PASQUA FIRST NATION #79



INFORMATION PACKAGE FOR MEMBERSHIP REGARDING:

TREATY 4 AGRICULTURAL BENEFITS AND AMMUNITION AND TWINE SETTELEMENT AGREEMENT

*INFORMATION MEETINGS ARE OPEN TO PASQUA FIRST NATION MEMBERS ONLY.

*UNAUTHORIZED RECORDING OF INFORMATION SESSIONS IS STRICTLY PROHIBITED

Contents

Introduction	
Historical Basis of the Claim	
Treaty 4 and the Pasqua Reserve	
Implementation of Canada's Treaty Promises	
The Basis for The Claim	
Claims Process and Procedural History	
Summary of the Proposed Settlement Agreement	
What is the Settlement Agreement?	
What Does the Settlement Agreement Look Like?	
Summary of the Terms of the Settlement Agreement	
Preamble	
Article 1: Definitions and Schedules	
Article 2: Purpose and Scope	
Article 3: Compensation	
Article 4: Release	9
Article 5: Other Proceedings	9
Article 6: Indemnity	9
Article 7: Dismissal of Proceedings	9
Article 8: Ratification	
Article 9: Conditions Precedent to Execution by Canada	10
Article 10: Execution	10
Article 11: Effective Date of Settlement Agreement	10
Article 12: Representations & Warranties	10
Article 13: Dispute Resolution	10
Article 14: Programs and Services	10
Article 15: Non-Abrogation and Non-Derogation	10
Article 16: Amendments	11
Article 17: Notice	11
Schedules	11
Summary of the Terms of the Trust Agreement	Error! Bookmark not defined.
Distributions to Members	Error! Bookmark not defined.
Frequently Asked Questions	14

APPENDIX A: Settlement Agreement	16
APPENDIX B: Trust Agreement	17
APPENDIX C: Voting Guidelines	Error! Bookmark not defined.

Introduction

The purpose of this Information Package is to inform members of Pasqua First Nation (hereinafter "Pasqua" or the "First Nation") on matters related to the Pasqua First Nation Treaty 4 Agricultural Benefits and Ammunition and Twine Settlement Agreement (the "Settlement Agreement").

The following is an overview of the historical basis regarding Canada's breach of Treaty and other legal obligations for failing to provide the full complement of agricultural benefits owing under Treaty (the "Treaty 4 Benefits Claim" or the "Claim"), the procedural history of the Treaty 4 Benefits Claim in the Specific Claims Process, and key components of the Settlement Agreement, as well as answers to frequently asked questions from members.

The Notice of Vote posted at the Nation and online details the times and locations of Information Meetings where Pasqua First Nation Members can learn more about the Settlement Agreement and have any questions addressed respecting the legal, financial, and other outcomes for the First Nation. The Information Sessions will involve presentations by Chief and Council, legal counsel, and the independent Financial Advisor.

The Ratification Vote will be held on December 12, 2024, at the Chief Ben Pasqua Memorial Hall in Pasqua from 9:00 AM to 8:00 PM, CST.

The Information Meetings will be held from 5:00PM – 7:00 PM at the following locations:

- November 25, 2024: Saskatoon Delta Hotel Marriott 405 20th Street East
- November 27, 2024: Pasqua Chief Ben Pasqua Memorial Hall
- November 28, 2024: Regina Delta Hotel Marriott 1919 Saskatchewan Drive

Advance Polls will be opened on-location from 7:30PM – 10:00PM following each Information Meeting.

Electronic Voting will be available commencing on November 25, 2024 at 7:30 PM and will close on December 12, 22024 at 8:00 PM. In-person ballots may be cast at the Advance Polls described in the Notice of Vote.

Finally, ballots may also be cast on the date of the Ratification Vote on December 12, 2024 at Chief Ben Pasqua Memorial Hall – 9:00 AM to 8:00 PM, CST.

Historical Basis of the Claim

Treaty 4 and the Pasqua Reserve

- The evidence is clear that the Pasqua Band were practicing small-scale agriculture prior to and shortly after entering Treaty 4 and were very interested in expanding these agricultural activities.
- The Pasqua Band, represented by Chief Pasqua, entered into Treaty 4 in September 1874.

