

Ministre des Affaires  
autochtones et du Nord



Minister of Indigenous and  
Northern Affairs

Ottawa, Canada K1A 0H4

I, Minister of Indigenous and Northern Affairs, HEREBY APPROVE,  
pursuant to section 83 of the *Indian Act*, the following by-law made by the  
Tootinaowaziibeeng Treaty Reserve First Nation, in the Province of  
Manitoba, at a meeting held on the 28th day of January 2016.

- **Community Development Account By-law**

Dated at Gatineau, Quebec

this **2** day of **May** 2016.

A handwritten signature in blue ink, reading "Carolyn Bennett".

Hon. Carolyn Bennett, M.D., P.C., M.P.

**TOOTINAOWAZIIBEENG TREATY RESERVE FIRST NATION  
COMMUNITY DEVELOPMENT ACCOUNT  
BY-LAW NO: CDAB-2016-1**

This By-law governs the management, investment and expenditure of funds paid into the Tootinaowaziibeeng Treaty Reserve First Nation Community Development Account.

**WHEREAS:**

- A. The TTRFN has established the Trust to provide for the management, protection and investment of moneys settled into the Trust and which directs that certain funds be paid from the Trust to the TTRFN by deposit to the TTRFN Community Development Account;
- B. The Council of the TTRFN may enact laws to govern the appropriation and expenditure of moneys and, subject to the approval of the Minister of Indian affairs and Northern Development, such laws may be enacted as by-laws pursuant to Section 83 of the Indian Act;
- C. The Council enacts this By-law to govern those funds deposited to, and expended from, the TTRFN Community Development Account.

**1. SHORT TITLE**

- 1.1 This By-law shall be known as the *Tootinaowaziibeeng Treaty Reserve First Nation Community Development Account By-law*.

**2. PURPOSE OF BY-LAW**

- 2.1 The purpose of this By-law is to govern the management, investment and expenditure of those funds deposited to the TTRFN Community Development Account, such funds to be used for the benefit of the current and future Members of the TTRFN.

**3. DEFINITIONS**

- 3.1 Any of the capitalized terms used in this By-law but not defined in this By-law shall have the same meaning and effect as set out in the Trust Agreement. In the event of any inconsistency between the terms of the Trust Agreement and the terms of this By-law, the terms of this By-law shall prevail.
- 3.2 In this By-law:
  - (a) **“Annual Payments”** means those amounts paid to the TTRFN Community Development Account pursuant to Article 6 of the Trust Agreement and, for the purposes of this By-law, such payments are deemed to include the amount of any

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Authorized Loan Payments deducted from such payments pursuant to Article 6.3(b) of the Trust Agreement;

- (b) **"Authorized Expenses"** means the administrative expenses reasonably incurred by the TTRFN in carrying out the terms of this By-law;
- (c) **"Authorized Investment"** means an investment purchased with funds from the TTRFN Community Development Account from those investments listed in Schedule "A" to this By-law as amended from time to time;
- (d) **"Authorized Loan"** means a loan from a Financial Institution to the Trust, as borrower, pursuant to Article 7 of the Trust Agreement, the net proceeds of which have been deposited to the TTRFN Community Development Account;
- (e) **"Authorized Loan Payments"** means those payments of principal and interest made by the Trustee pursuant to the Trust Agreement to service an Authorized Loan;
- (f) **"Council"** means the duly elected Chief and Council of the TTRFN;
- (g) **"Council Resolution"** means a written resolution of the Council, signed by at least a Quorum of the Council, which resolution has been passed by the Council at a duly convened meeting;
- (h) **"Financial Institution"** means any bank, trust company or credit union that is authorized by law to accept deposits and which is supervised and regulated by the Superintendent of Financial Institutions as defined in the *Office of Superintendent of Financial Institutions Act, R.S.C. 1985, c. 1-8 (3<sup>rd</sup> Suppl)*;
- (i) **"Fiscal Year"** means the fiscal year of the TTRFN which, unless otherwise determined by Council, shall be the twelve (12) month period from and after April 1 in one calendar year to and including March 31 in the succeeding calendar year;
- (j) **"Indian Referendum Regulations"** means the *Indian Referendum Regulations, C.R.C. 1978, c.957*, as amended;
- (k) **"Investment Manager"** has the same meaning as set out in the Trust Agreement;
- (l) **"Majority of Voters"** means for the purposes of any referendum vote held under the terms of this By-law, that a majority (over 50%) of the Voters vote and that a majority (over 50%) of those Voters who vote, vote in favour of the question or proposal on the ballot;
- (m) **"Member"** means a person whose name appears, or is entitled to have their name appear, on the Membership List;
- (n) **"Membership List"** means those persons set out on a membership list of the TTRFN maintained by the Department of Indian Affairs and Northern

