



REPORT 2022





Peguis First Nation

Treaty Land Entitlement (TLE)

2022 Trust Administration Report

Financial Trustees:
Stephen Daniels, Diane Bear, Sharon
Stevenson, Carrie Sutherland, and
Sangita Bhalla, RBC
Two Vacancies – 1 Appointed
Accountant Position and 1 Off-Reserve
Elected Position,

And

Community Fund Trustees:
Lloyd Sinclair and Ralph Sutherland
Three Vacancies – 2 On-Reserve and 1
Off-Reserve Elected Position



BACKGROUND

The Peguis First Nation Trust entered into a Treaty Entitlement Agreement with Canada and the province of Manitoba whereby Peguis First Nation is entitled to select and acquire up to 166,794 acres of additional land as Reserve. To fulfil its obligations, Canada has agreed to pay Peguis First Nation the sum of \$64,425,000.

By Ratification Vote held on September 7, 2007, Peguis First Nation approved the Peguis First Nation Trust Agreement.

In 2008, \$61,397,215.00 was deposited to the Peguis First Nation Trust, of which \$56,397,215.00 was transferred to the Implementation Account and \$5,000,000.00 to the Community Fund Account.



Treaty #1 signing

REPORTING

Each year the Trustees are required to provide the Chief and Council of Peguis First Nation with financial statements for the Trust, as well as a report on the administration of the Trust. The report describes the expenditures of the Implementation Account and the Community Fund Account, as well as the investments for the Trust.

THE FINANCIAL TRUSTEES

The Financial Trustees are responsible for the financial administration of the Peguis First Nation Trust, including the Implementation Account and the Community Fund Account. The Financial Trustees distribute the Trust Property in accordance with the Funding Directions issued by Council and/or the Community Fund Trustees, as the case may be. The Implementation Account is to be used to acquire land to be registered in the name of Peguis, as well as, to cover discharging expenses associated with the purchase of land and other implementation administration expenses of the Treaty Entitlement Agreement.



The Financial Trustees for the Trust are: Stephen Daniels, Sharon Stevenson, Diane Bear and Carrie Sutherland. Under the terms of the TLE Trust Agreement at least one Community Fund Trustee must be located off Reserve. There is a vacancy for this position currently.

The Trust Agreement calls for Council to appoint two additional Trustees, one of which must be either a lawyer or a Trust Company and the other Trustee a chartered accountant. Council appointed Royal Trust as the Corporate Trustee. Council is currently in the process of selecting a potential chartered accountant to act as Financial Trustee for the Trust.

THE COMMUNITY FUND TRUSTEES

The Community Fund (CF) Trustees identify and determine or recommend to Council or to Council and the Members “Expenditures Beneficial to Peguis First Nation” from the Community Fund Account. The Community Fund Account is to be used for the advancement of the interest of and quality of life of Peguis First Nation and its members through the preservation, enhancement and application of Trust property. The Community Fund Trustees have no responsibility for the financial administration of the Peguis First Nation Trust.

Unfortunately, as of December 31st, 2021, the CF Trustees did not have a quorum of 3 (that is required) CF Trustees due to the CF Trustee Vacancies. Currently only Ralph Sutherland and Lloyd Sinclair are the initial elected Community Fund Trustees. Under the terms of the TLE Trust Agreement, at least one CF Trustee must be located off Reserve. There are at this time three vacancies for the CF Trustee’s position. There is a forthcoming election process to be called by the Chief & Council to fill the Off-Reserve and the two On-Reserve positions.

Under the terms of the TLE Trust Agreement, at least one Community Fund Trustee must be located off Reserve. There is currently a vacancy for this position. There is a forthcoming election process to be called by Chief & Council to fill the position of off-reserve community fund trustee; along with two on-reserve community fund trustees.



FINANCIAL TRUSTEE REPORT 2022

TRUST BALANCE

The Financial Trustees are also pleased with the overall financial investments of the TLE Trust. Our Trust opening value on January 1st, 2022, was **\$33,799,355** and the Trust closing balance at December 31st, 2022 was **\$ 29,967,305**

INVESTMENT MANAGEMENT

The Peguis TLE Trust continues to utilize the services of TE Wealth for their independent Trust advisory and investment consultation. It is with their support and guidance that we continue to grow and learn about the investment and trust industry so that we can make a difference for our beneficiaries.