- A year later, despite the Pasqua Band's clear establishment of 49 families with houses, gardens and livestock already on their intended reserve lands, the Band was refused treaty implements, as they had not settled on reserve.
- Even when Pasqua Band did have their reserve surveyed in the summer of 1876, they were still denied agricultural equipment.

Implementation of Canada's Treaty Promises

- Because the Department of Indian Affairs failed to keep detailed records, it is impossible to know the extent of agricultural benefits the Pasqua Band received under treaty.
- Despite requests from the Band and periodic recommendations by various Indian Agents concerning the agricultural potential in the region, the Crown failed to support the Band's agricultural activities. The Pasqua Band, however, was adamant about developing its agricultural economy, and used its own funds to purchase implements, stock, and seed.
- As such, the historical evidence contains no record of the Crown substantially fulfilling its treaty obligations to aid and assist the Pasqua Band in their transition to an agricultural economy through the provision of seed or other material goods that had been promised under treaty.
- Further, while some documents refer to Pasqua being given a few cows, a bull and a couple oxen in place of agricultural implements, there is strong evidence that this livestock was insufficient to meet the terms of Treaty 4.
- Similarly, there are some records indicating that Pasqua received a few of the promised tools, machines, and implements to aid them in their transition to agriculture, but they received no seed grain, ammunition, or twine.
- Taken together, the Crown failed to fulfill its treaty promise to provide agricultural benefits, and its policies undermined the treaty promise to aid Pasqua's transition to an agricultural economy.

The Basis for The Claim

- Pursuant to the terms of Treaty 4, Canada promised to provide agricultural benefits and instruction to facilitate Pasqua's transition to a self-sufficient agricultural economy. Canada also failed to provide the full amount owing for ammunition and twine every year for twenty years required at the signing of Treaty 4.
- The Treaty 4 Benefits Claim arises from Canada's failure to provide the full complement of promised benefits and instruction, including:
 - The failure to provide agricultural implements, tools, livestock, and seed for the cultivation and encouragement of agriculture;
 - The failure to provide agricultural instruction, information, and education about agricultural practices, techniques, tools and equipment, livestock, and crops, to

enable members of the Nation to transition to a self-sufficient agricultural economy.

- Failure to provide the full annual amounts owing for ammunition and twine up to the end of 1894.
- The full amount of the one-time \$8.00 "gratuity" payment for every man, woman and child and the one-time \$25.00 "gratuity" payment, medal, and suit of clothing for every recognized Chief at the time Treaty 4 was entered into in 1874.

Claims Process and Procedural History

Procedural Timeline

- March 15, 2022: The Claim was filed with the Minister of Crown-Indigenous Relations on March 15, 2022, and the three-year review period begins.
- August 22, 2023: Canada offers to seek a negotiated settlement of the Claim.
- October 10, 2024: Canada sends Pasqua a Formal Offer to settle in the amount of \$155,114,319.00.

Summary of the Proposed Settlement Agreement

What is the Settlement Agreement?

The "Pasqua First Nation Treaty 4 Agricultural Benefits and Ammunition and Twine Settlement Agreement" is an agreement to settle Pasqua's Treaty 4 Benefits Claim against Canada fully and finally. It does not have any implications for Pasqua's other Specific Claims. It does not and cannot change any Treaty 4 rights of Pasqua or its members and cannot alter any of Canada's Treaty 4 obligations.

If the terms are acceptable to members, the Chief and Council of Pasqua First Nation and the Minister of Crown-Indigenous Relations and Northern Affairs will sign the Settlement Agreement. The Minister must then sign the Settlement Agreement for it to be completed. This can take several months. Once signed by the Minister, Compensation must be paid within 45 days.

Once the Settlement Agreement is signed, it is a binding agreement on both Canada and the First Nation. When Canada pays compensation, the Treaty 4 Benefits Claim will finally, and permanently, be resolved.

What Does the Settlement Agreement Look Like?

The full Settlement Agreement is included in this information package for your review. It is a complex legal document written by lawyers. As a result, we have drafted the following summary and explanation of each section contained within the Settlement Agreement. This document can be used as a guide to better understand the Settlement Agreement.

