



**St'at'imc (PC) 2011 Trustee
Summary of Trustee Meeting
2015 March 19
Xwisten Administration Office**

The Trustees reviewed the meeting agenda, added two items and approved.

The Feb. 4, 2015 and Feb. 5, 2015 meeting minutes were reviewed and approved.

The Trustees were advised that their auditor, KNV Chartered Accountants, had been acquired by Meyers Norris Penny LLP who will now be the Trust auditor. The Trustees will need to either reaffirm MNP as the auditor this year or consider completing another Request for Proposal. The auditor will attend the June Trust meeting as they will also be attending the annual general meeting.

The Trustees requested that Appendix B of the Trust Minutes Distribution Policy be amended to read that the Trust minutes would be distributed to the St'at'imc Authority and the summary Trust minutes would be distributed to the St'at'imc Government Services to be added to their website.

The Trustees discussed whether the TE Wealth annual consulting services contract would continue in 2015 but haven't heard if communities will continue to use their services.

The Trustees agreed that the order of presentation by the investment manager and investment consultant at the joint meetings held with the St'at'imc Authority would be the investment manager first and the investment consultant second and the Trustees would meet with them prior to the joint meeting to provide direction on their expectations. Both the investment manager and investment consultant will be asked to have their joint meeting presentations to the Trustees a week before the meeting. The investment manager will be invited to meet with the Trustees at the June meeting as they will present at the annual general meeting.

A clarification of the Trust liaison position and the need to improve communication with the St'at'imc Authority was provided.

The status of the Trust funds as at Feb. 28, 2015 was reviewed. Total funds received through the Trust totalled approximately \$40 million which included investment income of approximately \$1.8 million.

The Trust budget to actual schedule was reviewed as of Feb. 28, 2015.

The summary of participating community balances as of Feb. 28, 2015 was reviewed. The Minimum Protected Amount book value was \$14.3 million with unrealized gains of \$3.0 million making the total about \$17.3 million. The target required by the Trust is approximately \$16.0 million which must be achieved by Mar 1, 2017. We should meet the target by this fifth anniversary date. The Trustees accepted the schedule as presented.

Participating community requests and request amendments were reviewed and approved.

The auditor's engagement letter was discussed as KNV has now merged with MNP and therefore a new engagement letter was required in the new company name. The engagement letter was accepted for completion of the Dec 31, 2014 audit process and replaces KNV's engagement letter approved previously.

The audited financial statements from MNP for the Dec 31, 2014 were discussed and it was noted that the Trust has received a clean audit opinion. One issue raised was with respect to income earned by the Trust and its exposure to tax. Secondary income is taxable and the issue involves secondary income earned in the Legacy Fund MPA. Although the general feeling is that this is not an issue, the Trustees requested that the Administrative Trustee seek the opinion of the lawyer and ensure the matter is reviewed and sufficiently documented in case this position is ever challenged.

The Trustees reviewed the audit representative letter which is to provide the auditor assurance that all information has been disclosed. The Administrative Trustee assured the Trustees that all information was provided to the auditors and all statements provided in the letter are true.

Canada Revenue Agency provided a ruling confirming that, if all of the beneficiaries of the trust are Section 149(1) (c) compliant, then the Trust is not a reporting entity for foreign income tax purposes and is not required to report.

The Trustees discussed changing law firms as the lawyer familiar with the Trust Agreement has left BHT and moved to Farris and continues to work on Trust matters. Information will be obtained about Farris to assist the Trustees in making their decision.

There will be two AGM's held this year on June 10 and 11. On June 10 the Trustees will have a half day Trust meeting during the day and the north AGM in the evening. On June 11 the Trustees will travel to the south and have another half day Trust meeting and the south AGM in the evening. Locations have yet to be determined.

Two communities have asked the Trustees to attend community meetings. The Trustees agreed to have a community meeting in Skatin on Sept 9 and one in Xaxli'p on Sept 10.

The Trustees reviewed the draft 2014 Annual report and will provide feedback for any changes or additions.

A request was received from TE Wealth for a copy of the projected MPA schedule. After some discussion it was decided that TE Wealth did not need the schedule.

A letter regarding the appointment of Trustees which was sent to the St'at'imc Authority was reviewed. The Trustees requested that the letter be sent to each participating community whose Trustees terms are expiring in 2015. It is important that any person put forward by a Council must be legally qualified to be a Trustee and that we need a process in place to confirm this. It is a risk to the Trustees and the Trust if people not qualified to be a Trustee are making decisions on the Trust. The email sent to the communities has the requirements listed.

MNP's letter regarding the extra cost for the auditor to attend a second AGM was reviewed.

The letter sent to the St'at'imc Authority regarding a community's Statement of Investment Policy Guidelines was reviewed and was sent to address the requirement in the Trust Indenture Section 6.3.

The Trustees contact list was reviewed and has been provided to the St'at'imc Authority.

The Trustees prepared a report to the St'at'imc Authority outlining the successes of the Trust and the role of the Administrative Trustee as per the Chiefs' request at the Feb 5 meeting. The report was signed by each Trustee and was

sent by email to the St'at'imc Authority. Concern was raised whether or not documents sent from the Trust are getting to the Chiefs. The Trustees will check with their respective Chief to see if they are getting information.

Five Trustees will be enrolling in the National Aboriginal Trust Officers Association online training program.

The Administrative Trustee asked if the Trustees want to consider using Chromebooks instead of having all of the agendas and meeting minutes printed. Chromebooks will provide a cost savings by reducing the amount of paper used, the amount of time required for copying and is more environmentally friendly. More information will be provided at the next Trust meeting.

The Trustees discussed whether there had been any progress on the appointment of new Trustees for the five Trustees whose terms expire this year. Four Trustees indicated that they had not heard anything and one advised that she expects to continue for another five year term.

The meeting adjourned at 3:15 pm.