$0

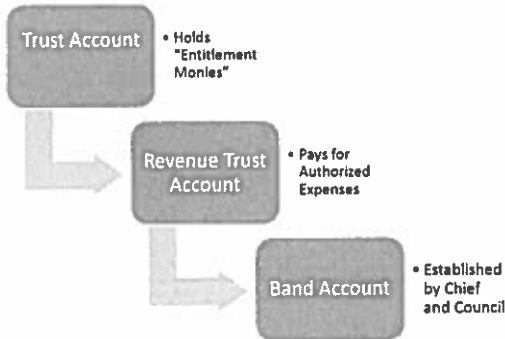
After thorough review of the Trust Agreement, with an intensive focus on the operation of the Band Account, Royal Trust proposed that the \$58,185 be transferred into the 4 Trust, or into the Capital Account.

Cowessess First Nation confirmed by email that the funds in the Band Account were transferred to the 4 Trust by way of Trustee Resolution.

October 1, 2018 | Royal Trust Corporation / Indigenous Wealth

What is the Institution?

Holds the Trust Property and acts of properly executed Trustee Directions



- The Institution holds the Trust Property for safekeeping, oversees investments, and can only release funds in accordance with the terms of the Trust Agreement.
- The Institution can only act when in receipt of properly executed Trustee Directions

October 1, 2018 | Royal Trust Corporation / Indigenous Wealth

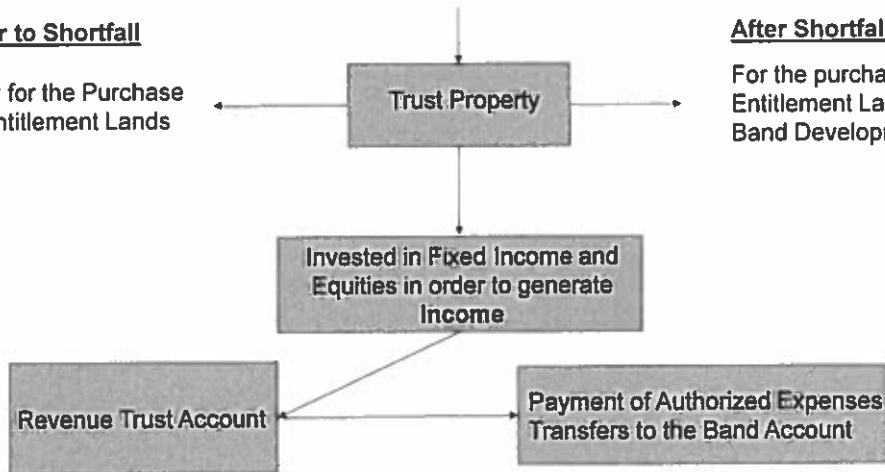
Trust Account

Prior to Shortfall

Only for the Purchase of Entitlement Lands

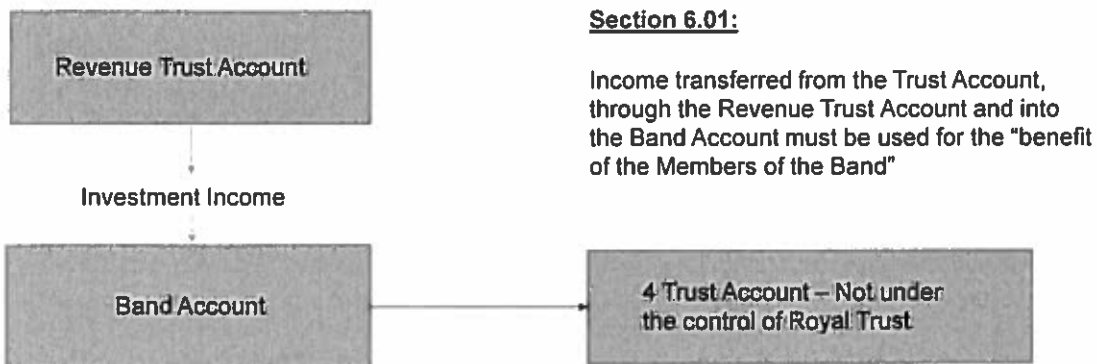
After Shortfall Acquisition Date

For the purchase of Entitlement Land and for Band Development



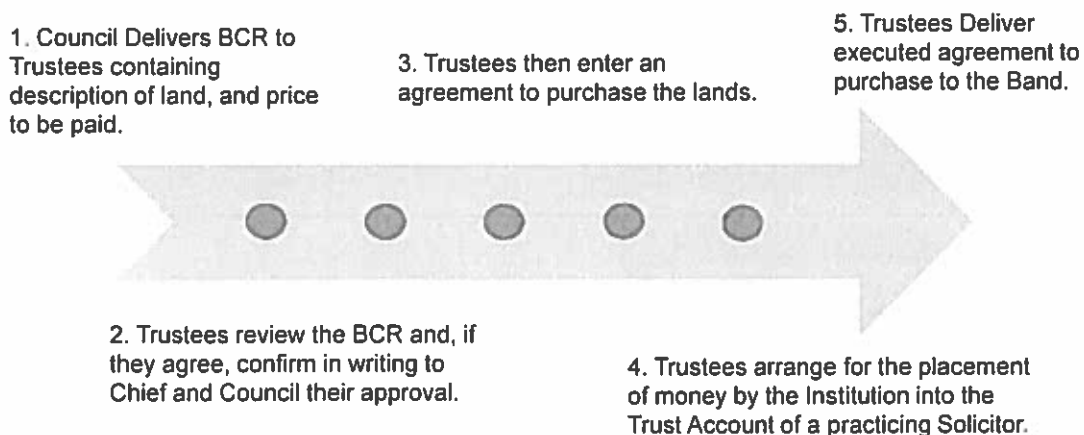
October 1, 2018 | Royal Trust Corporation / Indigenous Wealth

