

DOKIS FIRST NATION – COMMUNITY TRUST

March 24, 2025

Nicole Woodward
Miller Thomson LLP

Tony McGregor CPA, CA
Freelandt Caldwell Reilly LLP



INTRODUCTIONS



Tony McGregor CPA, CA – Partner
Freelandt Caldwell Reilly LLP



Nicole Woodward – Partner
Miller Thomson LLP



Rachel Bayley – Executive Trust Officer
TD Wealth Private Trust



TRUST DEED – DEVELOPMENT TO DATE

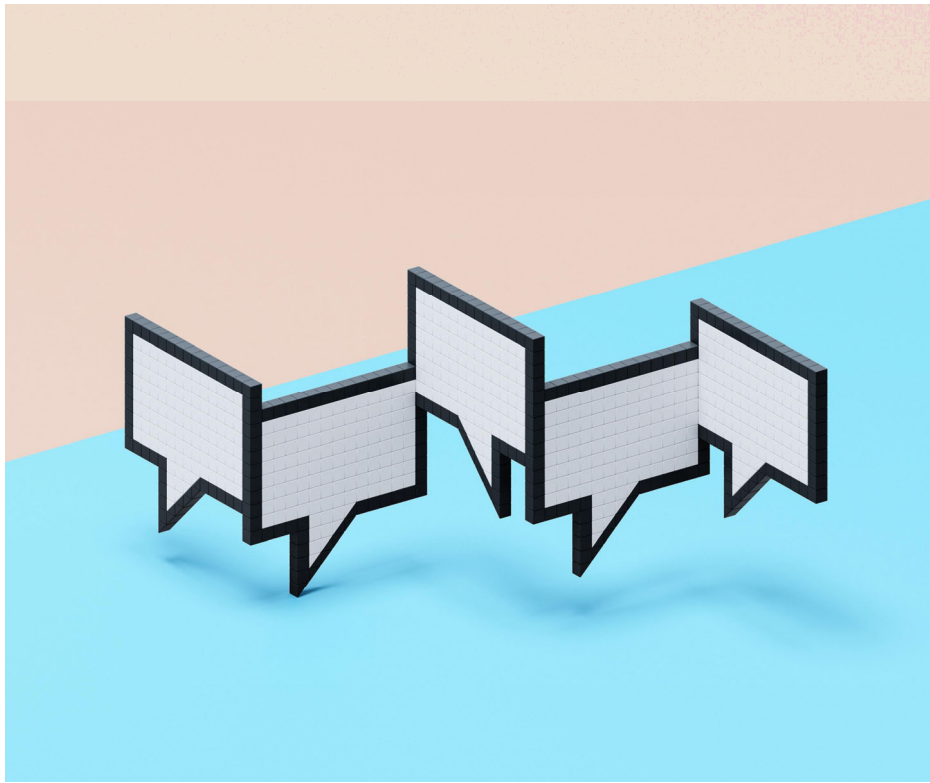


DEVELOPMENT KICKOFF – 2023

- Meetings have occurred regularly since
- Representatives include
 - Chief and Council
 - Executive Director – Pam Restoule
 - Tony McGregor CPA, CA – Partner
Freelandt Caldwell Reilly LLP
 - Nicole Woodward – Partner
Miller Thomson LLP
 - Rachel Bayley – Executive Trust Officer
TD Wealth Private Trust



TRUST DEED - DEVELOPMENT



- **Focus on long-term goals**
 - Benefit the membership today and the next seven generations
 - Alignment with values and aspirations of the community
- **Community Feedback**
 - Input has influenced discussions in drafting stage
 - Feedback from this round of engagement considered

NEXT STEPS – APRIL 2025

- Selection of Community Trustees
 - Official communications will be sent
 - Knowledge and youth liaison selection to occur later
- Selection of Investment Advisors
 - Request for proposal completed
 - Interviews & hiring process



NEXT STEPS – SPRING OF 2025

- Incorporate community feedback into Trust Deed following engagement sessions
- Final Trust Deed released to community
- Referendum on final Trust Deed released