The investment of millions of dollars in the TLE Trust takes professional management and decision making from well selected and successful investment managers. We are thankful to continue to secure and utilize the services of Mawer Investment Management, Beutel Goodman Investment Counsel and Ridgewood Capital, who has replaced TD Asset Management as of April 2020. These managers are tops in their field and outperform their peers. May they keep up the good work and keep making money for the TLE Trust. We thank them for their years of service and support to Peguis.

PROFESSIONAL DEVELOPMENT

In 2022, the Trustees did not attend any professional development.

The professional development requirements aid in the continuous learning process, ensuring Trustees are aware of events that may affect the Trust, to be kept abreast of changes within the trust and investment industry and it provides an opportunity to meet with Trustees from other First Nations and discuss Trust experiences.



THE IMPLEMENTATION ACCOUNT

Opening Values

As of January 1st, 2022, the opening value of the Implementation Account was
\$ 27,346,547

2022 Income and Expense Summary

Total Income Received	\$1,098,514
Less Authorized Expenses	
Annual General Meeting	9,908
Audit	9,713
Honorarium	10,900
Investment Consulting Fees	7,366
TLE Implementation Budget	462,516
Trust Office	5,981
Portfolio Management Fees	93,959
Professional Development	-
Legal Fees	-
Royal Trust, Trustee Fees	55,692
Salaries & Benefits	46,240
Travel	<u>7,443</u>
Total Authorized Expenses	<u>\$ 709,718</u>
Land Purchase & Real Estate Costs	-
Surplus (Deficit)	<u>388,796</u>

We are pleased to confirm that all expenses and withdrawals from the Implementation Account are in compliance with the Trust Agreement.

Closing Values

As of December 31, 2022, the closing value of the Implementation Account is **\$ 24,281,202**



AUTHORIZED USES OF THE IMPLEMENTATION ACCOUNT

- To purchase land for social, economic development, cultural or other purposes of interest to Peguis First Nation, including related costs
- To pay the costs of inspection, appraisal, negotiation, capital purchase, purchase transaction, holding, tax adjustment and incidental costs, including agents, representatives or trustees retained to purchase or hold title to land
- To implement the Treaty Entitlement Agreement, including required staff, equipment, travel or other administration costs pertaining to the purchase of land, monitoring and Reserve creation process
- To pay reasonable fees and honoraria, as well as, financial, investment management, legal, accounting or other education which will assist the Financial Trustees in carrying out their duties and protecting the assets of the Trust

THE PROCESS for PAYING EXPENDITURES and the PURCHASING of ENTITLEMENT

Funding Direction means a written direction from Council, in respect of Expenditures Beneficial to the Beneficiary for Implementation Purposes, delivered to the Financial Trustees, for a distribution of Funds from the Trust Property, which contains the following information:

For paying implementation costs:

- A description of the implementation expense
- A description of the manner in which the funds will be applied, including when and to whom the funds will be paid, the anticipated completion date of any project to which the funds will be applied, the amount and source of other funds which will be applied in respect to the same matter, and a description of any charges or security arrangements
- A Council Resolution approving any Expenditures Beneficial to the Beneficiary for implementation purposes

For purchase of Entitlement Land:

- A copy of the executed Offer to Purchase
The name of the lawyer for the Beneficiary retained to complete the acquisition on behalf of the Beneficiary and to whom the Financial Trustees shall send required to complete
- A Council Resolution approving any Expenditures Beneficial to Beneficiary for Implementation Purposes

Unless and until the amount of land set apart as Reserve has been increased by 9,637 acres of land, the amount of capital in the Implementation Account cannot be less than \$49,800,000.00 less the value of any Treaty Entitlement Land purchased by the Trust.

In the first 25 years, the Implementation Account has a “Floor Value” of \$25,000,000.00. No capital distributions, other than for the purchase of Land, can be made if such distribution should result in the value of the Implementation Account falling below \$25,000,000.00.