There are several key Articles in the Settlement Agreement which are reviewed below:

 <u>Article 2.0 – Purpose Clause:</u> The purpose of this Settlement Agreement is to fully and finally resolve Canada's obligations to the First Nation and resolve any outstanding liability arising directly or indirectly from the Treaty 4 Benefits Claim. This clause defines what falls within the scope of the claim.

- <u>Article 3.0 Compensation Clause:</u> Canada is offering to settle the Claim for \$155,114,319.00. This compensation is intended to put the Nation in the position it would have been had Canada supplied them with the agricultural benefits and instruction promised and other Treaty 4 benefits set out in Article 2, A significant contribution for Pasqua's legal costs is also included in the global settlement amount.
- <u>Article 4.0 Release Clause:</u> The Release Clause is important because it provides that if the Settlement Agreement is ratified and compensation is paid to Pasqua, the Treaty 4 Benefits Claim is concluded, once and for all, and Canada is released from any future claims related to its failure to provide agricultural benefits. It is important to note that this clause is drafted very narrowly: this clause only settles the claim in relation to the Treaty 4 Benefits Claim. The First Nation is still free to pursue any other modern or historical claims against the Crown in relation to any other legal issue.
- <u>Article 5.0 Indemnity Clause:</u> The Indemnity Clause is related to the Release Clause. The Indemnity Clause states that if Canada were sued again for the Treaty 4 Benefits Claim (which is prevented by the Release Clause), that Canada must provide Pasqua with an opportunity to participate in that lawsuit. If, once notified of the lawsuit, Pasqua elects not to participate, and if Canada were to settle such a lawsuit, the Indemnity Clause provides Canada with the option to seek to recover some of its legal fees from Pasqua. It should be noted that we are not aware of a single instance of this occurring in the history of Specific Claim settlements, however, as noted above, indemnity clauses are standard in all settlement agreements.
- <u>Article 6.0 Dismissal of Proceedings:</u> the Dismissal of Proceedings Clause is related to the Release Clause. Because Canada is settling Pasqua's Treaty 4 Benefits Claim, Pasqua is agreeing to no longer pursue the claim against Canada before the Specific Claims Tribunal or any other Court. All litigation related to this Claim will be discontinued.
- <u>Article 7.0 Ratification Clause:</u> sets out the process for Ratification. In order for the Settlement Agreement to be ratified, Canada has required that Pasqua use a double threshold: at least 50% of those voters who cast ballots must vote in favour of the Agreement, and the number of votes in favour of the Agreement must also be more than 25% plus one of Pasqua's eligible voters. For the purposes of the Ratification Vote, eligible Voters are those members of Pasqua Nation who are 18 years of age or older on the date that they vote.

There is also the possibility of conducting a second vote if, at the first vote, at least 50%+1 of voters voted in favour of the Agreement, but the number of total votes was less than 25%+1 plus one of Pasqua's eligible voters. If that happens, the Council may, at its discretion, cause a second ratification vote to be conducted.

 <u>Article 13.0 Programs and Services:</u> Nothing in this Settlement Agreement affects the ability of the First Nation to access programs and services funding offered by Canada, in accordance with the terms and conditions that govern those programs and services. In other words, Canada cannot use this payment as justification to reduce existing funding or services to the nation or its members. <u>Article 14.0 Non-Derogation</u>: This clause states that Agreement cannot alter the treaty rights of Pasqua or its members in any way. Specifically, it says that the Agreement "shall not be construed so as to abrogate, derogate, or otherwise alter in any way the existing Aboriginal and treaty rights of the First Nation as recognized by Treaty 4 and affirmed section 35 of the Constitution Act, 1982."

Summary of the Terms of the Settlement Agreement

Preamble

- The recitals (or "Whereas" section) of a legal document is intended to provide an explanation of the wider context of the agreement. The Recitals contained in the Settlement Agreement provide the history of the Claim and highlight that the Settlement Agreement is a full, fair, and final settlement of the Claim.
- These Recitals are clear that the Settlement Agreement shall not be construed so as to abrogate, derogate, or otherwise alter in any way the existing Aboriginal and treaty rights of the First Nation as recognized by Treaty 4 and affirmed by section 35 of the Constitution Act, 1982.
- The Settlement Agreement only relates to the Treaty 4 Benefits Claim. The Settlement Agreement does not prevent Pasqua First Nation from pursuing any other claims against the federal Crown. All other claims relating to other breaches of treaty, rights, laws, contracts or any other agreements between Pasqua First Nation and the Federal Crown can still be pursued.