SCHEDULED COMMUNITY ENGAGEMENT

March 24, 2025
Dokis First Nation



April 5, 2025
North Bay/Sturgeon Falls



April 13, 2025
Ottawa

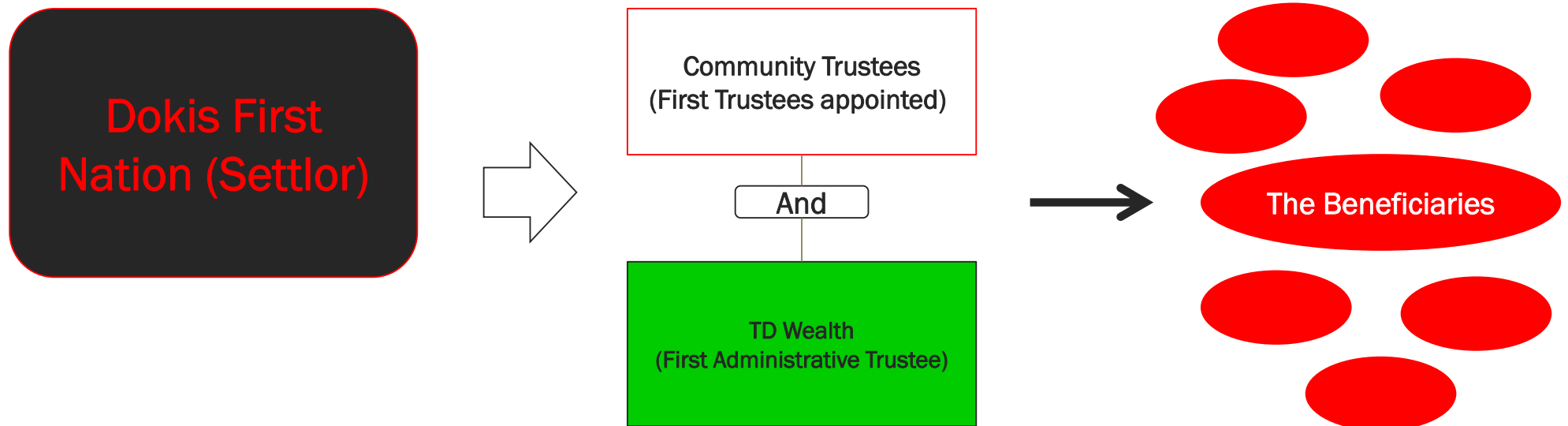


April 14, 2025
Toronto

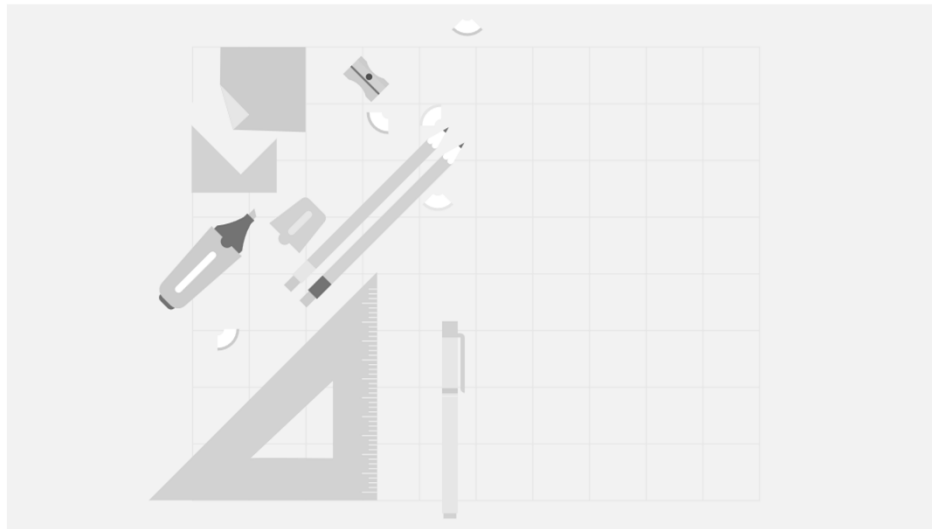
DRAFT DOKIS SEVEN GENERATIONS TRUST



TRUST DEED AMONG:

