

Ministre des Affaires indiennes et  
du Nord canadien et interlocuteur fédéral  
auprès des Métis et des Indiens non inscrits



Minister of Indian Affairs and  
Northern Development and Federal Interlocutor  
for Métis and Non-Status Indians

Ottawa, Canada K1A 0H4

I, the Minister of Aboriginal Affairs and Northern Development, HEREBY APPROVE, pursuant to section 83 of the *Indian Act*, the following by-law made by the Cote First Nation, in the Province of Saskatchewan, at a meeting held on the 15th day of October 2011.

- **Cote Revenue Account By-law**

A handwritten signature in blue ink, appearing to be 'J. Manly'.

Dated at Ottawa, Ontario, this 1st day of March 2012.



## COTE FIRST NATION #366

### COTE REVENUE ACCOUNT BYLAW

DATED THIS 15<sup>TH</sup> DAY OF OCTOBER, 2011

---

THIS IS A BYLAW FOR THE EXPENDITURE OF INCOME RECEIVED BY THE COTE FIRST NATION  
FROM THE COTE ONAKAWÉK TRUST, COTE LEGACY TRUST AND OTHER SOURCES

WHEREAS the Cote First Nation established the Cote Onakawék Trust and the Cote Legacy Trust ("the Cote Trusts") to provide for the management, protection and investment of monies settled in the Cote Trusts and which provide for the distribution of income from the Cote Trusts for the use and benefit of the Cote First Nation and its Members;

AND WHEREAS the Council has the authority pursuant to its inherent right of self-government and section 83(1) of the *Indian Act*, R.S.C. 1985, c. I-5 to make bylaws for the "appropriation and expenditure of moneys of the band to defray band expenses" and in relation to "any matter arising out of or ancillary to the exercise of powers under this section";

NOW THEREFORE the Council enacts this Bylaw to govern the management and expenditure of income paid and payable to the Cote First Nation from the Cote Trusts and other sources for the benefit of the Cote First Nation and its current and future Members.

#### ARTICLE 1 – SHORT TITLE

1.1 This Bylaw shall be referred to as the *Cote Revenue Account Bylaw* (the "Bylaw").

#### ARTICLE 2 – DEFINITIONS AND INTERPRETATION

2.1 In this Bylaw:

- (a) "**Annual Income**" means the "Annual Income" from the Cote Onakawék Trust, the "Cote Annual Payment" from the Cote Legacy Trust, and any other income deposited in the Cote Revenue Account from other sources;
- (b) "**Authorized Loan**" means a loan from a Financial Institution as lender to Cote or the Trust, as borrower, that is approved in accordance with the provisions of the Cote Trusts and the loan proceeds are deposited to the Cote Revenue Account;
- (c) "**Authorized Loan Payments**" means those payments of principal and interest made by



- the Trustee in respect of an Authorized Loan;
- (d) **“Band List”** means those persons set out on a membership list of Cote maintained by the Department of Indian Affairs or by Cote if it has assumed control of its membership list pursuant to section 10 of the *Indian Act*;
  - (e) **“Chief Financial Officer”** means the Director of Operations for the Cote First Nation or such other officer appointed by Council from time to time with responsibility for accounting and management of Cote’s financial affairs;
  - (f) **“Cote”** means the Cote First Nation #366, which is a “band” within the meaning of the *Indian Act*;
  - (g) **“Cote Financial Law”** means a code or bylaw enacted by Cote relating to the administration and management of Cote’s financial affairs;
  - (h) **“Cote Legacy Trust”** means the Cote Legacy Trust Agreement dated for reference the 15<sup>th</sup> day of August, 2011;
  - (i) **“Cote Onakawék Trust”** means the Cote Onakawék Trust Agreement dated for reference the 11<sup>th</sup> day of February, 2006;
  - (j) **“Cote Referendum Procedures”** means the guidelines adopted by Council, from time to time, that detail the procedures to be followed with respect to any vote regarding a proposed amendment or repeal of this Bylaw, provided that if the Council has not adopted any such guidelines then it shall mean the *Indian Referendum Regulations*, C.R.C. 1978, c.957, as amended by SOR/94-369, Sched. H and by SOR/2000-392, all as amended or replaced from time to time;
  - (k) **“Cote Revenue Account”** means the Cote Revenue Account established by the Council in a Financial Institution situated on an Indian reserve into which the Annual Income, Authorized Loans, and other monies shall be deposited;
  - (l) **“Cote Trusts”** means the Cote Onakawék Trust and the Cote Legacy Trust;
  - (m) **“Council”** means the duly elected council of the Cote First Nation, which is a “council of the band” within the meaning of the *Indian Act*;
  - (n) **“Council Resolution”** means a written resolution passed at a duly convened meeting of the Council and signed by at least a Quorum of the Council;
  - (o) **“Elector”** means a Member who is eighteen (18) years of age or older or a person who otherwise meets the definition of Elector pursuant to any applicable code or bylaw enacted by Cote from time to time;
  - (p) **“Financial Institution”** means a bank or trust company whose deposits are insured pursuant to the *Canada Deposit Insurance Corporation Act*, R.S.C. 1985, c. C-3 or a credit union operating in the Province of Saskatchewan whose deposits are insured under the Credit Union Deposit Guarantee Corporation;



