

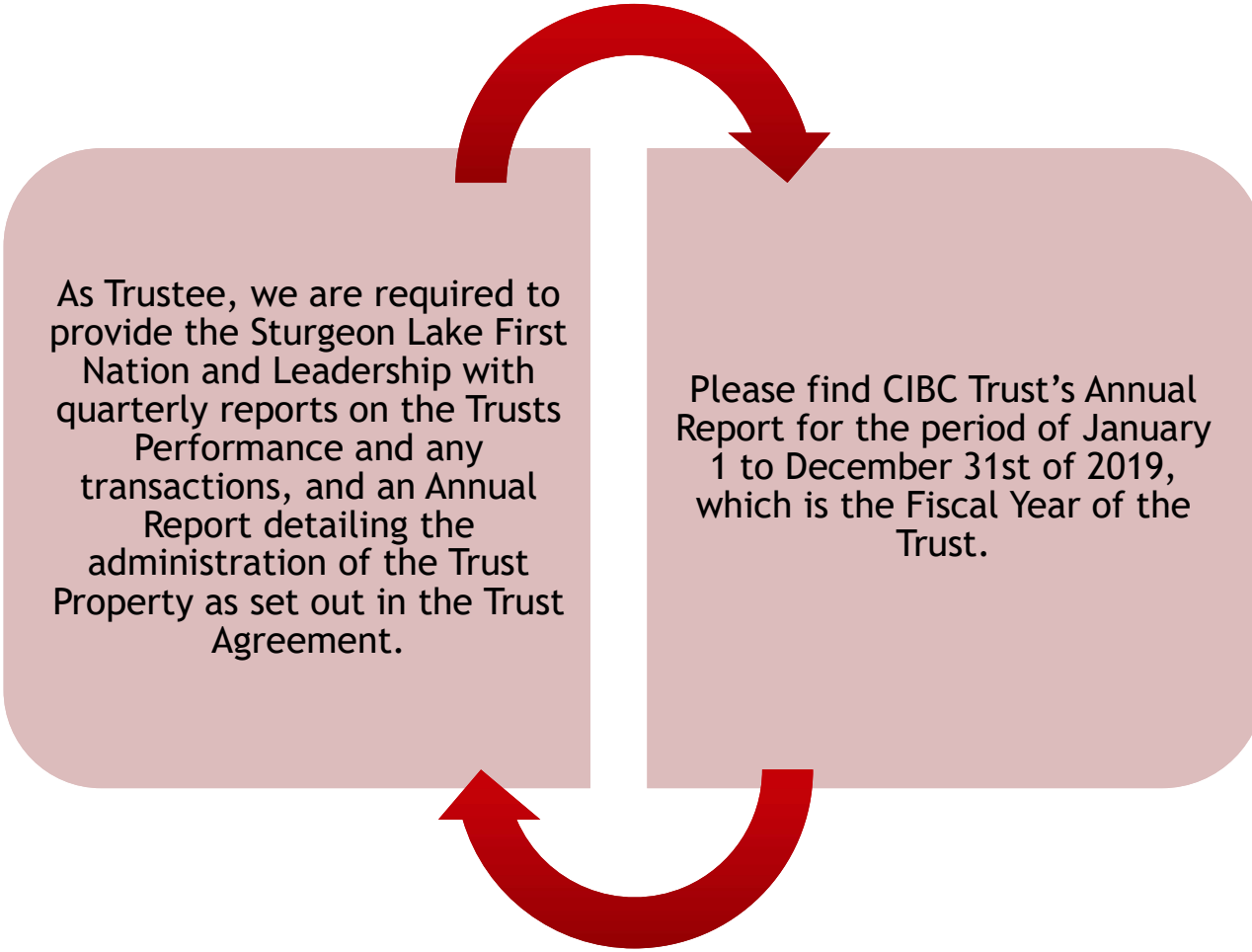


Sturgeon Lake First Nation Treaty Land Entitlement Trust December 31 2019 - Annual Report of the Trustee

Presented by:

Linda Hartford - National Director, Indigenous Trust, Indigenous Markets, CIBC Trust
Megan Shannon - Senior Manager, Indigenous Trust, Indigenous Markets, CIBC Trust





As Trustee, we are required to provide the Sturgeon Lake First Nation and Leadership with quarterly reports on the Trusts Performance and any transactions, and an Annual Report detailing the administration of the Trust Property as set out in the Trust Agreement.

Please find CIBC Trust's Annual Report for the period of January 1 to December 31st of 2019, which is the Fiscal Year of the Trust.

Background of the Trust

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The Sturgeon Lake First Nation Treaty Land Entitlement Trust ("the Trust") was settled on July 20, 2007. The Trust named CIBC Trust Corporation ("CIBC Trust"), as the original Trustee.