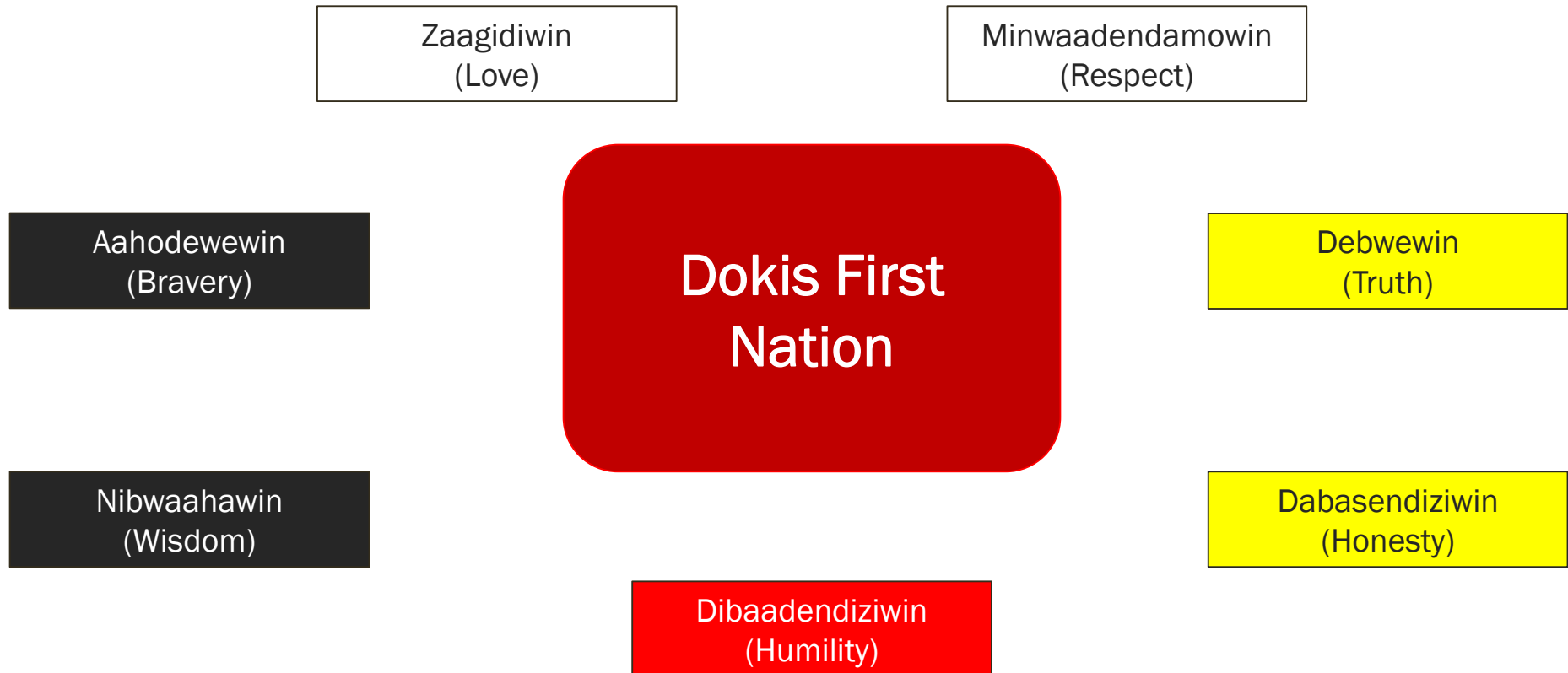


PRE-AMBLE TO THE TRUST



- “Whereas” section
- Introduces the background/purpose of the trust
- Reasons or objectives for the trust
- Provides context
 - Seven Grandfather Teachings serve as guiding principles
 - Economic Prosperity, independence & self government
- Understanding the intent of parties involved

"WHEREAS" DOKIS FIRST NATION FOLLOWS THE SEVEN GRANDFATHER TEACHINGS



WHEREAS – DOKIS FIRST NATION

- Survey Question 1
- Select up to 3 values that are most important to you
- Options are based on the most significant and commonly mentioned key words and phrases from Survey #2.



INTERPRETATIONS

SECTION 1



KEY DEFINITIONS

- **People**

- Administrative Trustee
- Beneficiaries
- Council
- Council Person
- Council Person Trustee
- **Knowledge Keeper**
- Family
- Guardian
- Investment Manager
- Legal Counsel
- **Members**
- Dokis First Trustees
- Minor
- **Off-Reserve Trustee**
- **On-Reserve Trustee**
- **Senior**
- Youth Liaison



SURVEY #2 – WHAT SHOULD THE COMMUNITY TRUSTEES BE CALLED?

On- Reserve Trustees

Off- Reserve Trustees

Abi Trustees – Is at home. Sits in a certain place

Babaamaadiz Trustees – Travels about. They live about

On First Nation Trustees

Off First Nation Trustees

On – Territory Trustees

Off- Territory Trustees



SURVEY #3 – ALTERNATIVE WORD FOR “MEMBER”?

- Member
- Debendaagziwaad
- Dibendaagozi



SURVEY #4 – AGE OF SENIORS?

- What should be the age of a senior?
- Why it's important
 - Senior's pension
 - Qualifying for Long-Term Care
 - Senior programming and support
- Should different ages be considered for different programming within the trust deed?