- (q) **“Fiscal Year”** means the fiscal year of Cote which, unless otherwise determined by Council, shall be the twelve (12) month period from April 1 to March 31 in the following calendar year;
- (r) **“Investment Consultant”** means an individual or firm with a Chartered Financial Analyst designation that is not engaged in the sale of investment products and services, which may be retained by the Trustee, upon request of the Council, to provide independent financial advice to the Council on the development of the Investment Policy, the selection, monitoring, and evaluation of Investment Managers and portfolio performance;
- (s) **“Investment Manager”** means a firm, duly registered to conduct business in the Province of Saskatchewan, that has obtained registration with a provincial securities commission as a portfolio manager, or as the term is amended from time to time, under and in accordance with section 7.2(1) of National Instrument 31-103, Registration Requirements and Exemptions, and whose revenue is derived from the discretionary management of investment portfolios;
- (t) **“Member”** means a person whose name appears on the Band List;
- (u) **“Quorum”** means, for the purposes of this Bylaw, a majority of the members of Council;
- (v) **“Trustee”** means the Trustee for the Cote Onakawék Trust or the Cote Legacy Trust as the case may be.

2.2 Unless otherwise stated, the definitions in this Bylaw shall have the same meaning as words defined in the Cote Trusts unless the context is inconsistent therewith. In the event of any inconsistency or conflict, the terms of this Bylaw shall prevail.

2.3 Any other bylaw or resolution enacted by Chief and Council that is inconsistent with this Bylaw shall be of no force or effect to the extent of any such inconsistency.

2.4 Where there is a reference to a number of days in this Bylaw it is deemed to be a reference to calendar days and in calculating the number of days, the day on which the first event happens is excluded and the day on which the last event happens is included.

2.5 For greater certainty, nothing in this Bylaw shall be construed so as to abrogate or derogate from the Aboriginal and Treaty rights of the Cote First Nation or its Members as recognized and affirmed in Section 35 of the *Constitution Act, 1982*.

### ARTICLE 3 – DEPOSIT OF FUNDS IN COTE REVENUE ACCOUNT

3.1 The Council shall establish and maintain a Cote Revenue Account for as long as the Cote Trusts remain in existence to receive the deposit of Annual Income from the Cote Trusts. The Cote Revenue Account shall be governed by the Council in accordance with this Bylaw and any Cote Financial Law enacted by Council from time to time.

3.2 In addition to Annual Income and any Authorized Loans deposited to the Cote Revenue Account, Cote may deposit funds from other sources into the Cote Revenue Account. Once such funds are



deposited to the Cote Revenue Account, the terms of this Bylaw shall apply to such funds.

- 3.3 Where the Annual Income deposited from the Cote Onakawék Trust is greater than 5% of the market value of the Trust Capital in the Cote Onakawék Trust at the end of that fiscal year, the Chief Financial Officer is authorized and directed to transfer any such surplus income from the Cote Revenue Account to the Cote Onakawék Trust to be added to the Trust Capital to offset inflation and maintain the real value of the Trust Capital over time. Any such contribution to the Cote Onakawék Trust shall be made as soon as is reasonably possible but, in any event, shall be made no later than June 30 of that Fiscal Year.

#### **ARTICLE 4 – INVESTMENT OF FUNDS**

- 4.1 Any funds deposited to the Cote Revenue Account may be invested in any Authorized Investments as set out in Schedule “A” to this Bylaw and any income generated by the investment of the funds shall be deposited to the Cote Revenue Account.