THE COMMUNITY FUND ACCOUNT

Opening Values

As of January 1, 2022, the opening value of the Community Fund Account was **\$ 6,452,808**

2022 Income and Expense Summary

Total Income Received	\$407,741
Less Authorized Expenses	
Annual General Meeting	1,908
Audit Fees	9,713
Honorarium	4,100
Investment Consulting Fees	1,946
Peguis Trust Office	17,055
Portfolio Management Fees	20,358
Professional Development	-
Legal Fees	
Royal Trust, Corporate Trustee Fee	16,139
Salaries and Benefits	36,384
Travel and other expenses	<u>2,985</u>
Total Authorized Expenses	<u>\$110,588</u>

The Community Fund also distributed **\$22,375** in Community Distributions. NOTE: These Community Distributions were initially approved in 2021 and paid out in 2022.

We are pleased to confirm that all expenses and withdrawals from the Trust are in compliance with the Trust Agreement.

Closing Values

As of December 31, 2022, the closing value of the Community Fund Account is **\$ 5,686,103**



COMMUNITY FUND TRUST 2022 AGM REPORT

Peguis TLE Community Fund Trustees want to ensure that we value your input and support youth committees and young entrepreneurs. Unfortunately, due to Community Fund Trustee Vacancies applicants submitted applications could not be reviewed or approved in 2022.

PURPOSE of the COMMUNITY FUND ACCOUNT

The Community Fund Account is to be used for the advancement of the interest of and quality of life of Peguis First Nation and its Members through the preservation, enhancement, and application of Trust property.

AUTHORIZED USES for EXPENDITURES for COMMUNITY PURPOSES

- To supplement or enhance health care related services
- To enhance or promote educational opportunities
- To support assistance to address the special needs of Peguis elders
- For community development and improvement initiatives including infrastructure, equipment or enhancement of recreation facilities
- To preserve the language and cultural heritage
- For Treaty Days, pow-wow and community gatherings
- To acquire, establish, or build a credit union or a bank or a trust company to be owned by Peguis, also known as the Peguis band.
- For Housing
- To promote or establish business or commercial operations beneficial to the members
- For any other activity, beneficial to the Peguis Community members

THE PROCESS for PAYING EXPENDITURES for COMMUNITY PURPOSES

Community Fund Trustees and or supporting Council BCR must provide the Financial Trustee with a Funding Direction, which contains the following:

- A description of the Expenditure Beneficial to the Beneficiary for Community Purposes
- A description of the manner in which the funds will be applied
- when and to whom the funds will be paid, the anticipated completion date
- the amount and source of other funds received
- a description of any charges or security arrangements
- depending on the amount a Community Fund Trustees Ordinary Resolution, Council Resolution or Members Ordinary Resolution approving the Expenditure
- under the discretion of the community fund trustees, all business application or recurring funding request may require a police check, credit bureau, drug test and personal character reference for all individuals identified on the application



COMMUNITY FUND APPROVAL AUTHORITIES

All funding applications are reviewed and discussed by the Community Fund Trustees or a review committee thereof. As per the terms of the Trust Agreement, the following approval authorities (increase yearly by inflation) are required to approve:

- Applications for funding up to \$63,468.46 (\$50,000.00) may be approved by the Community Fund Trustees
- Applications for funding over \$63,468.46 (\$50,000.00) and up to \$190,405.40 (\$150,000.00) must be recommended by the Community Fund Trustees and approved by Chief and Council
- Applications for funding over \$190,405.40 (\$150,000.00) must be recommended by the Community Fund Trustees with the concurrence of Chief and Council and approved by the Members at a meeting of Members.

IMPORTANT DATES RELATING to the FUNDING APPLICATION PROCESS

- No deadline.
- The Community Fund Trustees will review all qualified applications
- Any applications that must be reviewed by Chief and Council and the Members will be reviewed at a meeting of Members
- Allocation of funding amounts to successful applicants will commence of the same year unless written extension request with valid reason is submitted.
- Please review the Community Fund Trustee Policy & Procedure

GUIDELINES for GRANT GRADING SYSTEM

- 35% of funds available will be used for business initiatives with emphasis on viable businesses that provide employment to community members.
- 30% of funds available will be used for Youth initiatives
- 20% of funds available will be used to support Community activities, organizations and clubs
- 10% of funds available will be used for Elders initiatives
- 5% of funds used for Health initiatives



2022 – EXPENDITURE APPLICATIONS

In 2022, UNFORTUNATELY due to Trustee Vacancies the Community Fund Trustees (CF) did not have the required quorum of three CF Trustees and were unable to fund any applications: NOTE: Below list was approved in 2021 and paid in 2022.