KEY DEFINITIONS

- **Operational**

- Accumulation
- Administrative Trustee
- Annual Comprehensive Budget
- **Anishinaabe Way**
- Approved Expense
- Comprehensive Plan
- CPI
- General Meeting
- Investment Policy
- Notice
- Request
- Trustees' Resolution
- Trust Property
- Uncooperative Trustee



KEY DEFINITIONS

- **Deferred Per Capita Distributions**

- Accumulation
- CPI
- Deferred Per Capita Distribution
- Deferred Per Capita Distribution Date
- Guardian
- Legal Personal Representative
- Mentally Incapable
- Minor
- Taxable Income



KEY DEFINITIONS

- **Spending Purposes of the Trust**
 - Comprehensive Plan
 - Economic Development Guidelines
 - Economic Development Initiative
 - Natural or Other Disaster
 - **Purposes (Section 4)**
 - Request



CREATION OF THE TRUST

SECTION 2



TRUST NAME – LEGAL NAME

- **Dokis Seven Generations Trust**
- Legal Name
- Trust Survey #2 finding
 - Many mentioned Seven Generations



CREATION OF THE TRUST

- **Settlement of the Trust**
 - settled upon Trust Settlement Property
- **Acceptance by Trustees**
 - signed Trust Deed and duties contain in it
- **Trust irrevocable**
 - shall be irrevocable by the settlor
- **Termination Date**
 - Trustees shall pay or transfer the whole trust property to Dokis First Nation



ADDITIONS TO TRUST PROPERTY

SECTION 3



ACCEPTANCE OF ADDITIONAL PROPERTY

- Accept future settlements, claims, or monies from the settlor or other sources
- Legal advice required before accepting additional property

Optional contributions to
be determined in the
future



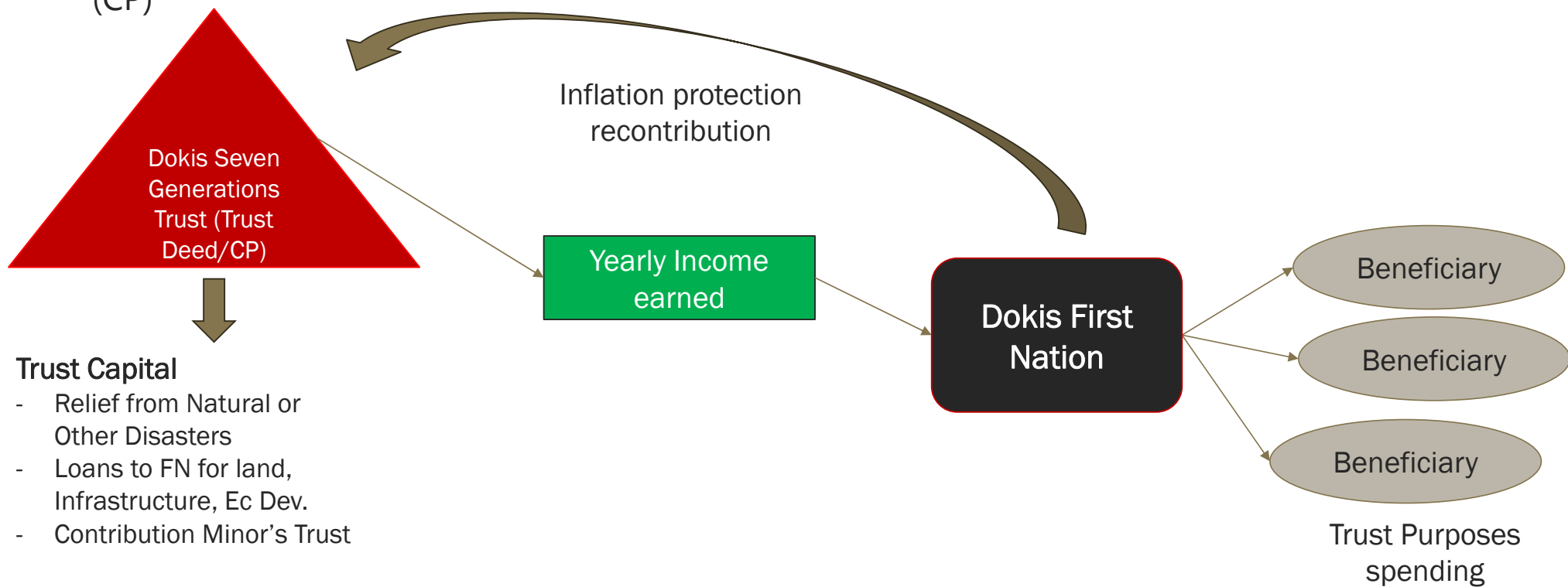
PURPOSES OF THE TRUST

SECTION 4



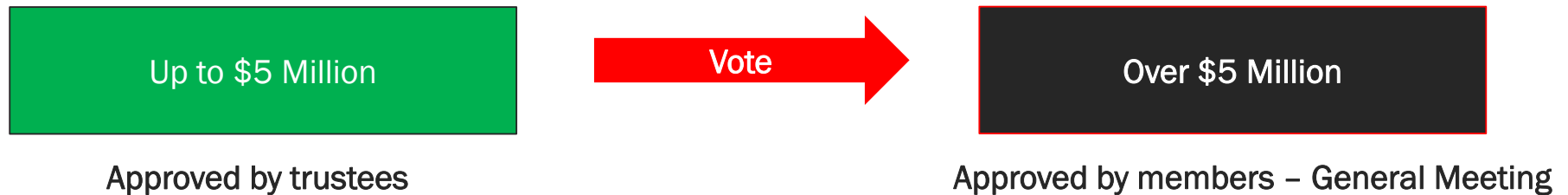
PURPOSES OF THE TRUST

- Managed by community trustees
- Trust capital and income distributions are governed by trust deed and comprehensive plan (CP)



