



QUESTIONS & ANSWERS	BLOOD TRIBE TREATY ENTITLEMENT CATTLE SPECIFIC CLAIM
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GENERAL INFORMATION

Q1. What is the Blood Tribe Treaty Entitlement Cattle Specific Claim about?

A1. Cattle were promised by Canada to the Blood Tribe orally and in written form in the Blackfoot Treaty of 1877 (also known as Treaty 7). These promises were made by specific reference to cattle as well as through the promise of creating an alternative economy.

The Blood Tribe was in a position to receive the Treaty Entitlement Cattle in 1882, however, the promised cattle **were never provided**. As a result of Canada not providing the cattle as promised the Blood Tribe suffered damages. These damages were significant and included the inability to establish an alternative economy once the Buffalo were gone, this resulted in the loss of income that could have been generated from the original herd as well as its growth over time.

Q2. Is this the same as a “cows and ploughs” claim?

A2. According to the Treaty if a band wanted to farm as well as raise cattle then it would receive fewer cows in exchange for agricultural implements such as ploughs and seed. A First Nation had the choice of either taking the full allotment of cattle OR a mix of cattle and agricultural implements and seed.

This is why some First Nations have made claims for "cows and ploughs" but historically the Blood Tribe has always wanted just the cattle and therefore the claim is based upon the full allotment of cattle.

Q3. What action did the Blood Tribe Chief and Council take?

A3. A Statement of Claim was filed in the Federal Court of Canada on December 11, 1997 to preserve the right to do so and then it was held in abeyance pending a resolution through the Specific Claims process. The Blood Tribe then filed a submission to Specific Claims in April 1998.

Q4. What are Specific Claims?

A4. Specific Claims are grievances by First Nations that arise from the failure of Canada to fulfill its legal obligations to First Nations in particular situations. Specific Claims provide First Nations with an alternative to going to Court regarding their claims against Canada. Where it is found that Canada has an outstanding lawful obligation to a First Nation, the parties may enter into negotiations to reach a settlement on the matter.

The Policy provides, as a general rule, that a claimant First Nation shall be compensated for the loss it has incurred and the damages it has suffered as a result of the breach by Canada of its lawful obligations.

Q5. What was Canada's response to the Blood Tribe's Specific Claim?

A5. In September 2011 the Blood Tribe was advised by letter from the Senior Assistant Deputy Minister, that it was the decision of the Minister of Aboriginal Affairs and Northern Development **not to accept** the Treaty Entitlement to Cattle Specific Claim for negotiation on the basis that there is no outstanding lawful obligation on the part of the Government of Canada.

Q6. What was the Blood Tribe's response once the Specific Claim was rejected by Canada?

A6. A Declaration of Claim was filed by the Blood Tribe with the Specific Claims Tribunal on September 18, 2012. If a Specific Claim is rejected by the Minister then a First Nation has the option to file a Claim with the Specific Claims Tribunal pursuant to the *Specific Claims Tribunal Act*.

Q7. What is the difference between filing a Claim in the Federal Court of Canada and the Specific Claims Tribunal?

A7. The Blood Tribe decided to file the claim with the Specific Claims Tribunal as this body was created specifically to handle claims that have been rejected by the Minister in the Specific Claims process. Filing with the Tribunal is less costly and also does not present the problem of a limitations argument. If the claim were filed in Federal Court, Canada may argue that the Blood Tribe has run out of time based on the statute of limitations. Time limitations are not a defence before the Tribunal. The Tribunal may award up to a maximum of \$150 Million.

Q8. Did the Treaty Entitlement Cattle Specific Claim get resolved through the Specific Claims Tribunal?

Q8 While the claim was with the Tribunal, Canada approached the Blood Tribe to see if the Tribe was interested in negotiating the claim and the Tribe agreed. Canada's request to negotiate was based on evidence that became available since the claim was filed and developments in the law. For the purposes of pursuing a negotiated

settlement, Canada admitted that it had breached the Blackfoot Treaty of 1877 by failing to provide the promised cattle.

On March 19, 2018 the Blood Tribe Chief and Council by BCR accepted the offer to negotiate. A Stay of proceedings was granted by the Specific Claims Tribunal during the negotiation period. The Tribunal supervised the negotiations through Case Management conferences to ensure progress.

THE NEGOTIATION PROCESS

Q 09. How was the settlement negotiated?

A 09. Blood Tribe Chief and Council and Canada established their negotiation teams. Chief and Council's negotiation team consisted of the Councillors who were on the Tribal Government Committee at the relevant times; they had technical support from the Tribal Government staff and legal support from Walsh LLP. Canada's negotiation team consisted of its negotiators and legal counsel from the Department of Justice.