Article 1: Definitions and Schedules

• This section provides definitions of key terms used in the Settlement Agreement.

Article 2: Purpose and Scope

• This section describes the purpose of the Settlement Agreement, which is to put the Nation in the position they would have been in had Canada supplied them with the agricultural benefits and instruction owed under Treaty 4. The Settlement Agreement, as described in this section, is to fully and finally resolve the Pasqua First Nation Treaty 4 Benefits Claim.

Article 3: Compensation

- If the Settlement Agreement is ratified, the total amount of compensation to be paid by Canada to Pasqua First Nation for the Treaty 4 Benefits Claim is \$155,114,319.00. This agreement cannot alter the treaty rights of Pasqua or its members in any way.
- The compensation is not "Indian Moneys," meaning the provisions of the Indian Act relating to the management of Indian Moneys belonging to First Nations will not apply to the compensation funds. The compensation moneys will be exempt from Tax.

Article 4: Release

- By accepting the Settlement Agreement Pasqua First Nation is releasing Canada from any liability regarding this Claim only.
- As mentioned above, Pasqua First Nation can still advance any and all other claims against Canada.

Article 5: Other Proceedings

 Because the information in the Settlement Agreement could intersect with other current or future claims against the Government of Canada, this section is clear that this Settlement Agreement will not be construed so as to preclude those claims from being advanced. Pasqua First Nation can still advance any and all other claims against Canada that are not included in this Settlement Agreement.

Article 6: Indemnity

 The indemnification section provides a process to be followed if anyone in the future tries to sue Canada for the same things that are being resolved in this claim and form part of the release. If such a claim were filed, this section sets out timelines and procedures to be followed to notify Pasqua of such a claim and allow it to determine next steps. It also states that if Pasqua First Nation chose not to participate in such a lawsuit in any way, and Canada ultimately settled that lawsuit, Canada has the option (but not the obligation) to seek to recover some of its costs from Pasqua.

Article 7: Dismissal of Proceedings

• Pasqua First Nation agrees to abandon or discontinue any legal proceedings in respect of the Treaty 4 Benefits Specific Claim against Canada.

Article 8: Ratification

- For the Settlement Agreement to be ratified, Canada has required that Pasqua use a double threshold: at least 50% of those voters who cast ballots must vote in favour of the Settlement Agreement and Trust Agreement, and 25% of all eligible voters must vote in favour of the Agreements.
- If the majority of votes are in favour of the Settlement Agreement, the Agreement is ratified and Chief and Council are directed to conclude the claim with Canada.
- If the majority of votes are against the Settlement Agreement, the Agreement is not ratified, and Pasqua can either pursue the claim in the courts or seek to re-negotiate with Canada at a new table.
- There is also the possibility of a second vote if the majority of votes are in favour of the Settlement Agreement, but the total number of votes cast in favour of the Agreement is fewer than 25% of the total eligible voters.
- If that occurs, a second vote can be conducted where a simple majority rules.

Article 9: Conditions Precedent to Execution by Canada

 Certain steps must be satisfied before Canada will execute the Settlement Agreement and pay compensation to Pasqua First Nation. This includes the Ratification of the Settlement Agreement, execution of a Band Council Resolution approving the terms and conditions of the Settlement Agreement, the execution of the Settlement Agreement by Pasqua First Nation Chief and Council, the Minister's execution of the Settlement Agreement, the set-up of a Trust Account and direction to Canada to pay the compensation into the Trust Account, and Canada's receipt of all other required documents including the Solicitor's Certificate and Financial Advisor's Certificate.

Article 10: Execution

 If ratified, the Settlement Agreement is signed by Chief and Council of Pasqua First Nation and sent to the Minister of Crown-Indigenous Relations and Northern Affairs for signature. Once signed by the Council and the Minister, the Settlement Agreement is considered "fully executed."

Article 11: Effective Date of Settlement Agreement

• The Settlement Agreement will come into effect and bind the parties on the date in which the Settlement Agreement is executed by Canada.