#### **ARTICLE 5 – AUTHORIZED EXPENDITURES FROM COTE REVENUE ACCOUNT**

- 5.1 Any funds deposited to the Cote Revenue Account, including Authorized Loans, shall be distributed or expended for the use and benefit of Cote and its Members and may only be expended in accordance with this Bylaw and any Cote Financial Law for the following purposes:
- (a) to purchase land as provided for in specific claim settlements with the Government of Canada to be added to reserve for Cote under Canada’s Additions to Reserve Policy;
  - (b) to finance the construction of housing, infrastructure, and capital projects, including major physical assets owned or controlled by Cote such as buildings, roads, bridges, utilities, water treatment, supply and septic systems, ditches and spillways, and waste control facilities;
  - (c) to promote economic development and investment in businesses, joint ventures, and other profitable enterprises for the use and benefit of Cote and its Members;
  - (d) to promote youth, education and training of Members, including the provision of scholarships, student loans, bursaries or prizes for academic achievement to complement, but not replace, existing programs and funding provided by the Government of Canada, Province of Saskatchewan or other funding agencies for education, recreation, cultural, and leadership programs;
  - (e) to provide community services relating to matters such as social, public health, heritage and culture, recreation, education, daycares, libraries, police or fire protection;
  - (f) to cover any costs incurred by Council to retain professional advisors in relation to any authorized uses of funds in the Cote Revenue Account, including business advisors, accountants, auditors, legal counsel, land agents, and such other professional advisors as may be retained by Council;
  - (g) to provide such other programs and services and fulfill any other purposes deemed by Council to be in the best interests of the Cote First Nation and its Members.



- 5.2 For greater certainty, funds deposited to the Cote Revenue Account shall not be used for any of the following purposes:
- (a) to fund 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) any payment of monies intended to satisfy the debts or liabilities of a Member, unless such debts or obligations have been approved by a Council Resolution;
  - (c) to provide per capita distributions to Members;
  - (d) to support programs, services and financial assistance that are typically provided by Canada, Saskatchewan or other government authorities, in accordance with the criteria established from time to time for the application of such programs, services and financial assistance.
- 5.3 Any funds remaining in the Cote Revenue Account at the end of a Fiscal Year can, at the Council's discretion, either remain in the Cote Revenue Account to be used in the next Fiscal Year or may be contributed by Cote to the Cote Legacy Trust.

#### ARTICLE 6 – AUTHORIZED LOANS

- 6.1 The Council may, subject to and in accordance with the Cote Trusts, authorize the Trustee to obtain an Authorized Loan for Cote's use and benefit providing that all Authorized Loans shall be deposited into the Cote Revenue Account and the funds may be used only for authorized expenditures in accordance with Article 5 of this Bylaw.
- 6.2 Subject to and in accordance with the Cote Trusts, the Council is authorized to use the Annual Income as collateral for an Authorized Loan and to assign all or any portion of the Annual Income to make Authorized Loan Payments as they become due and payable.
- 6.3 Subject to and in accordance with the Cote Trusts, the following terms and procedures shall apply to any Authorized Loan:
- (a) the Council shall provide the Trustee with a Council Resolution:
    - (i) setting out the amount and repayment term for the Authorized Loan, such repayment term being sufficient to retire the Authorized Loan over a period not exceeding ten (10) years; and
    - (ii) authorizing the Trustee to arrange the Authorized Loan, to use the Annual Income and Trust Property to the extent permitted by the Trust as collateral, including granting a mortgage, pledge, security interest or charge against all or any portion of the Annual Income and Trust Property to secure the Authorized Loan and to make the Authorized Loan Payments as they become due and payable;
  - (b) the amount of all Authorized Loan Payments, in aggregate in any Fiscal Year, shall not, at the time of entering into any Authorized Loan, exceed eighty percent (80%) of the Annual Income for the previous Fiscal Year but, for greater certainty, the Trustee shall



continue to make Authorized Loan Payments notwithstanding that the amount of all Authorized Loan Payments may, in aggregate, exceed eighty percent (80%) of the amount of the Annual Income for the previous Fiscal Year after any Authorized Loan Payments are made; and

- (c) the total amount of all outstanding Authorized Loans shall not exceed, in aggregate, an amount equal to twenty-five percent (25%) of the closing market value of the Trust Property of the Cote Trusts as of December 31 of the preceding Fiscal Year but, for greater certainty, once an Authorized Loan is approved, the Authorized Loan may remain in effect, notwithstanding that the amount of all existing Authorized Loans may, in aggregate, exceed twenty-five percent (25%) of the closing market value of the Trust Property of the Cote Trusts in any future Fiscal Year after the Authorized Loan was approved.