Q10. How were the Tribe's losses determined?

A10. The Blood Tribe and Canada agreed that the year of entitlement for the cattle would be 1882 and the population numbers at that time would be accepted. The Parties agreed that 1910 be utilized as an end year for the purposes of the Proposal for Settlement.

Both parties agreed to a global approach to compensation on the Cattle Claim and also agreed that the recent Report from the Mismanagement of Assets Claim could be utilized for the purpose of negotiating a settlement of the Cattle Claim.

The Blood Tribe forwarded a global Proposal for Settlement on February 20, 2019 to Canada seeking the maximum amount of \$150 million, the maximum amount available under the Specific Claims Tribunal Act.

The proposal for settlement that was provided to Canada set out that compensation was owed to the Blood Tribe for:

- the value of the cattle that should have been provided in 1882,
- the value of the natural increase in the cattle to 1910 and
- loss of ranching income.

Canada initially wanted to accept only the physical loss of the Cattle and loss of income up to 1893 or some later date. Canada had also offered a quick settlement of the Claim if the Blood Tribe would accept \$50 million. The Blood Tribe refused and negotiated for the full amount as it strongly believed that it had more than enough evidence to support a higher amount.

GLOBAL SETTLEMENT OFFER

Q11. What was Canada's settlement offer to the Blood Tribe?

A11. March 2, 2021 Canada accepted the Blood Tribe's proposal for settlement for \$150 million and a formal letter of offer was provided to Chief and Council on March 2, 2021.

Loan funding of \$157,450 will be deducted from the \$150 million, this amount was used to cover costs of conducting the loss of use studies/assessments and negotiating the claim. The balance will be **\$149,842,550**.

Blood Tribe Chief and Council is recommending that voting members of the Blood Tribe accept Canada's settlement offer as the full and final settlement of the Claim.

SETTLEMENT AGREEMENT

Q12. What are the terms of the Settlement Agreement?

A12. The terms and conditions of settling the Claim are contained in the Blood Tribe Treaty Entitlement Cattle Specific Claim **Settlement Agreement**. Some of the key provisions of the Settlement Agreement are:

- **Compensation** – Canada will pay the Compensation amount of **\$150 Million less loan funding of \$157,450** to the Blood Tribe, if Blood Tribe voting Members ratify the Settlement Agreement and Trust Agreement. The funds will be deposited into a trust account.

- **Ratification Vote /Approval Threshold:**

The Settlement Agreement and Trust Agreement will be considered ratified by the Blood Tribe if 25% of the Blood Tribe Voting Members vote and a majority (50% + 1) of them vote in favour of the Settlement and Trust Agreements.

Q13. What is the process for accepting the Settlement Agreement?

A13. Blood Tribe Chief and Council will present Canada's settlement offer to the Voting Members of the Blood Tribe who will vote on whether to accept the Settlement Agreement and the Trust Agreement in a Ratification Vote. Upon a successful vote, the Parties then finalize the Settlement Agreement.

Q14. What happens if the Voting Members of the Blood Tribe approve the Settlement Agreement?

A14. The Blood Tribe Chief and Council will sign the Settlement Agreement and Trust Agreement and pass a Band Council Resolution ("BCR") indicating that the Settlement Agreement and Trust Agreement have been ratified. Blood Tribe Chief

and Council will then provide the signed Settlement Agreement and BCR to Canada. Canada will then sign the Settlement Agreement and will pay the Compensation to the Blood Tribe within 45 days of execution by depositing it into a Trust Account established under the Trust Agreement.

Q15. What happens if the Voting Members of the Blood Tribe do not approve the Settlement Agreement?

A15. If we do not reach the approval threshold the Blood Tribe Chief and Council will have the ability to call a second vote.

On the second vote, if a majority of those who voted, vote in favour of the Settlement Agreement and Trust Agreement then that will be a successful vote.

However, if the majority of Blood Tribe voters do not vote in favor, then the Settlement Agreement will be void and **no compensation** will be paid to the Blood Tribe.

The Blood Tribe could go back to the Tribunal with the Claim according to the *Specific Claims Tribunal Act*. However, this would require additional legal costs and risks and if the Blood Tribe was successful the Tribunal would not approve more than the \$150 million that was available through the Specific Claims process.

TRUST AGREEMENT

Q16. What is the Trust Agreement?