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Development or, by the TTRFN if it has assumed control of its membership list pursuant to section 10 of the Indian Act;

- (o) **“Quorum”** means a majority of the members of the Council;
- (p) **“Settlement Agreement”** means the Tootinaowaziibeeng Treaty Reserve 1905 Railway Expropriation Specific Claim between the TTRFN and Canada, as amended, supplemented, restated or replaced from time to time;
- (q) **“Trust”** means the TTRFN Legacy Trust established by the Trust Agreement;
- (r) **“Trust Agreement”** means the TTRFN Legacy Trust Agreement;
- (s) **“Trustee”** means the Trustee for the Trust;
- (t) **“TTRFN”** means the Tootinaowaziibeeng Treaty Reserve First Nation, as represented by its Council;
- (u) **“TTRFN Community Development Account”** means the Tootinaowaziibeeng Treaty Reserve First Nation Community Development Account to be established by the Council pursuant to section 4.1 of this By-law, into which the Annual Payments, Authorized Loans and other monies shall be deposited;
- (v) **“TTRFN Community Development Plan”** means the ten (10) year template attached hereto as Appendix “A”, which provides one (1) potential set of projections estimating the:
  - (i) income generated by the Trust;
  - (ii) loans made to the Trust;
  - (iii) payments made to and from the Trust;
  - (iv) capital balances held in the Trust;
  - (v) deposits made to the TTRFN Community Development Account; and
  - (vi) funds available to support the TTRFN Community Development Purposes;
- (w) **“TTRFN Community Development Purposes”** means the following:
  - (i) the acquisition of land for the purpose of reserve creation;
  - (ii) investment in economic and business development for the benefit of the TTRFN and its Members;
  - (iii) investment in community assets and infrastructure for the benefit of the TTRFN and its Members; and

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*[Signature]*

- (iv) investment/expenditure for any other program, service, project, or activity which is for the use, development, advantage or benefit of the TTRFN or its Members;
  - (x) **"TTRFN Financial Administration Law"** means the TTRFN's financial administration laws and policies as amended from time to time;
  - (y) **"Voter"** means a person whose name appears on the First Nation's Membership List, or is entitled to have their name on the Membership List, and who is 18 years of age or older on the date of any vote pursuant to this By-law and falls within the definition of "elector" as that word is used in the *Indian Act* and the Indian Referendum Regulations.
- 3.3 In the event of a conflict between this By-law and the provisions of any other law made by the TTRFN or its Council, this By-Law shall prevail to the extent of the conflict.
- 3.4 Where there is a reference to a number of days in this By-law, 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.
- 4. ESTABLISHMENT OF THE TTRFN COMMUNITY DEVELOPMENT ACCOUNT**
- 4.1 The Council shall establish the TTRFN Community Development Account in a Financial Institution situated on a reserve, and such account shall be governed by the Council in accordance with this By-law and the TTRFN Financial Administration Laws and established protocols. The Council shall maintain the TTRFN Community Development Account for as long as the Trust remains in existence.
- 4.2 The TTRFN may from time to time deposit other funds into the TTRFN Community Development Account, in addition to the Annual Payment and Authorized Loans. These funds may come from any source. Once such funds are deposited to the TTRFN Community Development Account the funds shall be deemed to be part of the Annual Payment for the Fiscal Year in which they are deposited and the terms of this By-law shall apply to such funds.
- 5. INVESTMENT OF FUNDS**
- 5.1 Any funds deposited to the TTRFN Community Development Account may be invested in Authorized Investments and any income generated by the investment of the funds shall be deposited to the TTRFN Community Development Account and the Annual Payment for the next Fiscal Year shall be deemed to be increased by the amount of the investment income generated in any Fiscal Year.