Relevant Transactions



October 1, 2018 | Royal Trust Corporation / Indigenous Wealth

Land Purchases



October 1, 2018 | Royal Trust Corporation / Indigenous Wealth

Trustee Directions

As per Section 18 of the Trust Account, "The Institution shall only permit the release of monies for the purpose of..."

Entitlement Land:

BCR Containing Written recommendation to purchase Entitlement Land.

Trust Account Land Acquisition Direction signed by majority of Trustees.

Band Development:

Shortfall Acquisition Date Certificate.

Trust Account Band Development Direction.

Council's report in Accordance with 5.01(b)(i), verifying community referendum held.

Transfer of Revenues:

Trust Account Revenue Distribution Direction.

October 1, 2018 | Royal Trust Corporation / Indigenous Wealth

Trustee Directions

As per Section 19 of the Revenue Trust Account, "The Institution shall only permit the release of monies on deposit in the Revenue Trust Account..."

Authorized Expenses:

Revenue Trust Account Authorized Expense Direction.

If expense exceeds \$500.00, the Direction must be signed by the Majority of Trustees.

If less than \$500.00, the Direction can be signed by at least 3 Trustees.

Transfers to Band Account

Revenue Trust Account Transfer Direction signed by the majority of Trustees.

October 1, 2018 | Royal Trust Corporation / Indigenous Wealth

Band Account

Because the Trust is silent on the matter of how funds transfer out of the Band Account, Royal Trust would require a BCR from Chief and Council in order to transfer income on deposit in the Band Account to the 4Trust Account.



October 1, 2018 | Royal Trust Corporation / Indigenous Wealth

Cowessess First Nation Flood Claim

- Established by way of a Settlement Agreement between Cowessess and Canada, in which Canada compensated Cowessess for flooding lands at the outlet of Crooked Lake.
- The Trust was ratified by the members of Cowessess on March 10, 2012, and settled with an initial value of \$12,181,421 on May 16, 2013.
- The funds are invested in Stocks and Bonds, which generate income, which is paid Annually to Cowessess.
- The Trust allowed for an adult Per Capita Payment, which utilized \$1,375,000 of the funds, a limited amount of Capital Encroachment, and yearly Per Capita Payments for minor members.



October 1 2018 | Royal Trust Corporation / Indigenous Wealth

2017 Trust Summary

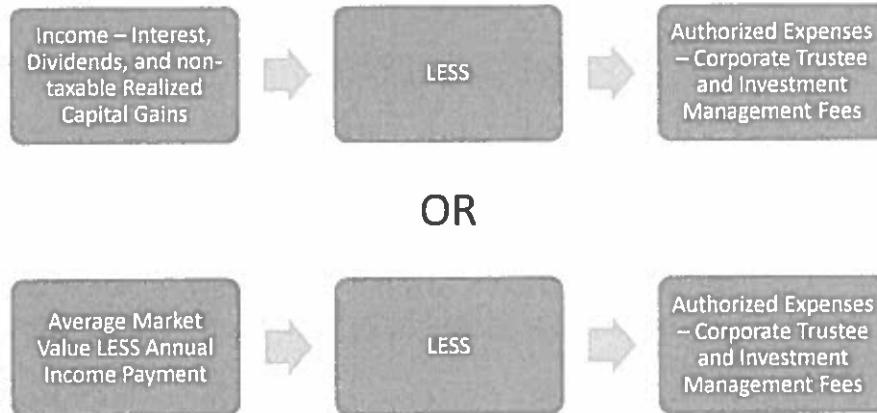


- The Trust Capital saw a significant increase in Value of \$543,375, and made an annual income payment of 634,444.31 to the Community Development Account.
- On January 24, 2017, \$34,647.06 was transferred to Cowessess First Nation in order to distribute Minor's Per Capita Distributions. Minor's payments are equal to \$500.00 plus 4% interest per year.

October 1, 2018 | Royal Trust Corporation / Indigenous Wealth

Annual Income Calculation

The greater of...