#### **ARTICLE 7 – ANNUAL BUDGETS**

- 7.1 The Annual Income and proceeds of any Authorized Loans may not be expended except in accordance with the provisions of this Bylaw and any applicable Cote Financial Law.
- 7.2 The Council shall, within sixty (60) days prior to the end of each Fiscal Year, prepare an annual plan and budget for the next Fiscal Year setting out the proposed expenditures and deliverables related to the Annual Income and any new Authorized Loans. The annual plan and budget shall identify the expenditures to be made, including any Authorized Loan Payments, and the deliverables to be achieved from such expenditures. The annual plan and budget shall provide sufficient information for the Members to identify the expenditures and benefits that will accrue to Cote and its Members.
- 7.3 The annual plan and budget for any Fiscal Year must be approved by Council Resolution prior to expending the Annual Income and any new Authorized Loans for that Fiscal Year. For greater certainty, any Authorized Loan Payments shall continue to be made by the Trustee regardless of whether the annual plan and budget for any Fiscal Year is approved by the Council.
- 7.4 The Council may, at any time, amend the annual plan and budget during a Fiscal Year, however, all Authorized Loan Payments shall continue to be made by the Trustee notwithstanding any amendment to the annual plan and budget by the Council.
- 7.5 Upon approving the annual plan and budget or approving an amendment to the annual plan and budget, the Chief Financial Officer shall post a copy of the annual plan and budget or any amendment in an area of the administrative offices of Cote to which the Members have access and, any Member shall be entitled to receive a copy of the annual plan and budget or any amendment upon request at Cote's expense.

#### **ARTICLE 8 – AUDITS, ACCOUNTABILITY AND ENFORCEMENT**

- 8.1 Within one hundred and twenty (120) days of the end of each Fiscal Year, the Council shall ensure that audited financial statements are prepared detailing the activities of, and expenditures from, the Cote Revenue Account, such audited financial statements to be in comparative form regarding the Cote Revenue Account and containing, at a minimum, the following:



- (a) a balance sheet;
  - (b) a statement of revenues and expenditures and a comparison of these with amounts stated in the annual budget as amended during the Fiscal Year; and
  - (c) any other information necessary for a fair presentation of the financial position of the Cote Revenue Account.
- 8.2 Unless otherwise directed by Council by means of a Council Resolution, the accounting and auditing requirements for the Cote Revenue Account shall be completed by Cote's auditor together with, and consolidated with, the other accounts of Cote, and the auditor for the Cote Revenue Account shall be the same auditor appointed by the Council to audit the other financial records of Cote.
- 8.3 The financial statements required under this Article shall be prepared in accordance with generally accepted accounting principles or in accordance with the disclosed basis of accounting of the Canadian Institute of Chartered Accountants, and audited in accordance with generally accepted auditing standards by an independent auditor who is a member in good standing of an association of auditors incorporated under the laws of the Province of Saskatchewan. The audit shall include a general review of the adequacy of the accounting procedures and systems of control employed to manage the Cote Revenue Account.
- 8.4 Within fifteen (15) days of Council approving the audited financial statements, the Chief Financial Officer shall cause copies of the audited financial statements to be posted in the administrative offices of Cote in an area to which the Members have access, and any Member shall be entitled to receive a copy of the audited financial statements upon request at Cote's expense.
- 8.5 The Council shall conduct a community information meeting with the Members in each Fiscal Year, at which the Council shall present the audited financial statements for the Cote Revenue Account for the previous Fiscal Year and provide a report which reconciles and compares the actual expenditures and deliverables from the Cote Revenue Account with the approved annual plan and budget, as amended, for that Fiscal Year.
- 8.6 Any Member shall have standing to commence legal proceedings, on behalf of Cote, against any person for any expenditure of funds from the Cote Revenue Account that is not authorized or consistent with the purpose of this Bylaw.
- 8.7 No civil proceedings lie against any member of Council or an employee of Cote for anything done, or omitted to be done in relation to:
- (a) the exercise of any power, discretion or duty that is done in good faith in accordance with this Bylaw, the *Indian Act*, a Council Resolution or Cote Financial Law; or
  - (b) the exercise of any power, discretion or duty that is based on an opinion or advice obtained from a trustee, solicitor, auditor, investment manager, appraiser or other expert who is reasonably considered to be a person or persons on whom reliance should be placed with respect to the matter in issue under the circumstances.