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## 6. AUTHORIZED LOANS

- 6.1 The Council may, subject to and in accordance with the Trust Agreement, request and obtain an Authorized Loan secured by the Trust where the Council:
- (a) has negotiated the terms, conditions and associated costs for the proposed loan with a Financial Institution; and
  - (b) provided the Trustee with a Council Resolution setting out all the terms, conditions and associated costs for the proposed loan and authorized the Trustee to arrange the loan using the Trust Property to secure the loan and to make Authorized Loan Payments as they become due and payable.
- 6.2 Subject to section 7.2(b)(iv) of the Trust Agreement, all Authorized Loans shall be deposited into the TTRFN Community Development Account and shall only be expended for TTRFN Community Development Purposes.

## 7. EXPENDITURE OF FUNDS

- 7.1 All funds deposited to the TTRFN Community Development Account may only be expended on Authorized Expenses and for TTRFN Community Development Purposes.
- 7.2 The amount expended on Authorized Expenses in each Fiscal Year shall not exceed five percent (5%) of the Annual Payment calculated by the Trustee for that Fiscal Year and, for greater certainty and for the purposes of this section, the Annual Payment does not include the proceeds of any Authorized Loans or any other amounts deposited to the Community Development Account and any amount carried forward from the previous Fiscal Year pursuant to section 7.3.
- 7.3 Any funds remaining in the TTRFN Community Development Account at the end of a Fiscal Year can, at the Council's discretion, either remain in the TTRFN Community Development Account to be used in the next Fiscal Year, or be deposited by the TTRFN to the Trust. If the Council decides to use the amount in the next Fiscal Year, the Annual Payment for the next Fiscal Year shall be deemed to be increased by such amount.

## 8. ANNUAL BUDGET

- 8.1 Deposits to the TTRFN Community Development Account shall not be expended except in accordance with this By-law.
- 8.2 The Council shall, within sixty (60) days prior to the end of each Fiscal Year, and in accordance with any existing TTRFN Financial Administration Law or policies:
- (i) update the TTRFN Community Development Plan to reflect the then current ten (10) year development targets;
  - (ii) prepare a summary of the status of any Authorized Loans; and

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- (iii) prepare an annual plan and budget for the next Fiscal Year setting out the proposed expenditures and deliverables related to the Annual Payment, any new Authorized Loan(s) and any other funds to be deposited to the TTRFN Community Development Account, such annual plan and budget to 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 be consistent with the TTRFN Community Development Plan and shall provide sufficient information to permit the Members to identify the expenditures and benefits that will accrue to the TTRFN and its Members.

- 8.3 The annual plan and budget for any Fiscal Year, or amendments thereafter, must be approved by Council Resolution prior to expending the Annual Payment, any new Authorized Loans or any other funds deposited to the TTRFN Community Development Account for that Fiscal Year. For greater certainty, any Authorized Loan Payment obligations committed to by the Trustee in prior Fiscal Years shall remain in force and effect and shall be made regardless of whether the annual plan and budget for any Fiscal Year is approved by the Council.
- 8.4 The Council may, at any time, amend the TTRFN Community Development Plan, annual plan and/or annual budget during a Fiscal Year, however, all Authorized Loan Payments obligations committed to by the Trustee prior to such amendments shall remain in force and effect and shall be made notwithstanding any such amendments by the Council.
- 8.5 Upon approving the annual plan and budget or approving an amendment to the annual plan and/or the annual budget, the Council shall:
  - (a) post a copy of the TTRFN Community Development Plan, annual plan and budget, or any amendment there to, in an area of the administrative offices of the TTRFN to which the Members have access;
  - (b) provide, at the TTRFN's expense, a copy of the TTRFN Community Development Plan, annual plan and budget or any amendment to each Member upon request; and
  - (c) inform the Members as to the TTRFN Community Development Plan, annual plan, budget and any Council Resolution securing any new Authorized Loan at a community information meeting called for that purpose.