FD#	Applicant	Description	Amount
466/21	Dwayne Spence	Concrete Construction Equipment	\$ 5,000.00
468/21	Ramona Favel	U18 AAA Interlake Lightning for daughter Jayden	3,000.00
488/21	Jim Wastesacoot	Terra Indigena Newspaper 2022	12,700.00
*NOTE: Auditor Classified Awards Canada as Community Fund Expense – Retirement Plaque – Community Fund Trustee			1,674.54
TOTAL			*\$ 22,375.00 *Amount made to the nearest dollar

TOTAL GRANTS APPROVED ENDING DECEMBER 31, 2022 \$2,482,359.92

YEAR	FUNDED AMOUNTS
2010	\$ 50,000.00
2011	\$ 51,303.67
2012	\$ 22,500.00
2013	\$ 115,202.00
2014	\$ 263,819.50
2015	\$ 223,656.90
2016	\$ 225,229.58
2017	\$ 323,123.30
2018	\$ 320,317.61
2019	\$ 333,315.95
2020	\$ 222,390.00
2021	\$ 309,126.41
*2022	*\$ 22,375.00

*NOTE: Due to the Trustee Vacancies - the Community Fund Trustees did not have quorum in 2022. It is Peguis C&C's responsibility for the Election Process to fill the Trustee Vacancies. The Funded Amount in 2022 was approved in 2021 and paid in 2022.

2022 HIGHLIGHTS

Unfortunately, due to the Trustee Vacancies the Peguis TLE Trust were not able to sponsor any applicants in 2022.



PEGUIS TLE IMPLEMENTATION OFFICE – LOCATED IN SELKIRK, MB

The mandate of TLE Implementation office is to assist Council with the acquisition of Treaty Entitlement Land. Their primary duties are:

- To ensure the successful purchase and selection of 166,794 acres of land to be converted to Reserve Land.
To develop a Strategic Plan to purchase TLE Land.
- To support Chief and Council.
- To ensure land selection and acquisition procedures and principals are met.
- To monitor the conversion of land to Reserve Status.
- To ensure Peguis First Nation meets its responsibilities and obligations under the Treaty Land Agreement.
- To provide advice and administrative support to the TLE Trust.

THE TLE IMPLEMENTATION OFFICE BUDGET

Under the terms of the Trust Agreement, Council prepares an Annual Budget for the expenses relating to the implementation of the Treaty Entitlement Agreement., including required staff, equipment, travel or other administration costs pertaining to the acquisition of land, site inspections, land appraisals, general legal services, monitoring and Reserve creation process approved by Council. For 2022, the TLE Implementation Budget was \$462,516.



Peguis TLE Trust 2022 Annual Investment Report

On behalf of T.E. Wealth's Indigenous Investment Advisory practice, we are extremely honored to support the Peguis TLE Trust through the provision of independent and objective investment advisory services.

From a starting point of approximately \$62.8 million dollars, we are pleased to confirm that the investments of the combined TLE Trust have appreciated over \$29.4 million dollars since inception, with the Trust providing a net transfer to the Peguis First Nation of over \$62.2 million dollars. At year end 2022, the market value of the combined Trust remains over \$30 million dollars despite a very challenging year in the markets.

Market Commentary – “A Year in Review”

As stated, 2022 was clearly a difficult year in the markets with rising interest rates imposed by Central Banks around the world which are intended to slow the rapidly rising inflation rates. This combination of rising interest rates and rising inflation has led to negative returns in the markets affecting both stocks and bonds over the year. The consensus view for 2023 is that interest rates will remain relatively high with inflation rates gradually declining over the year resulting in rising unemployment as the economy slows. It can be expected that rate cuts will start in late 2023 or 2024 as inflation eases and returns to a more tolerable level. Will 2023 be any better for investors? We think there's reason for some optimism going into this year. Interest rates are elevated but that means bonds are offering a good return relative to previous years. The market's price to earnings ratio's are much more reasonable as we enter into 2023 than they were a year ago, which should provide some downside protection. Concrete signs that inflation has been tamed and that interest rate cuts are coming will likely lead to a significant market rally despite continued market volatility during the interim.