As Trustee, CIBC Trust is responsible for ensuring that the Trust funds received are invested as authorized under the Trust Agreement, and that all transfers of funds out of the Trust Account are properly authorized and documented.

The Trustee may make a transfer of Annual Income (net of expenses) from The Trust to the Entitlement Revenue Account ("ERA") as set out in the Trust.

All the Annual Income transferred into the ERA is to be accessed by Council in accordance with the terms of the Trust Agreement. The ERA is a First Nation account and does not form part of The Trust Property.

All funds for land purchases are remitted to a Solicitor in Trust.



Operating Rules of the Trust

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- The Trust consists of one Trust Account called the Entitlement Account held at CIBC Trust.
- The Entitlement Account received all the settlement funds from Canada and those funds are invested through CIBC Private Investment Counsel.
- The income generated by the investments, after any deductions for Authorized Expenses are transferred out of the Trust to the Entitlement Revenue Account (“ERA”) which is a Sturgeon Lake First Nation bank account established by and for use by Chief and Council and also governed by the terms of the Trust Agreement.



Entitlement Revenue Account (“ERA”)

- This account receives from the Trustee the (net) income that is generated from investments in the Entitlement Account. In accordance with the Trust Agreement and upon advice of the Technical Advisory Committee Council, the funds in this account are to be used for the following purposes:

The payment of acquisition costs related to the purchase of the entitlement land

The acquisition of Entitlement Land

Band Development in accordance with Articles 7.2, 7.3 and 9

Summary of 2019 Trust Activities

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Gross Income Received in 2019	
Income from authorized investments:	\$94,561.76
Dividends:	\$60,810.51
Foreign Investment Income:	\$58,640.59
Realized Capital Gains:	\$86,037.05
Total Gross income for 2019:	\$300,049.91

Authorized Expenses incurred in 2019	
Authorized Expenses*	\$37,988.53
Investment Management Fees	\$49,038.07
Total Authorized Expenses for 2019:	\$87,026.60

Net Income for 2019: \$213,023.31

*Trustee and Accounting Fees



Summary of 2019 Trust Activities (cont.)

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On January 15, 2019, the Trust received a BCR from Council (#02-2018/12/19) requesting \$1.5M be drawn from the Entitlement Account to purchase a property in Prince Albert, SK. The total purchase cost was \$1,890,000.00. Council intended to use \$390,000 from the Entitlement Revenue Account to cover the difference between total purchase cost and \$1.5M request from the Entitlement Account.



As per the Trust Agreement, Council submitted the BCR acknowledging that they received advice from the Treaty Land Entitlement Advisory Committee (as per Sections 6.2.1 and 6.9.1) regarding the property purchase in Prince Albert, SK and received substantial consent from Eligible Voting Members participating at the December 11 and 12, 2018 public meetings in Prince Albert, SK and at the December 13, 2018 public meeting in Saskatoon, SK (as per Sections 6.2.4 and 6.9.2 of the Trust Agreement).



As per Section 6.3 of the Trust Agreement, the funds were to be placed in the Trust Account of a practicing Solicitor in and for the Province of Saskatchewan, to complete the purchase of the Entitlement Land at the approved price in accordance with the terms of the Trust Agreement. Pandila and Co. (Solicitor Trust Account) confirmed receipt of the funds on January 23, 2019.



Entitlement Account breakdown as of December 31 2019

<u>CIBC PRIVATE INVESTMENT COUNSEL</u>		
Cash	5.1%	\$327,826.00
Canadian Fixed Income	51.8%	\$3,322,319.00
Canadian Equity	19.3%	\$1,238,662.00
U.S. Equity	1%	\$65,539.00
International Equity	22.8%	\$1,460,101.00
Subtotal:	100%	\$6,414,447.00
<u>CIBC TRUST - REVENUE ACCOUNT</u>		
Cash	100%	\$668,679.69
Total Value:	100%	\$7,083,126.69



The Trustee certifies that, for the 2019 Fiscal Year, all receipts, expenditures and investments of the Trust were properly documented and authorized in compliance with the requirements of the Trust Agreement and that all reporting is complete.





CIBC Indigenous Markets



A Holistic Partnership

CIBC's Indigenous Markets Group is a specialized and experienced team dedicated to providing comprehensive financial solutions to Indigenous clients across Canada. Indigenous Markets is a well-integrated component of CIBC backed by strong executive support making us effective at fulfilling our mandate and strategy, and advocating for our clients' needs so that our clients are not in a position to have to navigate various teams at the bank in order to have their needs met.