A16. The Trust Agreement sets out how the Compensation will be utilized and managed for the benefit of the Blood Tribe. The Compensation will be placed into a trust account which will be governed by the **Blood Tribe Treaty Cattle Claim Long Term Investment Trust Agreement**. Upon successful ratification of the Settlement Agreement and Trust Agreement Canada will deposit the Compensation into a trust account.

Q17. What happens to the Compensation when it is placed into the Trust Account?

A17. Once the Compensation is deposited into the Trust Account, it becomes “Trust Property” and will be governed by the terms and conditions of the Trust Agreement.

Q18. What are the Trustees’ Duties?

A18. The Trustees will be required to maintain accurate records of all transactions affecting the Trust Property (the Compensation) and to have audited financial statements prepared every year by an independent qualified auditor who then reports to the Trustees and Blood Tribe Chief and Council. The Trustees shall report to the Blood Tribe annually on the administration and status of the Trust Property.

Q19. What happens when the Trust Property (the Compensation) is deposited into the Trust Account?

A19. The Trust Agreement sets out that the Trustees can only deal with the Trust Property in the following ways:

Upon receiving the Compensation, the Trustees shall immediately make an initial distribution to the Blood Tribe as follows:

A per capita payment of \$3000 for each Blood Tribe Member who is registered, or who has made an application and is eligible to be registered, at the date of the distribution; and

The payment of the administration costs for the initial per capita distribution;

The payment of a maximum of \$450,000 for the reimbursement of costs incurred by the Blood Tribe to hold the Ratification Vote and conclude negotiations on the Settlement Agreement;

Payment to Blood Tribe Economic Development for the payout of the mortgage on the Kainai Market Place in the maximum amount of \$2,200,000;

Payment to Blood Tribe Public Works for the purchase of four snow blowers (to clear roads in the winter) for a maximum total of \$2,400,000; and

\$25 Million will be set aside into a separate account or investment for purpose of a Long Term Investment Fund;

- The Long Term Investment Fund will be a fund, account or investment that has as its purpose to benefit future generations of Blood Tribe Members through investments that will retain the original capital as well as the opportunity to have a reasonable rate of return.
- The Trustees are required to develop a plan for the investment, use and distribution of the income and capital of the Long Term Investment Fund within one year of the deposit of the Compensation in the Trust. The intent will be to invest and increase the Long Term Investment Fund and put restrictions on the spending of the Fund, taking into account:
 - that the Fund is intended for the long-term use and benefit of future generations of Blood Tribe Members;
 - that any annual payments that are made to the Blood Tribe from the Fund should not exceed what is earned in the investments in that year, if at all possible, in order that the Fund will continue to grow;

- that any annual payment that is paid to the Blood Tribe from time to time will be paid from investment earnings in a manner that provides the maximum protection from taxation.
- The Trustees must present the plan to Chief and Council who would either approve or provide reasonable recommended changes within six months of receiving the plan.
- The Trustees would review the investment plan on a yearly basis and if it is deemed appropriate to make any amendments to the plan or the uses of the Long Term Investment Fund then the Trustees would present the proposed amendments to Chief and Council for approval.
- The Trustees must prepare and provide the Blood Tribe with an annual report that would be made available to Blood Tribe Members with respect to the investment, use and distribution of the income and capital of the Long Term Investment Fund.

Distribution of Capital - The Trustees shall allocate the remainder of the Trust Property (the Compensation) as follows:

i) **Contributions to Capital Projects:** A portion of the compensation monies will be allocated to capital projects or contributions to capital projects on the Blood Reserve and used for the benefit of Blood Tribe Members, including but not limited to the following projects which will be owned by the Blood Tribe:

- An additional contribution to the Hockey rink;
- Multifamily Townhouses and/or Apartments;
- A Funeral Parlour;
- Homeless Shelters in Moses Lake and in Stand Off;
- Contribution to a new building for Blood Tribe Social Development;
- New Community Hall for Lavern Community;
- Upgrades to existing Community Halls: Moses Lake and Old Agency; and
- Contribution to a new building for the Blood Tribe Police Service.

ii) **Infrastructure or Assets:** A portion of the compensation monies shall be allocated to Infrastructure or the purchase of Assets on the Blood Reserve for the use and benefit of Blood Tribe Members, including but not limited to the following:

- Concrete Skateboard Parks in three communities: Stand Off, Lavern and Moses Lake;

- Community Play Grounds in Stand Off, Lavern and Moses Lake;
- Community Water Parks in Stand Off, Lavern and Moses Lake;
- Community Walking Paths in Stand Off, Lavern and Moses Lake;
- Community Outdoor Track and/or Soccer Field for Stand Off, Lavern and Moses Lake;
- Contribution to Urgent Care Centre/two Dialysis Machines;
- Contribution to Upgrades to Red Crow Park Arbour and Grounds/RV Hookups/Community Hall - Handgame Building;
- Contribution to Upgrades and new Internet system for the Blood Reserve;
- Enhancement of Stand Off Townsite;
- Contribution to Public Works for Water Infrastructure/Waterlines;
- Contribution to the purchase of the Blood Tribe Reserve School Bus Co-op Building and the return of the use and occupation of the lands that it is situated on;
- Upgrades to Lavern and Moses Lake Ball Diamonds; and
- New Ball Diamonds in Stand Off.

