

Nak'azdli Whut'en Trust Amendments - Questions and Answers

1. Why are we amending the Trust Agreement?

The Trustees met with Chief & Council to discuss how the Trust was working and the amount of money held in Trust. Together they reviewed the entire Trust Agreement with the Trust lawyer and decided that amendments were needed.

The Trust was set up to hold two funds: the Capital Fund and the Legacy Fund. The Capital Fund hold 90% of all money deposited into Trust by Nak'azdli Whut'en and then Legacy Fund holds 10%. Once the Capital Fund reaches \$25M plus inflation, then the amount left over each year can be paid out to Nak'azdli Whut'en.

2. What sections are we amending:

Section 16 To fix the inflation adjustment to the minimum amount each year:

When the Trust was first developed in the 2015/2016, we thought that the settlement agreement with Canada would be finalized, and we had set up the terms and conditions in the Trust so that the minimum amount held in Trust would be \$25M plus an increase for inflation each year. The Trust is not allowed to pay any funds out to Nak'azdli Whut'en until the Trust reaches the \$25M plus inflation.

As the settlement is not finalized, and the Capital Fund value is at \$8M, the minimum amount keeps growing as is currently at \$31M. The Trustees met with Chief & Council and decided it would be best to not start that inflation until the Trust value reaches \$25M.

Trust Agreement Now	Amendment to Trust Agreement
Minimum amount equals \$25M + inflation. = \$31M	Minimum amount equals \$25M, until the actual amount in the Capital Fund = \$25M then the Minimum amount equals \$25M + inflation thereafter.
Actual amount in the Capital Account = \$8M	Actual amount in Capital Fund = \$8M

Section 17 to allow for small disbursements from the annual net income and to increase the amount for capital encroachment to increase by inflation:

To allow the Trustees to approve the annual payment from the Nicholette Prince education bursary up to \$1,000 each year.

To increase the amount of capital encroachment each year from \$250,000 to \$280,000 plus inflation each year. Capital encroachment can only happen after the \$25M value of the Trust has been met and means that Capital in the Capital Account which is in excess of 115% of the Minimum Amount”.

Section 19 To correct the loan terms and conditions

The original Trust Agreement section 19 allowed for loans to Nak'azdli Whut'en from the Trust but they had no terms or requirements. This amendment will add that the Trust can loan Encroachable capital to Nak'azdli Whut'en only with legal, financial, tax and business advice, and with a community vote of 25% of members. If the loan is defaulted on then the Trust can repay the loan with the annual payment that was to go to Nak'azdli Whut'en, until the loan is fully repaid.

3.What happens if not enough people vote?

For the amendments to pass we need 25% of all adult members to vote and a majority of those to vote yes for these amendments. If not enough members cast a ballot or not enough of them vote yes then the amendments do not pass. The Trustees will have to determine if it is worth it or not to try and get another vote in the future.

4.What if I have more questions?

Please email the Trust Chair, Laretta Prince at: nakazdlitrust@nakazdliwhuten.ca