DISTRIBUTION OF TRUST CAPITAL

- Capital Definition – total amount held in the trust, separate from annual Income
- Distribution usage
 - ▶ Disasters
 - ▶ Infrastructure loans
 - ▶ Economic Development Initiatives
 - ▶ Acquisition of Land
 - ▶ Collateral for other funding
 - ▶ Contribution of top up amount to Minor's Trust
- Approval requirements



LOAN & LEVERAGING LIMITS

CN0

- Cannot exceed 20% of the investable assets at end of the prior fiscal year
- Repayment terms will be outlined in the CP
 - Consider commercial terms
 - Strategic reasons why commercial terms would be discounted



DISTRIBUTION OF TRUST INCOME

- **Discretionary Distributions of Trust Income**
 - ▶ Made yearly in alignment with the Comprehensive Plan
- **Mandatory Distributions**
 - ▶ Required over the trust's duration to reduce taxable income within the trust to \$0
- **Tax Compliance:**
 - ▶ Any undistributed taxable income must be paid to the First Nation
 - ▶ Payments to First Nation must be in the form of non-interest bearing note
 - ▶ Note must not restrict the holders right to immediate payment
- **Beneficiary Allocation**
 - ▶ Trustees may distribute income to any entity that is a beneficiary of the trust under the CP.

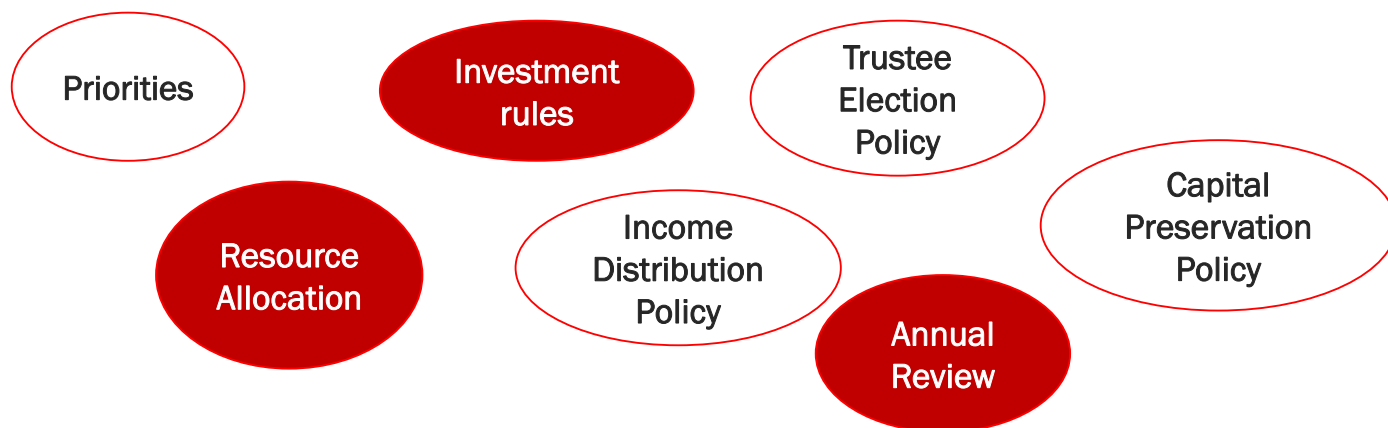
INITIAL USE OF TRUST PROPERTY

- Upon settlement of the Dokis Seven Generations Trust, it shall repay:
 - 2025 holiday grant was issued to eligible members,
 - Reimbursement to the band for amounts paid out of band funds
 - Repayment for Dokis Seven Generations Trust development



COMPREHENSIVE PLAN (CP)

- **Purpose** – Strategic document outlining community goals and priorities
- **Creation** – Drafted by community trustees in compliance with trust deed
- **Approval** – Present to members annually, update and approve on 5-year basis
- **Sections Include:**



DISCRETIONARY USE OF INCOME - PURPOSES

- Education
- Social programs
- Health & Wellness
- Housing
 - Construction & Repairs
- Public services
- Protective Services
- Preservation of Dokis First Nation
 - Culture, Language, tradition, practices, lands
- Economic Development Initiatives
- Funding for Infrastructure
- Acquisition of land
- Recreational activities
- Senior Funding
 - Pension
 - Facilities
- Death benefit
- Holiday Grants (**In Good Standing**)
- Protection of Treaty/Aboriginal Rights for Dokis First Nation
- Independence and Self Government
- Fund other potential actions or claims
- Natural or Other Disasters
- Purpose of long – Term benefit of Dokis First Nation