How Has the Trust Performed? (Overall Combined Holdings)

Having the Trust make money in the good times is of obvious importance yet by contrast, in the more challenging times that we've recently experienced, it is even more important that the Trust's investments decline less than the market to protect the value of the Trust monies over such periods.

With this in mind, we are pleased to report, that despite a market benchmark decline of -10.33% for the year ending December 31st, 2022, the TLE Trust was down just -8.75% which outperformed the market by 1.58%. With markets turning more positive in the later part of 2022, we are also pleased to report that the Trust was up 3.55% (or \$1,020,204) and outperformed the market return of 2.20% in just the last three months of 2022.

Markets have continued their recovery into 2023 with the Trust up another \$768,300 to the end of February 2023. Since the Trust's inception, the combined holdings remain up 5.27% which remains well managed when compared to the market benchmark return of 4.33% over the history of the Trust.

The Peguis First Nation TLE Trust is managed under a multi-manager structure as a risk management strategy, thereby diversifying the investment risk amongst more than one investment manager in the event of prolonged underperformance by any given firm. This approach includes Ridgewood Capital, who has been engaged as a bond specialist given the significant percentage of bond holdings within the overall Trust. With the bond market being down -4.36% since Ridgewood's inception, it is pleasing to note they outperformed the bond market by 2.0% despite their inception return of -2.36%.



Additionally, the Trust has employed two balanced investment management firms since the Trust's inception date which manage a combination of stocks and bonds. Given markets can favor Growth stocks or Value stocks in any given period, the Trust has benefited from engaging the value-style of Beutel, Goodman & Company Ltd., and growth-style of Mawer Investment Management Ltd.

This diversification helps to ensure that the portfolio is well positioned over time through all market environments and enables a smoother pattern of returns. Beutel Goodman's inception return of 5.97% and Mawer's return of 6.10% have both succeeded in exceeding the market benchmark return of 5.41% since the Trust's inception.

Community Fund Performance

While the majority of assets held under the TLE Trust are focused on selecting and acquiring land for social, economic development; cultural or other purposes of interest to Peguis Nation (Implementation Fund), the Community Fund is designed to apply or fund such uses that include (but not limited to), health care related services, enhance and promote educational opportunities, assist the special needs of Peguis elders, assist Peguis in community development and improvements, promote and preserve the cultural heritage, community gatherings, housing assistance and support business or commercial operations.

While the overall TLE Trust is mandated to hold upwards of 70% in Fixed Income securities (e.g., bonds and cash equivalents), the Community Fund has a permissible target weight of 50% in stocks and 50% in Fixed Income. This has provided the Community fund with a historically higher performance return of 6.84% return since inception which has outperformed the market benchmark of 6.26%. Despite a difficult year in the markets, the Community Fund's 1-Year performance (at December 31st, 2022) of -8.92% has once again, outperformed the market return of -9.93% by 1.01%.

Combined Holdings: Asset Mix Targets and Ranges

The chart below highlights the breakdown of the Trust's security holdings by Asset Class as of December 31, 2022.

Asset Class	Range (%)	Target (%)	Portfolio (%)
Cash & Cash Equivalents	0 - 10%	5%	3.6%
Fixed Income	63 - 73%	67%	64.5%
Canadian Equity	5 - 15%	10%	10.5%
Global Equity	13 - 23%	18%	21.4%

Looking Forward

It goes without saying that the current investment environment is experiencing significant volatility, and in turn, this can be a bit unsettling. One of the key principles of long-term investing is to stay the course. History has shown that sharp falls in stock markets tend to be concentrated in short periods of time. Similarly, the biggest gains are often clustered together, and it is quite common for a large gain to follow a big fall (or vice versa). While most markets will experience periods of short-term volatility, over the long-term, they historically have maintained a steady, upwards path. While nobody has perfect insight as to the future markets ahead, those investors who remain invested have historically benefited the most from the long-term upward market trends.

In Closing

Once again, T.E. Wealth's Indigenous Services practice considers it a privilege and an honor to support the Peguis TLE Trust since its inception and we are pleased to confirm that, in summary, the Trust portfolio continues to exceed market returns and Trust performance objectives through all periods, as at December 31st, 2022.