- 8.8 Any member of Council or person who, at the request of Council, is serving or shall have served as an employee, advisor, consultant, agent or subcontractor of Cote in respect of this Bylaw shall be indemnified and saved harmless by Cote against all losses, claims, damages, liabilities, obligations, costs and expenses (including judgments, fines, penalties, amounts paid in settlement and counsel and accountants' fees) of whatsoever kind or nature incurred by, borne by or asserted against any of such indemnified parties in any way arising from any act or omission in relation to the performance in good faith of such person's power, discretion or duties, unless a court of competent jurisdiction determines that such losses, claims, damages, liabilities, obligations, costs and expenses (including judgments, fines, penalties, amounts paid in settlement, and counsel and accountants fees) arise from the fraud, willful default or negligence of such party.
- 8.9 The right to indemnification set forth in Article 8.8 shall not be exclusive of any rights to which the Council member or any person referred to in that Article may be entitled as a matter of law or equity or which may be lawfully granted to him by agreement or a court of law.

#### **ARTICLE 9 – AMENDMENTS AND REPEAL**

- 9.1 No amendment or repeal of this Bylaw is valid unless initiated by Council Resolution and approved by at least fifty percent (50%) plus one of the Electors of Cote who cast ballots in a referendum vote held pursuant to the Cote Referendum Procedures.
- 9.2 Notwithstanding Article 9.1, amendments to Schedule "A" may be approved by Council Resolution after the Council has first received advice, in writing, from an Investment Consultant and/or Investment Manager stating the terms and consequences of the amendment.

#### **ARTICLE 10 – GENERAL**

- 10.1 Headings form no part of this Bylaw, but shall be construed as being inserted for reference only.
- 10.2 A finding by a court of competent jurisdiction that a section or provision of this Bylaw is void or invalid shall not affect or bear upon the validity or invalidity of any other section of this Bylaw or this Bylaw as a whole.
- 10.3 In this Bylaw, words in the singular include the plural, and words in the plural include the singular, and the masculine includes the feminine and neuter where the context requires.


#### **ARTICLE 11 – COMING INTO FORCE**

- 11.1 This Bylaw shall come into force immediately upon being approved by the Minister of Indian Affairs and Northern Development.
- 11.2 The Cote Revenue Account Bylaw approved by Council Resolution on January 28, 2009 is hereby repealed and replaced by this Bylaw.



Pursuant to a ratification vote held on October 15, 2011, the Electors of Cote have approved this Bylaw and have authorized and directed the Council to execute the Cote Revenue Account Bylaw on behalf of the Cote First Nation.

  
Chief Aubrey Whitehawk

  
Councillor Michael Bryant

  
Councillor Cheryl Cadotte

\_\_\_\_\_  
Councillor Vincent Cadotte

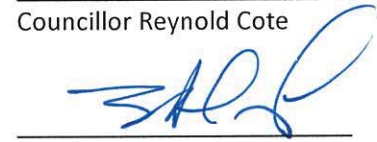
  
Councillor Floydine Cote

\_\_\_\_\_  
Councillor Josephine Cote

\_\_\_\_\_  
Councillor Reynold Cote

  
Councillor Loretta Friday

  
Councillor Randy Friday

  
Councillor James Severight

  
Councillor James Stevenson

  
Councillor George Tourangeau

  
Councillor Francis Whitehawk



## SCHEDULE "A"

### AUTHORIZED INVESTMENTS

1. Debt instruments issued or guaranteed by the Government of Canada, a Province of Canada, or a Municipality of Canada, or mutual or pooled funds investing in such debt instruments, all of which shall have a term not exceeding three years.
2. Debt instruments issued or guaranteed by any of the following chartered banks including bankers' acceptances:
  - Bank of Montreal;
  - Royal Bank of Canada;
  - Canadian Imperial Bank of Commerce;
  - Toronto-Dominion Bank;
  - National Bank of Canada; and
  - Bank of Nova Scotia;including mutual or pooled funds thereof investing in such debt instruments, all of which shall have a term not exceeding three years.
3. Mortgage backed securities guaranteed by the Government of Canada, an agency of the Government of Canada, or one of the above chartered banks, including mutual or pooled funds thereof investing in such securities, all of which shall have a term not exceeding three years.
4. Commercial paper issued by corporations rated R-1 or A-1 by the Dominion Bond Rating Services or Standard and Poor's Bond Rating Services including mutual or pooled funds investing in commercial paper, all of which shall have a term not exceeding three years.
5. Corporate Bonds rated A or better by the Dominion Bond Rating Services or Standard and Poor's Bond Rating Services including mutual or pooled funds thereof investing in such corporate bonds, all of which shall have a term not exceeding three years.