OPEN DISCUSSION – OTHER PURPOSES

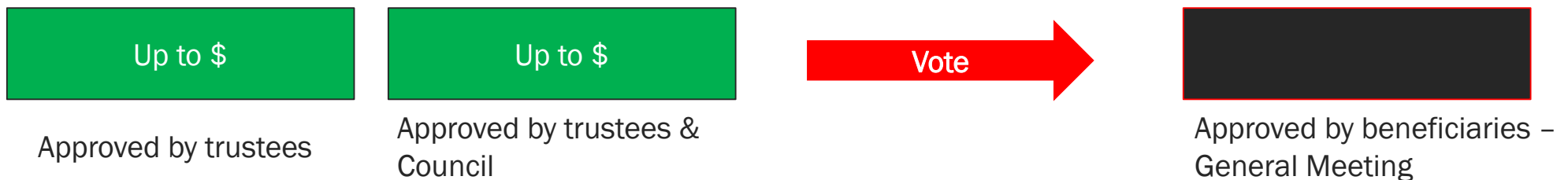
Group discussion

Are there any other purposes that should be considered or added?



DISTRIBUTION OF TRUST INCOME

- Distribution of trust income will occur under: CNO
 - The Community Plan (CP)
 - The Statement of Priorities outlined in the documents
- Approval is required before sending the funds.



DEFERRED PER CAPITA DISTRIBUTIONS

SECTION 5



COMMUNITY TRUSTEES & DEFERRED PCDS

- Community Trustees will manage the \$100,000 PCD for those that have not received their payment
- Transfer of PCD related duties previously held by Chief and Council
- Hold and invest for **Minors** and **Mentally Incapable**
- Eligibility will remain unchanged as previously announced
- **Deferred PCD**
 - Interest will be earned – Accumulation Request
 - Management and compliance with the distribution eligibility

DECEASED MINOR, PENDING STATUS

- A person applies for Status upon turning 18
- They pass away before their status is granted
- They meet the criteria for the Per Capita Distribution
- Attributed to their estate



PAYMENT OF EXPENSES

SECTION 6



PAYMENT OF EXPENSES

- Approved Limits:
 - ▶ **Up to \$100,000:** Approved by Community Trustees
 - ▶ **\$100,001 to \$999,999:** Agreement between Community Trustees & Chief and Council
 - ▶ **\$1 Million and Over:** Approved by Community Trustees, Chief & Council, and members at General Meeting

COMPREHENSIVE PLAN

SECTION 7



DEVELOPMENT OF THE COMPREHENSIVE PLAN

- Developed by Trustees and approved by members
- Presented and approved every 5 years
- Contains
 - Spending priorities
 - Budgeting process
 - Reporting policies
 - Other policies to help govern the operations of the trust
- Amendments require the input of members
 - Complimentary resolutions with C&C and voting
 - Administrative amendments through complimentary resolutions with C&C



DUTIES OF TRUSTEES

SECTION 8



GENERAL DUTIES

- Trustees must:
 - Act honestly, in good faith, and exercise a standard of care
 - Carry out the terms of the Trust
 - Act independently and cannot delegate responsibility



SPECIFIC DUTIES

- Invest trust property in accordance with Investment Policy
- Make decisions about the use of income for the trust's purposes
- Approve trust expenses
- Work with the Administrative Trustee
- Prepare and follow a budget
- Keep records and accounts
- Get financial statements audited
- Report trust activity to members at least annually

