

CERTIFICATE

*I, Dwayne Johns, do hereby certify as Superintendent pursuant to Section 86 of the **Indian Act** R.S.C., C.1-5, that the attached copy marked "CERTIFIED TRUE COPY" is true copy of the original by-law duly made on the 6th day of December 2005 by the Council of the Keeseekoose First Nations Band of Indians being a Trust Revenue Appropriations and Expenditure By-law for the Keeseekoose First Nations Reserve.*



*Dwayne Johns, Manager
Governance
Lands and Trust Services
Saskatchewan Region*

*Signed at Regina, Saskatchewan this
16th day of January 2006*

*Department of Indian Affairs
and Northern Development*



Indian and Northern
Affairs Canada

Affaires indiennes
et du Nord Canada

Deputy Minister

Sous-ministre

Ottawa, Canada
K1A 0H4

On behalf of the Minister of Indian Affairs and Northern Development, I
HEREBY APPROVE, pursuant to section 83 of the *Indian Act*, the
following by-law made by the Keeseekoose First Nation, in the
Province of Saskatchewan, at a meeting held on the 6th day of
December 2005.

- **Keeseekoose First Nation
Trust Appropriations By-law**

Dated at Ottawa, Ontario this *16* day of *December* 2005.

Canada

[Signature] *Jan 16/04*
 LAND & TRUST SERVICES Date

KEESEEKOOSE FIRST NATION

TRUST REVENUE APPROPRIATIONS AND EXPENDITURE BYLAW NO. 2005- 01

PREAMBLE:

WHEREAS the Keeseekoose First Nation and Her Majesty the Queen in Right of Canada (“Canada”) initialed and intend to execute the Cote, Key and Keeseekoose First Nations Pelly Haylands Settlement Agreement dated for reference October 4, 2005 (the “Settlement Agreement”);

AND WHEREAS Canada has agreed to pay to the Keeseekoose First Nation the sum of \$23,603,325.00 (the “Compensation”) pursuant to the Settlement Agreement for the wrongful alienation and loss of use of the Pelly Haylands;

AND WHEREAS the Keeseekoose First Nation has approved the establishment of the Keeseekoose Haylands Trust to receive the compensation, and intends the Trust to be a long term asset for the benefit of the present and future members of the Keeseekoose First Nation;

AND WHEREAS section 83 of the *Indian Act* and the inherent right of self-government of the Keeseekoose First Nation permit the passing of bylaws in relation to the appropriation and expenditure of monies of the First Nation to defray expenses of the First Nation;

AND WHEREAS the Council of the Keeseekoose First Nation has determined that it is in the interests of the First Nation to use the Compensation and the income generated by the Compensation for community developments and the purchase of replacement lands;

NOW THEREFORE Council of the Keeseekoose First Nation at a duly convened meeting of a quorum of the Council, without prejudice to, but rather in express affirmation of its right of self-government, hereby enact the following bylaw:

SHORT TITLE

1. This bylaw may be cited as the “Trust Appropriations Bylaw”.

DEFINITIONS

- 2.(1) In this bylaw, including the attached schedule:

(a) “Allocated Revenue” means the 30% of the Annual Return of the Capital Account as defined in section 12.

(b) “Annual Return” means, in respect of the Capital Account, the revenues realized from the account together with the revenues realized from the Authorized

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Investments purchased with funds from the Capital Account, determined in accordance with Canadian generally accepted accounting principles for trusts including, but not limited to, interest, dividends, and the taxable portion of the aggregate of the capital gains realized by the Trust during the Fiscal Year less the aggregate of the capital losses realized by the Trust during such Fiscal Year;

(c) "Authorized Expenses" mean those expenses of the Trust as defined in the Trust Agreement and which are paid by the Trustee in accordance with the Trust Agreement;

(d) "Authorized Loan Repayments" means the payment, in accordance with section 14 of principal and interest due and payable by the Keeseekoose First Nation in respect of any loan that is authorized by section 14 of this bylaw;

(e) "Band Meeting" means a meeting called by Council to be held on the Keeseekoose Reserve for which ten (10) days' notice of time, date, place and purpose of the meeting has been posted at locations designated by Band Council Resolution, and which is attended by at least seventy-five (75) Electors;

(f) "Capital Account" means the trust account established under the Keeseekoose Haylands Trust Agreement;

(g) "Council" means the Chief and members of the Council elected in accordance with the Customary Election Regulations of the First Nation in effect from time to time;

(h) "Elector" means a Member of the First Nation who has achieved the age of 18 years on voting day;

(i) "Financial Institution" means a bank named in Schedule 1 of the *Bank Act*, R.S.C. 1985, c. B-1, or an institution registered under the *Trust and Loan Companies Act*, S.C. 1991, c. 45;

(j) "Fiscal Year" means the period January 1 to December 31;

(k) "Member" means a member of the First Nation as set out in the Membership Code of the Keeseekoose First Nation as may be in effect from time to time;

(l) "Membership List" means the list of Members of the First Nation as maintained by the First Nation;