Article 12: Representations & Warranties

- Pasqua Nation represents and warrants that it held Information Meetings and retained independent legal and financial advice regarding the Settlement Agreement.
- This section also requires that Pasqua will use the Compensation for the long term use and benefit of the Pasqua First Nation.

Article 13: Dispute Resolution

• If a dispute arises in relation to the interpretation of the Settlement Agreement, Pasqua First Nation and Canada must try to resolve it through dispute resolution before applying to the court.

Article 14: Programs and Services

Nothing in this Settlement Agreement affects the ability of the First Nation to access
programs and services funding offered by Canada, in accordance with the terms and
conditions that govern those programs and services. In other words, Canada cannot use
this payment as justification to reduce existing funding or services to the nation or its
members.

Article 15: Non-Abrogation and Non-Derogation

 This Agreement shall not be construed so as to abrogate, derogate, or otherwise alter in any way the existing Aboriginal and treaty rights of the First Nation as recognized and affirmed by Treaty 4 and section 35 of the Constitution Act, 1982. In other words, this agreement cannot alter the treaty rights of Pasqua or its members in any way.

Article 16: Amendments

• Significant and substantive amendments to this Settlement Agreement may only be approved through the same ratification procedures as the Settlement Agreement was approved. More minor administrative amendments can be made by way of agreement between the Parties.

Article 17: Notice

• This section includes contact information for the parties.

Article 18: General Provisions

• This section includes principles to assist in the interpretation of the Settlement Agreement.

Schedules

 The remaining attachments to the Settlement Agreement set out the technical form of documents such as the Ballot Question; the Form of Band Council Resolutions for Direction to Pay; Certificate of Independent Legal Advice; the Certificate of Independent Financial Advice; the form for Band Council Resolutions for the settlement of this Claim, and attaches the Declaration of Claim filed at the Tribunal (which is referentially incorporated into the definition of Claim).

PASQUA FIRST NATION CITIZENS BENEFITS TRUST SUMMARY

PLAIN LANGUAGE VERSION

Overview

Pasqua First Nation (Pasqua) is establishing the Pasqua First Nation Citizens Benefits Trust to manage compensation from Canada in respect to the Agricultural, Ammunition and Twine Settlement Agreement. The Trusts goals is to manage and invest funds for the long-term benefit of Pasqua First Nation and its Members.

Definitions

Defines key terms such as Annual Income, Annual Payment, Authorized Expenses, Beneficiary, Compensation, and Trust Property.

Creation of the Trust

Pasqua established the Trust to receive and manage compensation and other funds for Pasqua's benefit. The Trustee holds legal title to the Trust Property, while PFN Members receive all the benefits.

Initial Distributions to Pasqua Adult Members

An initial lump sum payment of **<u>\$30,000</u>** to each Pasqua Adult Member, followed by an additional **\$5,000** on November 1, 2025. Procedures for handling distributions, including in cases of death.

Cost of Living Allowance (COLA) Distributions to Membership

Distribution Basis

Initially the distributions will be annually from the Trust. The Trustee will issue 4.5% of the Trust (Annual Payment) to the Pasqua COLA Bank Account(less 10% of this payment which is sent to a new account called Pasqua Operations Account to cover the cost of administering the COLA payments).

Payment Procedure

- **1.** Council determines the payment procedure by April 15th each Fiscal Year.
- **2.** Payments to be completed before December 31st each year.

Unclaimed Payments

Council will open an account for Pasqua COLA payments of Pasqua members who cannot be located. If a Pasqua member is located, their payments will be disbursed to them. Unclaimed payments after ten years will be returned to the Trust Account.

Interest

No interest will be paid on any COLA payments to Pasqua Adults but 4% interest will be paid on Pasqua Minor Funds.

Trusteeship Orders & Death of a Member

If a Pasqua COLA Adult or Minor Member is subject to a trusteeship order, payments will be made to their Power of Attorney or Trustee. COLA payment entitlement ceases upon a Pasqua Adult Members death but a Pasqua Minors share is paid up to the date of their death to their estate.

Administration

COLA payments are not trust funds and are fully administered by Pasqua

Investment of Trust Property

Trustee can invest in Authorized Investments following the Investment Policy. Council approves and may amend the Investment Policy .