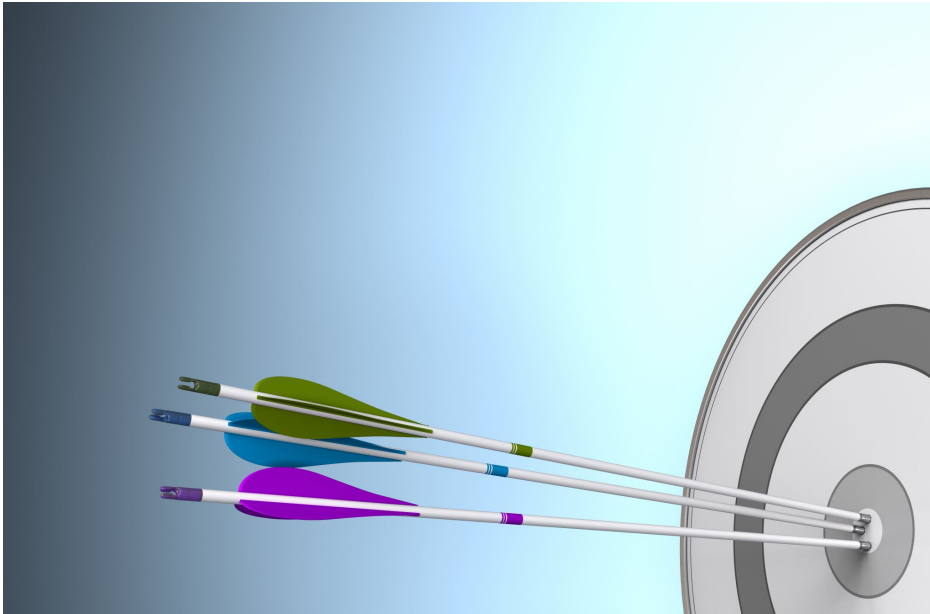


POWER OF TRUSTEES

SECTION 9



GENERAL AND SPECIFIC POWERS



- Establish a charitable or not-for-profit organization
- Vary the trust because of tax legislation
- Invest under the Investment Policy Statement
- Facilitate the acquisition of land for Dokis First Nation
- Retain professionals
- Contract on behalf of the trust

INVESTMENTS

SECTION 10



INVESTMENTS

- Hiring and firing of investment manager(s)
 - Trustees and Chief and Council
- Remain arm's length
- Agreement in place



FIRST ADMINISTRATIVE TRUSTEE

SECTION 11



FIRST ADMINISTRATIVE TRUSTEE

TD Wealth Private Trust

- Responsibilities
 - ▶ Compensation
 - ▶ Term of office
 - ▶ Resignation and removal
 - ▶ Successor
 - ▶ Duties
 - Opening of accounts
 - Custody of assets
 - Record keeping
 - Administering payments



ADMINISTRATIVE TRUSTEE

SECTION 12



ADMINISTRATIVE TRUSTEE (CONTINUED)

- Must be experienced and a trust company
- Clarification of the role of a successor administrative trustee



REAL PROPERTY VALUATION

SECTION 13



REAL ESTATE APPRAISER

- Trustees **can** hire real estate appraisers
- Insight into value of property
- Valuation is **not required** for transferring real estate to a trustee for the trust



TRUSTEE PROCEDURES
SECTION 14
TRUSTEES
SECTION 15
COUNCIL LIAISON, KNOWLEDGE KEEPER,
YOUTH LIAISON
SECTION 16



TRUSTEES PROCEDURES

- Meetings
- Notice
- Virtual and in-person
- Quorum and Chair
- Decisions
- Minutes
- Developing Rules



TRUSTEES

- Prohibitions
 - Can not be an undischarged bankrupt
 - Can not be convicted of any indictable offence
 - Can not be convicted of a summary offence involving fraud, false pretenses, theft or property held as a trustee or fiduciary
- First Trustees
 - Appointed
- Subsequent trustees
 - Nominated and elected



TRUSTEES

- Representation
 - 2 **on-reserve members**
 - 2 **off-reserve members**
- Staggered 4-year terms
 - 2 term maximum
- Council Person Trustee (Vote if tie)
- Vacancies
 - Appointment of replacement
- Termination of Office



LIAISON POSITIONS

- All eligible members have the opportunity to be a trustee
- In addition,
 - Knowledge Keeper Liaison **can** vote if there is a tie
 - Youth Liaison positions will have a **non-voting** voice at the table
 - Provide input and guidance
 - Appointed by Chief and Council in accordance with the process set out in the Comprehensive Plan