(m) "Referendum" means a referendum held in accordance with the procedures set out in the *Indian Referendum Regulations*, C.R.C. 1978, c. 957, as amended, subject to all necessary modifications as the context requires

(n) "Replacement Land" means land (which may include mines, minerals and/or improvements) purchased by the First Nation to be set aside as reserve land in accordance with the Keeseekoose Band Specific Treaty Land Entitlement Agreement or the Settlement Agreement;

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- (o) "Settlement Agreement" means the Cote, Key and Keeseekoose First Nations Pelly Haylands Settlement Agreement dated for reference October 4, 2005;
- (p) "Trust Agreement" means the Keeseekoose Haylands Trust Agreement as amended from time to time; and
- (q) "Trustee" means the Trustee appointed at any given time in accordance with the Trust Agreement

ESTABLISHMENT AND PURPOSE OF ACCOUNT

- 3.(1) Council shall establish and maintain an account to be known as the Development Account at a branch of a Financial Institution for the purpose of carrying out the Trust Agreement and this bylaw.
- (2) The use and expenditure of funds in the Development Account shall be governed by this bylaw.

DEPOSIT OF TRUST REVENUES

- 4. Except as otherwise permitted in this bylaw, Council shall direct the Trustee to deposit the Annual Return of the Keeseekoose Haylands Trust into the Development Account by way of a standing direction or such other document requested by the Trustee.

ENCROACHMENT ON TRUST CAPITAL

- 5. Council may, from time to time and to the extent permitted by the Trust Agreement, request by Band Council Resolution that the Trustee deposit into the Development Account a sum from the Capital Account to be used for Community Development or for the purchase of Replacement Land.
- 6. Subject to section 7, requests by Council under section 5 shall not exceed the cumulative sum of five million dollars (\$5,000,000.00).
- 7. Notwithstanding section 6, and only after September 30, 2015, Council may request further encroachments on the capital of the Keeseekoose Haylands Trust on the following conditions:
 - (a) at least sixty percent (60%) of all eligible Electors must vote in a Referendum in favour of such further encroachments; and

(b) the balance of the Capital Account after the proposed encroachment must not be reduced to below the inflation adjusted value of fifteen million (\$15,000,000.00) dollars calculated as follows:

$$\text{Minimum Balance} = \$15,000,000.00 \times \frac{\text{Consumer Price Index (Sask. - All Items) on date of calculation of Minimum Balance}}{\text{Consumer Price Index (Sask. - All Items) as of September, 2005}}$$

and

(c) no part of the funds received will be used, directly or indirectly, for per capita payments to Members.

8. For further certainty, the encroachment being proposed will only be permitted if, in the Referendum referred to in section 7, the number of 'Yes' votes is greater than or equal to the number of eligible Electors as of the date of the Referendum multiplied by 60%.

USE OF FUNDS

9. Funds in the Development Account are to be expended only in accordance with this bylaw.

10. Subject to the provisions of this bylaw, Council may use funds in the Development Account for any of the following purposes:

- (a) reinvestment in the Keeseekoose Haylands Trust;
- (b) Community Development;
- (c) Authorized Loan Repayments; and
- (d) the purchase of Replacement Land

11. Under no circumstances may funds in the Development Account be used, directly or indirectly, for per capita payments to Members of the First Nation.

12. Thirty percent (30%) of the Annual Return of the Keeseekoose Haylands Trust in every Fiscal Year (the "Allocated Revenue") shall be immediately reinvested in the Keeseekoose Haylands Trust.

13. The remaining seventy percent (70%) of the Annual Return of the Keeseekoose Haylands Trust in every Fiscal Year may be used, once the Authorized Expenses of the Trust are paid, for any of the purposes specified in section 10 at the discretion of Council.

AUTHORIZED LOANS AND LOAN REPAYMENTS

14.(1) For the purposes of this section, "Net Annual Return" means the sum calculated as

As per Section 86 of the Indian Act
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follows:

$$\text{Net Annual Return} = \text{Annual Return} - \text{Authorized Expenses} - \text{Allocated Revenue}$$

- (2) For the purposes of this bylaw, "loan" includes a mortgage, line of credit, or other debt obligation.
- (3) Council may obtain one or more loans from a Financial Institution for the purposes of Community Developments or for the purchase of Replacement Lands.
- (4) Where Council has obtained a loan for the purposes of Community Development or the purchase of Replacement Land, Council may, to the extent permitted by the Trust Agreement and to the extent not prohibited by subsection (5), authorize and direct the Trustee to transfer, in aggregate, a maximum of 50% of the Net Annual Return of the Capital Account to an account specified by the Council instead of to the Development Account, for the purposes of repaying a loan obtained in accordance with this section.
- (5) Council shall not permit any portion of the Allocated Revenue to be directed to any account other than the Capital Account.

COMMUNITY DEVELOPMENT GUIDELINES

15. Where Council decides to use funds in the Development Account for a Community Development, Council shall ensure that the proposed project or use falls within the definition of a "Community Development" as set out in the guidelines set out in Schedule "A" to this bylaw.