CONCLUSION

We are honoured to provide you with our fiduciary services in the administration of the Trust. We look forward to working for you as Trustees for Peguis First Nation TLE Trust for the benefit of the community and future generations.

Respectfully submitted,

Peguis First Nation TLE Trust

Financial Trustees

Carrie Sutherland - Chair

Sharon Stevenson

Stephen Daniels

Diane Bear

Sangita Bhalla, Royal Trust,
Corporate Trustee

Community Fund Trustees

Lloyd Sinclair - Chair

Ralph Sutherland



Peguis Treaty Land Entitlement (TLE) Trust

Under the terms of Treaty 1 entered by the First Nation in 1871, the Peguis First Nation (then the St. Peter's Indian Band) is entitled to select land within its traditional territory to be set apart as its common reserve. Unfortunately, the First Nation's claim to additional reserve land entitlement under Treaty (called "Treaty land entitlement" or "TLE") was rejected on several occasions by Canada since its first formal submission under Canada's Specific Claims Policy in March 1978. Based on its policy approach to TLE, Canada agreed that the First Nation is entitled to additional Reserve land on June 29, 1998.

Under the Treaty Entitlement Agreement, Peguis is entitled to select and acquire up to 166,794 acres of additional land as Reserve for Peguis and Canada has agreed to pay to Peguis the sum of sixty-four million four hundred and twenty-five thousand (\$64,425,000.00) dollars.

The Initial Trustees have agreed that the Financial Trustees shall have custody of and legal title to the Trust Property, shall deposit, once the Trust has received the moneys from Canada pursuant to the Treaty Entitlement Agreement, the sum of five million (\$5,000,000.00) dollars into the Community Fund Account

Carrie Sutherland, Sharon Stevenson, Stephen Daniels and Diane Bear, Corporate-Sangita Bahalla

2 Vacancies – 1 Appointed Accountant Position and 1 Off-Reserve Elected Position

Community Fund (CF) Trustees

Lloyd Sinclair, Ralph Sutherland
Unfortunately, the Peguis CF Trustees still do not have quorum to review or approve applications. A quorum of 3 CF Trustees is required.

3 Vacancies – 2 On Reserve and 1 Off Reserve Elected Positions

Peguis TLE Trust Office

Located at Peguis Rec (aka Old School)

Fern Sinclair, Administrator

Email: peguistletrust@gmail.com

Phone: (204) 645-3943

Fax: (204) 645-2841

Mailing address: Peguis TLE Trust, Box 749, Peguis, MB., R0C 3J0

TLE Implementation (Selkirk) Office

Staff: Tannis Galbon – Office Manager, Myrna Hefferman, Leanne Smoke – Administrators and Lloyd Stevenson - Legal Advisor

**Phone: 1 (204) 482-4613
Fax: 1 (204) 482-4683**

Mailing Address:

**Peguis TLE Implementation Office
628 Main Street
Selkirk, MB
R1A 1W5**

Land Selection Acquisition & Advisory Committee Members (LSAAC):

**Bruce Bear, Debbie Cochrane, Philip Sinclair and Jessie Cochrane Sr.
1 Vacancy**

Trust Nominating Committee (TNC) 2022

Peguis Chief & Council (C&C) are required to fill the Trustee Vacancies. Peguis C&C appointed the Peguis Consultation & Special Projects (PCSP) Office to oversee this process in 2022. PCSP posted a Call Out for TNC in March 2022. Wayne Bird, Clarence Daniels, Shelby Johnson, Chair - Jules McPherson, Heather Sinclair and Victor Sutherland applied and were selected/appointed. The TNC started meeting in May 2022. Unfortunately, due to the Peguis Flood in the Spring of 2022 it slowed the process for the TNC to post a Call Out for the Trustee Vacancies. The TNC did hold a General Meeting in December 2022 recommending changes to the Trustee Criteria. The people who attended requested more time to review the changes and another TNC General meeting.



PEGUIS FIRST NATION

TLE

Trustee Nominating Committee

Eligibility Criteria for the:

Financial Trustees
and
Community Fund Trustees

Introduction

Chief and Council and the Trustee Nominating Committee (TNC) will be requesting applications from person willing to stand for elections as Financial and Community Fund Trustees for the TLE Trust. The Trustee Nominating Committee is required to nominate for election those candidates it considers most qualified to act as Trustees. The nomination of candidates for election is based on eligibility criteria approved by the Membership. Chief and Council cannot change the list of persons nominated by the Trustee Nominating Committee.