SURVEY #6 – HOPES AND FEARS

Hopes	Fears

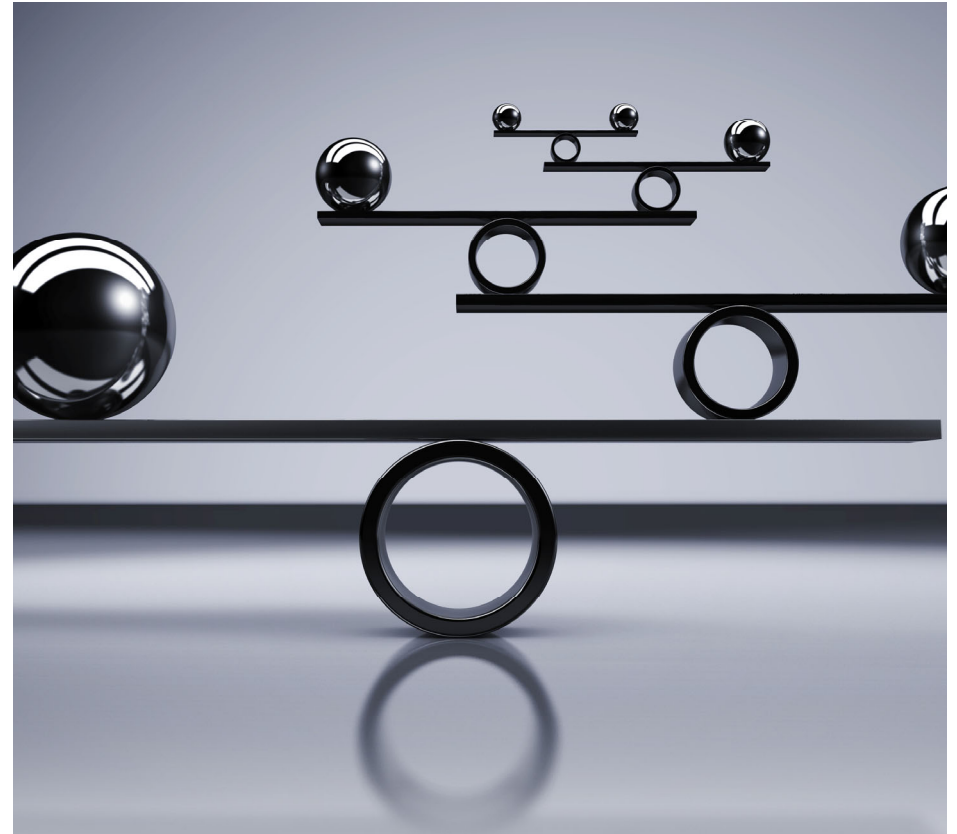
- The draft deed considers
 - 2 on-reserve trustees, 2 off-reserve trustees, a council trustee, a Knowledge Keeper liaison and a youth liaison
- On your Survey, write out hopes and fears for this set up and challenges/opportunities the trustees will face
- Place them under the appropriate column for discussion

TRUSTEES CONFLICT OF INTEREST SECTION 17



CONFLICTS OF INTEREST

- Disclosure requirements
 - Perceived vs. actual
 - Non-participation
- Timing of disclosure
 - Immediately upon becoming aware
- Further outset and process set out in the Comprehensive Plan



LIABILITY AND INDEMNITIES OF TRUSTEES

SECTION 18



LIABILITY AND INDEMNITIES

- **Liabilities of co-trustees**

- ▶ No trustee who exercises a standard of care should be liable for the acts of a co-trustee

- **Limitation of Liability**

- ▶ A trustee, observing a standard of care will not be liable for:
 - Losses of investments
 - The activities of others, provided the person was selected with reasonable care and they were supervised
 - Any claim against the trust in the payment to Dokis First Nation
 - An inability to meet the requirements of the Comprehensive plan

- **Litigation**

- ▶ The trust will pay any necessary costs in connection with the cases brought against the trustees in their capacity as trustees or against the trust
- ▶ Trustees would repay if its determined they acted in bad faith or breached a standard of care

COMPENSATION AND REIMBURSEMENT OF TRUSTEES AND LIAISONS SECTION 19



COMPENSATION

- Reasonable expenses are reimbursable
- Honorarium paid to Trustees and Liaisons
 - Set amount based on policy laid out in the comprehensive plan
 - Amended through council resolution
 - Administrative trustee charges based on service agreement



AUDIT AND TRUST RECORDS

SECTION 20



AUDIT AND TRUST RECORDS

- Access to information for Beneficiaries
 - Can request trust records like Minutes and Financial Statements
- Trustees Responsibilities
 - Keep documents up to date and detailed
 - Establish of an office location
 - Record storage
- Inspection and Audit
 - Records open for inspection by Council
 - Annual Financial Statements audited by independent qualified CPA, appointed by Trustees
 - Post audit financial statements available for members review

AUDIT AND TRUST RECORDS

- Record Maintenance – Stored by the trustees
 - Trust deed copy
 - Receipt of settlement monies
 - Trustee records, meeting minutes and resolutions
 - Contractual obligations and financial records



VARIATION SECTION 21



AMENDMENTS TO THE TRUST DEED

- Levels of amendment
 - Trustee and C&C with complementary resolution
 - Change the name
 - Continued compliance with law
 - Remove conflicts or inconsistencies
 - Clerical in nature
 - Changes to tax laws
 - Members' consent (vote requirement)
 - complimentary resolution
 - Vote by a majority of members voting and 50% of eligible members participate in the vote
- Restrictions on Variation
 - PCD changes
 - Inconsistencies with the purpose of the long-term benefit of Dokis First Nation
 - Amendments to the amendment section
 - Changes to definitions that will impact the amendment section





NICOLE WOODWARD
NWOODWARD@MILLERTHOMSON.COM
(416) 596-2115



TONY MCGREGOR
TMCGREGOR@FCRCA.COM
(705) 675-2200

Questions, comments, feedback