## 9. PROTECTION, ACCOUNTABILITY AND ENFORCEMENT

- 9.1 The Council shall not:
  - (a) lend, release, distribute or advance funds held in the TTRFN Community Development Account, except in accordance with this By-law;
  - (b) allow cash payments from the TTRFN Community Development Account. All transactions or payments are to be made by TTRFN Community Development Account cheque; and

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- (c) use funds held in the TTRFN Community Development Account as security or collateral for any loan, mortgage, pledge or any other charge.
- 9.2 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 TTRFN Community Development Account, such audited financial statements to be in comparative form regarding the TTRFN Community Development 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 and financial administration of the TTRFN Community Development Account.
- 9.3 The accounting and auditing requirements for the TTRFN Community Development Account shall be completed by the TTRFN's auditor together with, and consolidated with, the other accounts of the TTRFN, and the auditor for the TTRFN Community Development Account shall be the same auditor appointed by the Council to audit the other financial records of the TTRFN.
- 9.4 The financial statements required by section 9.2 shall be prepared in accordance with the Canadian 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 Manitoba. The audit shall include a general review of the adequacy of the accounting procedures and systems of control employed to operate the TTRFN Community Development Account.
- 9.5 Copies of the audited financial statements shall be posted in the administrative offices of the TTRFN, in an area to which the Members have access, within fifteen (15) days of Council approving the audited financial statements, and any Member shall be entitled to receive a copy of the audited financial statements.
- 9.6 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 TTRFN Community Development Account for the previous Fiscal Year and provide a report which reconciles and compares the actual expenditures and deliverables from the TTRFN Community Development Account with the approved annual plan and budget, as amended, for that same Fiscal Year.
- 9.7 No civil proceedings lie against a member of Council or an employee of the TTRFN for anything done, or omitted to be done:

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- (a) during the course of the exercise or performance in good faith of such person's duties or obligations in relation to this By-law; or
- (b) in accordance with the opinions or advice obtained from a trustee, solicitor, auditor, valuer, investment counsellor, appraiser or other expert who is reasonably considered to be a person or persons whom reliance may be placed with respect to a matter relation to this By-law.

9.8 Members of Council and any person whom, at the request of Council, is serving or shall have served as an employee or agent of the TTRFN in respect of this By-law shall be indemnified and saved harmless by the TTRFN against all losses, claims, damages, liabilities, obligations, and reasonable costs and expenses (including judgments, fines, penalties, amounts paid in settlement and counsel and accountants' fees) of whatsoever kind or nature incurred by, borne or by asserted against any such indemnified parties in any way arising from any act or omission in relation to the exercise or performance in good faith of such person's duties or obligations in relation to this By-law, unless 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.

9.9 The right to indemnification set forth in section 9.8 shall not be exclusive of any rights to which the Council member or any person referred to in that section 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.

## 10. AMENDMENTS AND REPEAL

- 10.1 No amendment or repeal of this By-law is valid unless initiated by Council Resolution and approved by a Majority of Voters who cast ballots in a referendum held in accordance with the Indian Referendum Regulations as amended or replaced.
- 10.2 Notwithstanding section 10.1, amendments to Schedule "A" may be approved by Council Resolution after the Council has first received advice, in writing, from an Investment Manager stating the terms and consequences of the amendment and their opinion thereof.