PURCHASE OF REPLACEMENT LAND

16. Where Council decides to purchase Replacement Land with funds from the Development Account, Council shall comply with the Settlement Agreement or the Keeseekoose Band Specific Treaty Land Entitlement Agreement, as the case may be, and all policies and procedures of the First Nation and Canada then in force relating to the purchase and the setting aside of land as reserve land.

REPORTING

17.(1) Prior to September 30 of each year, Council shall cause to be prepared an annual audited financial statement and an annual report (collectively, the "*Development Account Annual Report*") that clearly and properly account for the use and expenditure of all funds in Development Account and all funds otherwise payable to the First Nation under the Keeseekoose Haylands Trust during the preceding Fiscal Year.

- (2) Prior to October 31 of each year, Council shall call and hold a Band Meeting at which:
 - (a) Members shall be entitled to review the Development Account Annual Report; and

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(b) the Chief and/or a Councilor of the First Nation shall present the Development Account Annual Report and the findings of the audit relating thereto.

(3) The report required by this section shall include a general review of the adequacy of the accounting procedures and systems of control employed to operate the Development Account.

(4) Within one week after holding the Band Meeting, Council shall deliver to the Trustee a Band Council Resolution confirming that the Band Meeting has taken place in accordance with this bylaw and the Trust Agreement.

REFERENDUM ON TERMINATION OF TRUST

18.(1) At least 12 months prior to the termination of the Keeseekoose Haylands Trust, Council shall call and hold a Referendum (hereinafter the "**Renewal Referendum**") on the following question (hereinafter the "**First Question**"):

When the Keeseekoose Haylands Trust expires, Council will automatically renew the trust unless more than 60% of eligible voters vote to terminate the trust.

Do you want to terminate the trust?

(2) Council may also, as part of the Renewal Referendum, propose a replacement trust agreement on terms different from those of the Keeseekoose Haylands Trust (hereinafter a "**Replacement Trust**"), in which case the following question shall also be put to the Electors in the Renewal Referendum (hereinafter the "**Second Question**"):

If the trust is not terminated, Council will automatically renew the Keeseekoose Haylands Trust on the same terms unless more than 60% of eligible voters vote to approve the Replacement Trust proposed by Council.

Do you approve the Replacement Trust proposed by Council?

(3) If more than 60% of eligible Electors vote "Yes" to the First Question in the Renewal Referendum, the Keeseekoose Haylands Trust shall not be renewed or replaced and Council shall use the funds received from the Trustee upon the termination of the Keeseekoose Haylands Trust for Community Development or the purchase of Replacement Land in accordance with this bylaw.

(4) If 60% or fewer of eligible Electors vote "Yes" to the First Question, then:

(a) if Council has not proposed a Replacement Trust, or if 60% or fewer eligible Electors vote "Yes" to the Second Question, Council shall take all necessary steps to create a new trust on substantially the same terms as the Keeseekoose Haylands Trust Agreement using the funds transferred to the

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Development Account upon the termination of the Keeseekoose Haylands Trust; but

(b) if Council has proposed a Replacement Trust and more than 60% of eligible Electors vote "Yes" to the Second Question, then Council shall take all necessary steps to implement the Replacement Trust using the funds transferred to the Development Account upon the termination of the Keeseekoose Haylands Trust.

AMENDMENT

19. Prior to any amendment or repeal of this bylaw pursuant to section 83 of the *Indian Act*, the amendment or appeal must have been approved in a Referendum by more than 60% of eligible Electors.

THIS BYLAW IS HEREBY enacted at a duly convened meeting of the Keeseekoose First Nation Council this 6 day of December, 2005.

Philip Awewyance
Chief of Keeseekoose First Nation

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Councilor

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**SCHEDULE "A" TO THE
KEESEEKOOSE TRUST
APPROPRIATIONS BYLAW**

COMMUNITY DEVELOPMENT GUIDELINES

“Community Development” means the investment and utilization of monies deposited in the Development Account in projects and activities which include at least one or more of the following:

- (a) acquisition of land, (excluding Replacement Land) which may include minerals and improvements, for the use and benefit of the First Nation;
- (b) business or economic development projects;
- (c) commercial, industrial or tourism projects;
- (d) agricultural projects;
- (e) institutional and residential projects;
- (f) recreational projects;
- (g) social projects for the betterment of living conditions for Members;
- (h) social and/or educational projects or activities;
- (i) projects that recognize and promote community heritage and culture; and
- (j) payment of outstanding ratification costs of the Settlement Agreement.

However, the following are deemed not to constitute a “Community Development”:

- (a) any project or activity which requires that the First Nation guarantee, in whole or in part, the payment of any monies upon default by a Member;
- (b) except for the payment of ratification costs, any payment of monies intended to satisfy the debts or liabilities of the First Nation or its Members; or
- (c) any project for the exclusive or primary benefit of an individual Member.