October 1, 2018 | Royal Trust Corporation / Indigenous Wealth

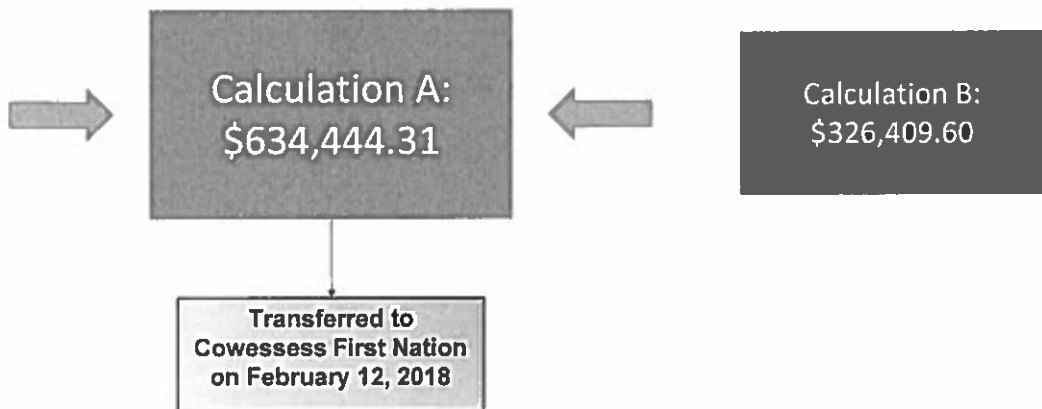
Annual Income Calculation

Calculation A	
Interest and Dividends	\$297,160.55
Taxable Portion of Realized Capital Gains (50% of 762,113.83)	\$381,056.92
Taxable Portion of Realized Gain Distributions (50% of 93,846.79)	\$46,923.40
LESS AUTHORIZED EXPENSES	
Royal Trust Fees	\$40,920.56
PH&N Fees	\$49,776.00

Calculation B	
2014 Market Value Less Annual Income Payment	\$10,248,839
2015 Market Value Less Annual Income Payment	\$10,395,488
2016 Market Value Less Annual Income Payment	\$10,638,634
LESS AUTHORIZED EXPENSES	
Royal Trust Fees	\$40,920.56
PH&N Fees	\$49,776.00

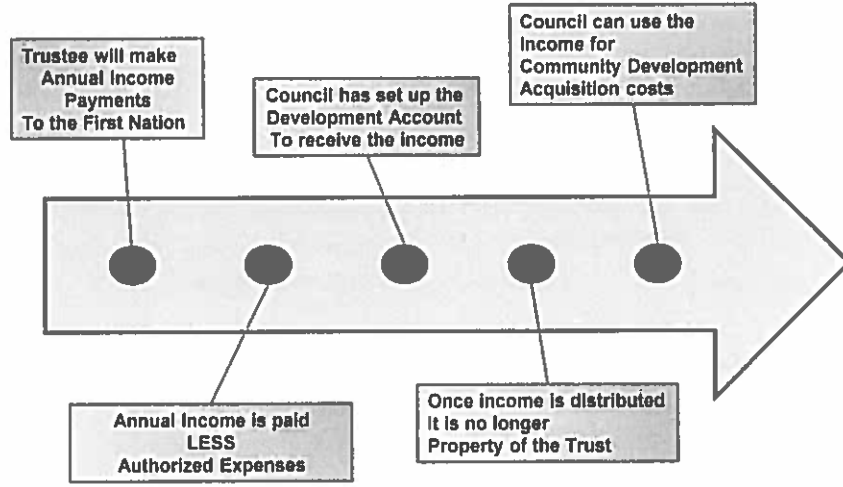
October 1, 2018 | Royal Trust Corporation / Indigenous Wealth

Annual Income



October 1 2018 | Royal Trust Corporation / Indigenous Wealth

Payment of Annual Income



October 1 2018 | Royal Trust Corporation / Indigenous Wealth

Annual Income Since 2013

Fiscal Year	Annual Income Payment
2013	\$264,525
2014	\$435,020
2015	\$385,175
2016	\$316,273
2017	\$634,444

Total Income Paid Since 2013:
\$2,035,437

October 1, 2018 | Royal Trust Corporation / Indigenous Wealth

Council Reporting Obligations

- Council must appoint an Auditor to audit the Development Account
- The Audit is to be completed within 120 days following the end of the fiscal year.
- The Audit must be posted in the Cowessess Administration Office within 30 days of its completion
- Council must hold a meeting discussing the audit prior to Oct 31, and send a BCR to Royal Trust confirming they have done so.

October 1, 2018 | Royal Trust Corporation / Indigenous Wealth

Questions



October 1, 2018 | Royal Trust Corporation / Indigenous Wealth

Thank You!!

We strive to be more than just a Trust Company, we strive to listen and learn about Indigenous Heritage and Culture in order to be the best Corporate partner possible.

It is an honour to work with Cowessess First Nation!



October 1, 2018 | Royal Trust Corporation / Indigenous Wealth

Thank You



Joel Hughes, PhD
Regional Vice President
Indigenous Wealth
Royal Trust Corporation
1603-220 Portage Avenue
Tel: 204-988-4291
joel.hughes@rbc.com



Sangita Bhalla, LLB
National Client Service Manager
Indigenous Wealth
Royal Trust Corporation
1603-220 Portage Avenue
Tel: 204-285-3053
Sangita.Bhalla@rbc.com

October 1, 2018 | Royal Trust Corporation / Indigenous Wealth