## 11. GENERAL

- 11.1 Headings form no part of this By-law, but shall be considered as being inserted for reference only.
- 11.2 A finding by a court of competent jurisdiction that a section or provision of this By-law is void or invalid shall not affect or bear upon the validity or invalidity of any other section or part of this By-law or this By-law as a whole.
- 11.3 In this By-law, words in the singular include the plural, and words in the plural include the singular.

This By-law is hereby made at a duly convened meeting of the Council this 28 day

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of January 2016.

Voting in favour of the By-law are the following members of the Council:

Barry McKay  
Chief Barry McKay

Caroline McKay, Councillor

Derek Manchese  
Derek Manchese, Councillor

Steven Catagas  
Steven Catagas, Councillor

being the majority of those members of the Council present at the aforesaid meeting of the Council.

I, Barry McKay, Chief of the TTRFN, do hereby certify that a true copy of the foregoing By-law was provided to the Minister of Indian Affairs and Northern Development for approval.

[Signature]

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**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.
6. Deposit into the TTRFN Legacy Trust.



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**APPENDIX "A"**  
**TTRFN COMMUNITY DEVELOPMENT PLAN**  
**TEMPLATE**



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# **TOOTINAOWAZIIBEENG TREATY RESERVE FIRST NATION**

## **Community Development Plan Template**

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## BACKGROUND

The Tootinawaziibeeng Treaty Reserve First Nation (TTRFN) has settled its railway claim with Canada and will receive \$16,276,488 as compensation. In addition, TTRFN has the option to acquire replacement lands (54.74 acres) and Canada has agreed to set aside these lands in accordance with its Additions to Reserve policy.

## TTRFN LEGACY TRUST

Canada will deposit the compensation (\$16,276,488) into the TTRFN Legacy Trust (the "Trust") and the Trustee (The Canada Trust Company), by way of the Trust agreement, has been authorized and empowered to use the Trust Property as follows:

- a) on a one time only basis, to pay claim settlement costs totaling \$813,824;
- b) on a one time only basis, to transfer \$4.0 million to a Distribution Account, more or less, to effect a per capita distribution to the Adult Members of TTRFN;
- c) on a one time only basis, to retain within the Trust Account \$1.6 million, more or less, to effect a per capita distribution to the Minor Members of TTRFN;
- d) to transfer \$300,000 to the TTRFN Community Development Account (CDA) as the initial Annual Payment from the Trust to the TTRFN;
- e) to invest the balance of the funds, the goal being to generate returns sufficient to fund the expenses of the Trust, provide on-going Annual

Payments to TTRFN (through the CDA) and to grow the value of the Trust;  
and

- f) at the request of the TTRFN Council, to arrange Authorized Loans (Trust as borrower) secured by the Trust with the proceeds being deposited to the CDA, such Authorized Loans to be serviced out of the Annual Payments.

The long-term goal of the Trust is to provide the TTRFN with a growing and sustainable source of revenue to fund the purposes set out in the TTRFN Community Development Account By-law (the “CDA Bylaw”).

### TRUST TEMPLATE PROJECTIONS

Table 1 provides template projections based on the following assumptions (notes below correspond to reference numbers on Table 1):

- 1) Canada deposits \$16,276,488 to Trust on Day 1 of Year 1;
- 2) the return on investments is projected at 6.0% per annum;
- 3) Authorized Loan advances to Trust against line of credit as per Table 2;
- 4) Trust expenses estimated at \$100,000 in Year 1 and thereafter at 0.75% of the previous year end balance;
- 5) Authorized Loan costs at 1% of Authorized Loan advance amount;
- 6) see Table 2; and
- 7) Annual Payment calculated at:

**TTRFN Legacy Trust**  
**Template Projections (\$000)**

**Table 1**

	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>	<u>Year 4</u>	<u>Year 5</u>	<u>Year 6</u>	<u>Year 7</u>	<u>Year 8</u>	<u>Year 9</u>	<u>Year 10</u>
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>Inflows Into Trust</b>										
Canada <sup>(1)</sup>	16,276.5	-	-	-	-	-	-	-	-	-
Income on Trust Assets <sup>(2)</sup>	567.8	601.9	611.5	625.5	638.1	653.2	667.8	683.9	698.4	715.2
Loan Advances <sup>(3)</sup>	-	500.0	-	250.0	-	125.0	-	250.0	-	250.0
<b>Total Inflows</b>	<b>16,844.3</b>	<b>1,101.9</b>	<b>611.5</b>	<b>875.5</b>	<b>638.1</b>	<b>778.2</b>	<b>667.8</b>	<b>933.9</b>	<b>698.4</b>	<b>966.2</b>
<b>Outflows From Trust</b>										
Claim Settlement Costs	813.0	-	-	-	-	-	-	-	-	-
Per Capita Distribution	5,600.0	-	-	-	-	-	-	-	-	-
Trust Expenses <sup>(4)</sup>	100.0	75.2	76.4	78.2	79.8	81.6	83.5	85.5	87.3	89.4
Loan Costs <sup>(5)</sup>	0.0	5.0	0.0	2.5	-	1.3	-	2.5	-	2.5
Loan Payments <sup>(6)</sup>										
- Principal	0.0	50.0	50.0	75.0	75.0	87.5	87.5	112.5	112.5	137.5
- Interest	0.0	15.0	13.5	19.5	17.3	18.8	16.1	21.0	17.6	21.8
To CDC:										
- Annual Payment <sup>(7)</sup>	300.0	300.9	238.4	243.0	215.1	220.7	213.3	223.3	200.6	211.7
- Loan Proceeds	0.0	495.0	0.0	247.5	-	123.7	-	247.5	-	247.5
<b>Total Outflows</b>	<b>6,813.0</b>	<b>941.1</b>	<b>378.3</b>	<b>665.7</b>	<b>387.2</b>	<b>533.6</b>	<b>400.4</b>	<b>692.3</b>	<b>418.0</b>	<b>710.4</b>
<b>Net Flow</b>	<b>10,031.3</b>	<b>160.8</b>	<b>233.2</b>	<b>209.8</b>	<b>250.9</b>	<b>244.6</b>	<b>267.4</b>	<b>241.6</b>	<b>280.4</b>	<b>254.8</b>
<b>Start Balance</b>	<b>0.0</b>	<b>10,031.3</b>	<b>10,192.1</b>	<b>10,425.3</b>	<b>10,635.1</b>	<b>10,886.0</b>	<b>11,130.6</b>	<b>11,398.0</b>	<b>11,639.6</b>	<b>11,920.0</b>
<b>End Balance (Dec. 31)</b>	<b>10,031.3</b>	<b>10,192.1</b>	<b>10,425.3</b>	<b>10,635.1</b>	<b>10,886.0</b>	<b>11,130.6</b>	<b>11,398.0</b>	<b>11,639.6</b>	<b>11,920.0</b>	<b>12,174.8</b>

**TTRFN Legacy Trust  
Template Loan Projections**

**Table 2**

	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>	<u>Year 4</u>	<u>Year 5</u>	<u>Year 6</u>	<u>Year 7</u>	<u>Year 8</u>	<u>Year 9</u>	<u>Year 10</u>
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>Loan Start</b>	0	0.0	450.0	400.0	575.0	500.0	537.5	450.0	587.5	475.0
<b>Loan Drawdown</b>	0.0	500.0	0.0	250.0	-	125.0	-	250.0	-	250.0
<b>Total Loan</b>	0.0	500.0	450.0	650.0	575.0	625.0	537.5	700.0	587.5	725.0
<b>Loan Payments</b>										
Principal <sup>(1)</sup>	0.0	50.0	50.0	75.0	75.0	87.5	87.5	112.5	112.5	137.5
Interest <sup>(2)</sup>	0.0	15.0	13.5	19.5	17.3	18.8	16.1	21.0	17.6	21.8
	0.0	65.0	63.5	94.5	92.3	106.3	103.6	133.5	130.1	159.3
<b>Loan End</b>	0.0	450.0	400.0	575.0	500.0	537.5	450.0	587.5	475.0	587.5

**Assumptions:**

- (1) Each drawdown is amortized over ten (10) years - payments at end of year.
- (2) Interest rate calculated at 3% of Total Loan (Drawdowns made at start of year).