Integrated Solution



Indigenous Banking:

- Cash Management
- Lending
- Tailored Services
- Financial Literacy
- Sponsorship & Giving



Trust Services:

- Administrative Trustee
- Trust Administration
- Reporting
- Customized Support
- Tailored Service Agreements

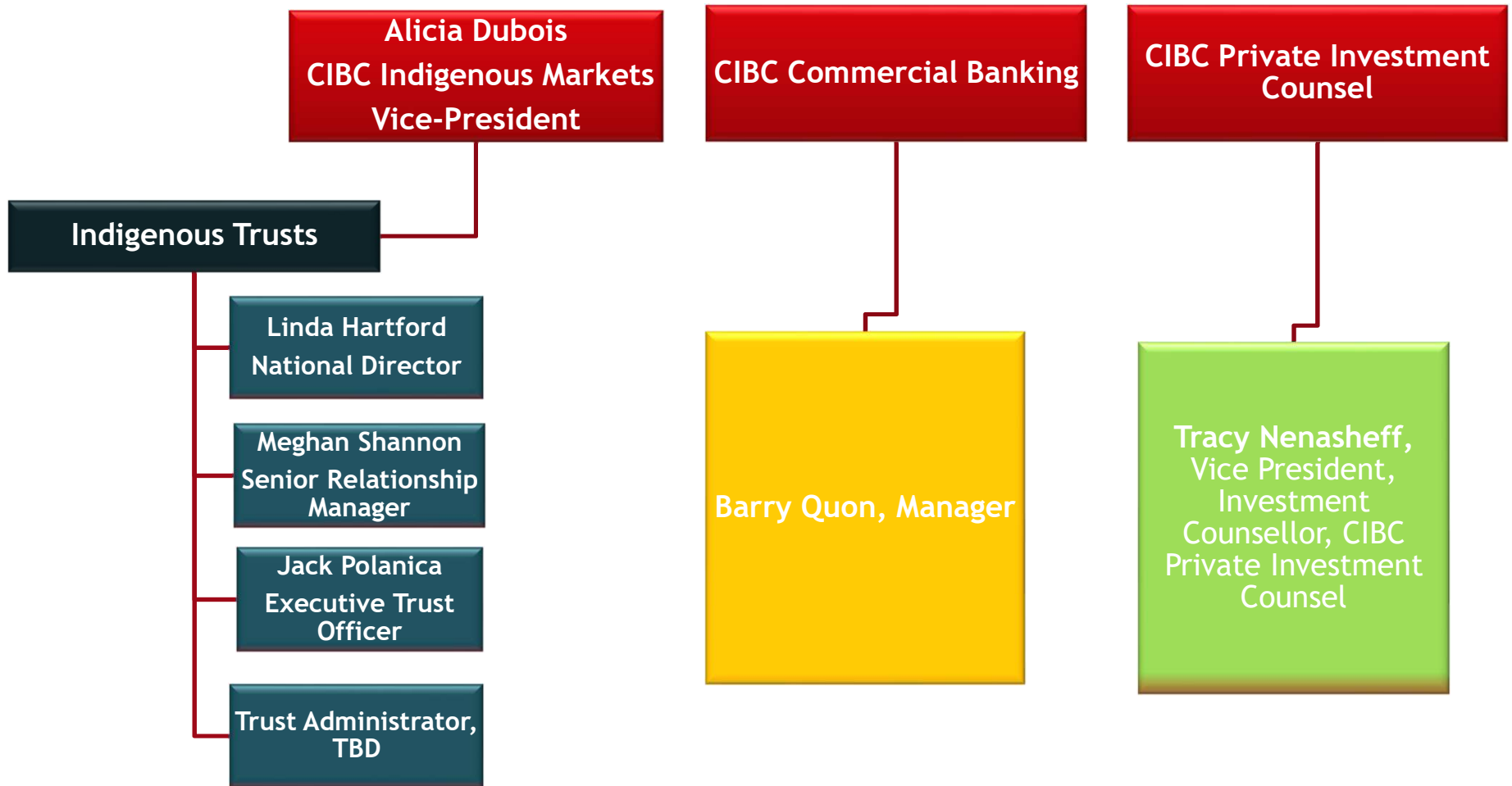




Indigenous Markets Team



Client Service Team



Note: Jack Polanica is our new expert Indigenous Executive Trust Officer. He has replaced Faith Gwatidah on this file.



Client Service Team Contact Information

Business Unit	Name	Role	Contact
Indigenous Markets	Alicia Dubois	Vice-President	416-780-4887; alicia.dubois@cibc.com
Indigenous Trusts	Linda Hartford	National Lead, Director	250-885-5655; linda.hartford@cibc.com
	Meghan Shannon	Senior Manager	604-679-7939; meghan.shannon@cibc.com
	Jack Polanica	Executive Trust Officer	604-331-3084; jack.polanica@cibc.com
	TBD	Trust Administrator	
CIBC Commercial Banking	Barry Quon	Manager	306-764-6692; barry.quon@cibc.com
Investments	Tracy Nenasheff	Vice President, Investment Counsellor, CIBC Private Investment Counsel	780-441-4876; tracy.nenasheff@cibc.com