Initial	Expenses	to be Paid
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PFN Ag Benefits Settlement			\$155,114,393.00
PFN Ratification Expense			\$1,200,000.00
Per Capita Distribution \$35,000/18 yr and older			
Population:	1682	\$35,000	\$58,870,000.00
PFN Costs and Disbursements			\$6,204,575.72
Home Ownership Trust			\$2,500,000.00
Legal Fees 4% fees			\$6,204,575.72
PFN Land Purchase Trust			\$10,000,000.00
Balance for Investment: PHT Trustee			\$70,135,241.56

Pasqua Home Ownership and Land Purchase Funds

Up to \$2.5 million is set aside for a one-time home ownership program. The program will provide a one-time down payment of \$40,000 dollars upon approval of a mortgage with a bank. The Trustee will provide the down payment to the bank upon approval from Council.

The Trustee will set aside \$10 million for land purchases. Upon receipt of a Council Resolution the Trustee will issue the funds for the purchase of the land identified by Council.

SUMMARY

The PASQUA FIRST NATION CITIZENS BENEFITS TRUST will be used as an annual payment to Pasqua Adult Members (and nothing else except identified in the Trust). Pasqua Minors will receive their annual payments once they have reached the age of 18.

Frequently Asked Questions

Who is Entitled to vote on the Settlement Agreement?

• For the purposes of the Ratification Vote, eligible Voters are those members of Pasqua First Nation who are 18 years of age or older on the date that they vote.

Who is Eligible to Receive Distributions?

 All Pasqua Band Members on Canada's Band List who are alive on the date of the Ratification vote are eligible to receive Distributions. Minors Distribution will remain in trust accumulating 4% interest and paid to the minor once the minor reaches the legal age of 18 years old. There will also be an annual distribution based on 4.5% of Trust value each year beginning in 2026. Those individuals that will be added to Pasqua First Nation Band list, are those who were prevented from registering due to Canada's discriminatory policies.

What happens if Pasqua does not accept the Settlement Agreement?

- In the event that the Settlement Agreement is rejected, Canada's offer is off the table.
- At that point, Pasqua would need to assess whether to approach Canada to negotiate again or pursue the Claim through litigation before the Courts.
- Legal counsel has advised that it is highly unlikely that the First Nation will achieve a better result if the matter was pursued through litigation, which could also be expensive and take many more years to resolve.

How can we tell if this is a good deal that is fair to the First Nation?

• It is the view of Chief and Council that Pasqua will be better off with the proposed Settlement Agreement than without it, and that the benefits from the proposed Settlement Agreement far outweigh the risks of litigation before the Courts.

What happens if Pasqua does accept the Settlement Agreement?

• In the event the ratification vote is successful, Canada and Pasqua will take the necessary steps (as set out in the Settlement Agreement) to finalize and ratify the Settlement Agreement. The compensation will ultimately be transferred to the Trust within 45 days after the Minister signs the Settlement Agreement and the Claim will be concluded.

What happens if Pasqua accepts the Settlement Agreement and later is unsatisfied with the amount awarded?

• The Release and Indemnity clauses discussed above would be relied on by Canada to defend against any subsequent claim in relation to the Treaty 4 Benefits Claim.

Will the Settlement Agreement affect our Aboriginal and treaty rights or other Federal Funding?

 No. The proposed Settlement Agreement does not affect Pasqua Nation's existing Aboriginal or treaty rights or any other claims against Canada. This is ensured by the non- derogation clause and the programs and services clause in the settlement agreement. The First Nation can still pursue any other specific claim not settled in the Settlement Agreement. The First Nation can also go to court to seek validation or enforcement of any other treaty and Aboriginal rights that they believe have not been recognized, affirmed, or honoured by Canada.

When will I receive my per capita distribution (PCD) cheque?

 Pasqua Leadership has made arrangements with a Chartered Bank to bridge finance a Per Capita Distribution (PCD) once the settlement agreement and trust agreement are approved by Pasqua First Nation Membership/Citizens. The PCD will happen within days of an approval of the settlement agreement and trust agreement. The PCD can be in the form of a cheque or electronic fund transfer (EFT).

APPENDIX A: Settlement Agreement

APPENDIX B: Trust Agreement