- i) \$300,000 in Year 1;
- ii) thereafter, 3% of the average year end market value of the Trust Property for the previous five (5) years; where
- iii) prior year principal and interest (Authorized Loan Payments) are deducted from Annual Payments and the balance is deposited to CDA.

The net transfers to the CDA are projected as follows:

**TABLE 3**

<b>Year</b>	<b>Annual Payment \$</b>	<b>Loan Drawdowns \$</b>	<b>Total \$</b>
1	300,000	-	300,000
2	300,900	495,000	795,900
3	238,400	-	238,400
4	243,000	247,500	490,500
5	215,100	-	215,100
6	220,700	123,700	344,400
7	213,300	-	213,300
8	223,300	247,500	470,800
9	200,600	-	200,600
10	<u>211,700</u>	<u>247,500</u>	<u>459,200</u>
	<b>\$2,067,000</b>	<b>\$1,361,200</b>	<b>\$3,428,200</b>

## CDA BYLAW

The purpose of the CDA Bylaw is to govern the management and expenditure of those funds deposited into the CDA. More specifically:

- a) in any Fiscal Year, the Annual Payment (net of any loan payments in previous Fiscal Year) is deposited to the CDA;
- b) in any year, the balance of the Annual Payment (per a) above) plus any other deposits made to the CDA (including Authorized Loan advances) shall only be expended for the purposes of:
  - i) up to 5% of the Annual Payment, as determined in accordance with section 7.2 of the CDA Bylaw, may be used for administrative expenses incurred in carrying out the terms of the CDA Bylaw; and
  - ii) for Community Development purposes as set out in the annual plan and budget (section 8 of the CDA By Law).

Prior to expending the Annual Payment and/or any Authorized Loan drawdowns, the TTRFN Council shall, for each year, update this Community Plan and prepare and approve an annual plan and budget setting out the proposed expenditures and deliverables related to the expenditure of CDA funds. The annual plan and budget are to identify the expenditures to be made (including any principal and interest payments on loans) and the deliverables to be achieved, in sufficient detail to permit members to identify the expenditures and benefits that will accrue to the TTRFN and its Members. Upon approving each annual plan and budget, the TTRFN Council shall make the Community Development Plan, annual plan and budget available to the members in accordance with the CDA Bylaw.



## CDA TEMPLATE PROJECTIONS

Table 4 provides a template with hypothetical transfers to and expenditures from, the CDA. These expenditures from the CDA will supplement and/or lever other sources of funds including:

- a) land acquired for reserve purposes cannot be encumbered;
- b) each CDA dollar of investment in economic and business development should target four (4) dollars of total investment (loans, other equity, contributions);
- c) each CDA dollar of investment in community assets/infrastructure should target three (3) dollars of total investment (contributions, other equity and mortgages); and
- e) each CDA dollar of investment in other Community Development Purposes should target two (2) dollars of total investment.

Through leverage, a ten (10) year investment of \$3,428,200 could result in some \$10.2 million of total investment.

**TABLE 4**

**TTRFN Community Development Account  
Template Projections (Year 1-10)**

Transfers to CDA		\$3,428,200
Expenditures		
Administration (5%)	171,400	
Land (assume 5%)	171,400	
Economic/Business Dev (assume 30%)	1,028,460	
Community Assets/Infrastructure (assume 50%)	1,714,100	
Other (assume 10%)	<u>342,820</u>	<u>\$3,428,200</u>