The Trustee positions exercise different functions under the Treaty Land Entitlement Trust:

Financial Trustees

The Financial Trustees will have legal title to, and have responsibility over the financial administration and management of the Trust Property. The Trust Agreement provides the Financial Trustees with a wide-range of powers and authorities to enable them to carry out their duties and responsibilities of the Trust Property. The Financial Trustees are to engage professional financial management services to assist them in performing their duties under the Trust Agreement. The Financial Trustees shall apply or distribute the Trust Property in accordance with Funding Directions issued by Council, Community Fund Trustees and or Membership. The Trustees are under a legal obligation to use, manage, administer and dispose of the trust property in accordance with the provisions of the Trust Agreement.

Community Fund Trustees

The Community Fund Trustees will utilize the Trust Agreement guidelines on how to use or apply the Trust Property. The Community Fund Trustees shall identify and determine or recommend expenditures beneficial to the Members for Community Purposes. The Community Fund Trustees will have no responsibility under the Trust Agreement for the financial administration of the Trust Property in accordance with the provisions of the Trust Agreement.



Number of Trustees

1. The number of Financial Trustees shall be seven (7) of which five (5) shall be elected and two (2) shall be appointed by Chief and Council;
2. At least four (4) Financial Trustees shall ordinarily reside on Reserve during their terms of office;
3. At least one (1) Financial Trustee shall ordinarily reside off Reserve during their terms of office;
4. The number of Community Fund Trustees shall be five (5) and all shall be elected. At all times at least four (4) Community Fund Trustees shall be Members;
5. At least three (3) Community Fund Trustees shall ordinarily reside on Reserve during their terms of office;
6. At least one (1) Community Fund Trustee shall ordinarily reside off Reserve during their terms of office;
7. In addition to the elected Trustees up to three (3) alternate Financial Trustees and up to two (2) alternate Community Fund Trustees with the next highest number of votes shall be alternates.

Trustee Eligibility Criteria

Trustees are expected to be persons of integrity and good character. Trustees have a fiduciary responsibility which means they are obligated to act in the utmost good faith with a view to the best interests of the beneficiaries. The Trustees are subject to a duty of



loyalty, which involves a standard of conduct and trust that is beyond reproach. Applicants must at least 18 years of age at the time of becoming a Trustee.

Trustees must be a resident of Canada and must not be bankrupt and/or insolvent. A Trustee must have credit record score (FICO Score) of 690 or more and failing this requirement Trustees must provide reason(s) for a credit record score of less than 690. A Trustee cannot be both a Financial Trustee and a Community Fund Trustee.

A Trustee must not have a criminal record relating to financial matters. A Trustee must not have a recent criminal record in the last ten (10) years. A Trustee must not have a record in Child Abuse Registry. It is a given but it must be stated that a Trustee must have a full and complete mental capacity.

Post secondary education would be preferred or related financial and/or business experience that would allow the Trustee to appreciate and perform the duties of a Trustee. Trustees that are a member of a professional body which regulates his or her employment or business activities must be a member in good standing. A Trustee must be bondable. Trustees must be drug free and lead a healthy non-abusive lifestyle.

Trustees are to ensure there is no conflict of interest and Trustees are required to attend orientation and self-development workshops to fully function as a Trustee. Trustees must display a commitment or a willingness to attend all meetings and to carry out and meet the objects of the Trust.

In the event a Trustee moves on or off reserve, which ever the case may be, the Trustee's position will be automatically terminated immediately upon notification of change.



Summary of Criteria

1. A majority shall be members of Peguis First Nation.
2. Must be persons of integrity and good character.
3. Shall be at least 18 years of age.
4. Must be a resident of Canada.
5. Must not be bankrupt and/or insolvent.
6. Cannot be a member of Council.
7. No person may be both a Financial Trustee and a Community Fund Trustee at the same time.
8. Post-Secondary education would be preferred relevant to the Trust or suitable financial and/or business experience to appreciate the duties of a Trustee and effectively perform the duties of a Trustee.
9. A Trustee must be bondable.
10. A Trustee must not have a criminal record involving financial matters or any civil record involving fraud related matters.
11. Must be drug free and lead a healthy non-abusive lifestyle.
12. Must be of sound mind.
13. Must ensure there is no conflict of interest.
14. Trustees must display a commitment or a willingness to attend all meetings and to carry out and meet the objects of the Trust.

