



## **Okikendawt Hydro Trust Summary for the Dokis Membership**

- Project** The Okikendawt Hydro Project co-owned by the Dokis Nation along with Project Manager, Hydromega Services has been operational for several months earning income through selling electricity into the Ontario grid.
- Ownership** The Dokis Nation currently holds its 40% ownership of the project through a Band owned corporation, Migisi Development Corporation.
- Proposal** It is proposed that the Dokis Nation hold its ownership through a Okikendawt Hydro Trust that would be established. The Okikendawt Trust would have as beneficiaries all of the membership of the Dokis Nation.
- Band Vote** Chief and Council of the Dokis Nation recommend that the Dokis membership vote in favour of establishing an Okikendawt Trust to hold the Band's equity interest in the Okikendawt Hydro Project, and approve a related Trust Agreement drafted by the Band's legal advisors, for several important reasons:
1. The Band's ownership in the Okikendawt Project will be protected over the long term for the benefit of the Dokis membership,
  2. The Trust will be governed separately from the Dokis Council; jointly by a group of Trustees elected by the Dokis membership and TD Bank, the Trust's Corporate Trustee,
  3. Funds earned by the Okikendawt Project will be received by the Trust and invested wisely,
  4. Other parties, such as the federal or provincial government cannot access or direct how funds in the Trust can be used or applied. The Trust is outside of the Indian Act, and funds in the Trust may not be classed as "own source revenue" by Indian and Northern Affairs Canada,
  5. The Trust structure ensure that funds earned by the Dokis Nation from the Okikendawt Hydro Project are not subject to tax, and
  6. The Trust will be subject to Canadian trust law including stringent requirements to make information about: funds under management, earnings/income, and the use/application of funds, fully available to the membership of the Dokis Nation on an annual basis.

**Trust Agreement** The governance and operation of the Okikendawt Trust will be regulated by a Trust Agreement. Copies of the proposed Trust Agreement are available from the Band Office (in hard copy or electronically). The Agreement has been prepared by the Band's lawyers, Weaver Simmons of Sudbury. The Trust Agreement includes an Investment Policy stipulating what kinds of investments may be made by the Trust, and Council may select a qualified Investment Advisor to assist with investment decisions, and manage investments.

**Trustees** A minimum of 3, and a maximum of 6 Trustees shall be elected by the Dokis membership. At least one Trustee will be female, and one under 26 years of age. Trustees will serve for 5 years, may be re-elected, and shall be required to take a 10-hour on-line Trust Management course within 6 months of appointment. Trustees shall receive a per diem for attending meetings, and reasonable expenses shall be covered. The Band may choose to appoint 1 non-Band member as a Trustee if they have unique expertise required by the Band.

**Use of Funds** Trustees shall receive requests for the use of Trust funds from the Dokis membership, through the Dokis Council, on a regular basis which may be applied for 3 types of purposes: Health and Welfare, Community Infrastructure and Economic Development.

**Reporting** Funding for purposes approved by the Trustees shall be flowed through the Band Administration for disbursement. Band Administration shall submit financial reports to the Trust and Trustees regarding how funds were used which shall be included in the Annual Report of the Trust to the Dokis membership. The Annual Report shall include an audited financial statement.

**Reserve Account** Funds not expended shall be held in a Reserve Account within the Trust. Decisions to disperse funds from the Reserve Account may include a Band vote.

**Meetings** Trustees shall meet at least 4 times a year, and minutes of all meetings shall be posted and made available to the Dokis membership

**Review** The workings of the Trust shall be reviewed annually, and Trustees shall attend the Annual General Meeting of the Trust to be accountable to the membership, and answer questions about Trust decisions and activities. Every several years, the performance of the Trust Agreement, Corporate Trustee and Investment Advisor shall be reviewed and reported to the membership.

***Prepared for the Dokis Nation  
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Clean Energy Advisor to the Dokis Nation***