**** (Criteria approved and ratified by membership on May 8th, 2008)**

Potential Trustees shall provide the following information:

- A TNC approved Trustee Application.
- A statement and/or resume of applicants qualifying criteria.



- Proof of residence.
- Reference letters from a minimum of 2 and not more than 3 persons none of whom are relations. At least one reference should detail your education or experience relative to the Trustee position and one should detail your character and integrity as a person.
- A Criminal Record Check.
- Proof of educational achievements.

Other Information:

- Only applicants who clearly demonstrate that they meet all the requirements for the Trustee position will be considered for nomination.
- An interview may be administered to qualified applicants.
- Peguis First Nation has a drug free policy. Applicants have to agree to drug testing.
- Further background checks (drug test and bankruptcy) will be done a later date, but before the election, once a short list of nominees is confirmed.
- A Trustee is a volunteer; however, a Trustee may receive compensation as honoraria in particular for income loss and reimbursement for incidental expenses for meetings in accordance with section 14 of the Trust Agreement.



TRUST NOMINATING COMMITTEE (TNC) **Update 2022**

The Peguis TNC are recommending CHANGES to the Peguis Trustee Eligibility Criteria for both the Surrender Claim Trust (SCT) and Treaty Land Entitlement (TLE) Trust.

Recommending changes are:

- Must have a good credit FICO rating score of 690 or more. Otherwise have an explanation to why credit rating was not met.
“Added onto TLE criteria already exists on SCT”***
- Updating Drug Policy “include cannabis”***
- A Trustee cannot sit on the TLE Trust and SCT at the same time.***

NOTE: A total of 200 people are required in attendance to approve the changes for the SCT. There is no minimum number of people required in attendance for the TLE Trust.



PEGUIS TREATY LAND ENTITLEMENT (TLE) TRUST

Preserving
Our
Future



Annual General Meeting (AGM) year ending December 31st, 2022 AGENDA

Wednesday, May 24th, 2023
Peguis Community Hall — 4:00 p.m.

- 4:00 pm** Call to order – Opening Honor Song – Opening Prayer
- 4:10 pm** Welcoming Remarks
 - Peguis Chief & Council
 - Financial Trustee
 - Lloyd Sinclair – Community Fund Trustee
 - Trust Nominating Committee Update
- 4:20 pm** TLE Trust Report – Sangita Bhalla & Kathleen Mazur, RBC Royal Trust
- 4:30 pm** Blessing of the Food. Supper.
- 5:00 pm** Audit review – Terryl Luhowy, MNP
- 5:10 pm** Investment Overview – T. E. Wealth, Jack Jamieson
- 5:20 pm** Investment Overview – Ridgewood, Robert Cruickshank
- 5:30 pm** Community Fund Project Update– previously approved
- *Unfortunately, No Community Fund Highlights in 2022 due to Trustee Vacancies**
- *TLE Implementation Unit AGM will be held separately. Date TBC**
- 5:40 pm** Closing Honor Song - Closing Prayer

The Peguis TLE Trust Trustees acknowledge and thank the contribution of the following: Opening & Closing Prayers, Blessing of the Food, C&C, Drum Group, T. E. Wealth, Beutel Goodman, MNP, Mawer, Ridgewood, RBC Royal Trust for their generous donations toward the door prizes. The Master of Ceremonies, the Presenters, Caterer, all the workers, Technical Support/Sound System and Peguis FN Safety Officers. The attendees, your patience, interest, in our Annual General Meeting (AGM) of the Peguis Treaty Land Entitlement (TLE) Trust.

Peguis TLE Trust Trustees

Financial Trustees – Chair, Carrie Sutherland, Sharon Stevenson, Stephen Daniels, Diane Bear, Corporate Trustee – Sangita Bhalla

Vacancies - Appointed Chartered Accountant, Off-Reserve (Elected Position)

Community Fund Trustees – Lloyd Sinclair, Ralph Sutherland

Vacancies - On Reserve x2 (Elected Position) and Off Reserve (Elected Position)