The Trustees will need to ensure that the Proposed Projects meet the criteria set out in the Trust Agreement.

Distribution of Income – Until the Termination Date, the Trustees shall pay the net annual income (the interest earned) to the Blood Tribe from the Trust Property (except for the income from the Long Term Investment Fund) each year for the purpose of a per capita payment to Blood Tribe Members. Depending on the amount available to distribute this may be paid annually or put with other per capita monies to be meaningful and beneficial to Blood Tribe Members.

Q20. What are the Authorized Investments?

A20. The Trustees primary concern will be to preserve and protect the value of the Trust Property (the Compensation); they will be authorized to invest trust funds to obtain a reasonable return while avoiding undue risk.

The Trustees must ensure that the Trust Property (the Compensation) is invested only in such investments that are permitted by the Trust Agreement and the principles governing the prudent investment of Trust property as set out in the *Trustee Act of Alberta*.

As the Trust Property (the Compensation) is intended to be spent on projects identified in the Trust Agreement, investments will be conservative.

Q21. Do the Trustees have to consider anything else when making Authorized Investments?

A21. Yes. The Trustees shall be guided by the following principles when making Authorized Investments:

- to preserve the value of the Trust Property; and
- to do whatever is legally possible to ensure that any Annual Income earned by the Trust Property is protected from taxation.

Q22. How was the use of the Trust Property (the Compensation) decided?

A22. The decisions on how to use the Trust Property (the Compensation), and what would be recommended to the Blood Tribe members for approval, were based on strategic planning sessions that the current and prior Chief and Councils have been involved in and input from Blood Tribe Departments and Entities. Chief and Council also took into consideration what has been voiced by the community throughout the years.

Q23. How do the Trustees make sure that the money is being used for the proper purposes?

A23. The money is to be used for projects as provided for in the Trust Agreement. The Trustees will require a request for the flow of funds from Blood Tribe Chief and Council, and detailed plans showing that the contributions from the Trust are for the benefit of the Blood Tribe members. The Trustees will release funds for the projects in accordance with established procedures.

Q24. What are Authorized Expenses?

A24. These are expenses reasonably incurred by the Trustees in carrying out the terms of the Trust Agreement. The Trustees will have the authority to pay administrative costs from the income and if necessary, from the capital. In order to have checks and balances on the costs of the administration of the Trust, a budget will be submitted and approved each year by Blood Tribe Chief and Council.

Q25. What is Annual Income?

A25. Annual Income is all interest earned by the Trust Property in any fiscal year. A qualified independent auditor will calculate the Annual Income earned by the Trust Property for the prior fiscal year.

Q26. Who is the Beneficiary of the Trust?

A26. The beneficiary of the Trust is the Blood Tribe.

Q27. Can the Trust Agreement be amended?

A27. Any substantive amendments to the Trust Agreement must be approved by the voting Members of the Blood Tribe.

Q28. When will the Trust Agreement terminate?

A28. As a result of the Long Term Investment Fund, the Trust Agreement will not terminate but will be in effect in perpetuity.

VOTING GUIDELINES

Q29. How will the Ratification Vote be held?

A29. The Ratification Vote will be held in accordance with the Voting Guidelines which are Schedule “6” to the Settlement Agreement. Blood Tribe voting Members will have the option of voting electronically. This option is available to ensure that all Blood Tribe eligible voters will be able to vote notwithstanding where they live or the COVID restrictions that are in place at the time of voting.

Q30. When will Notice of the Ratification Vote be posted?

A30. The Notice of Ratification Vote was posted on July 16, 2021, 2 months prior to the Voting Day.

Q31. Where will the Notice of Ratification Vote be posted?

A31. The Ratification Officer will post the Notice in 3 prominent locations on the Blood Reserve and in one location in Lethbridge and in Calgary. The Notice will also be published in community news media having circulation to Blood Tribe Members and on the Blood Tribe’s official website and other official social media platforms.

Q32. What is the ballot question?

A32. This the Question that will appear on the ballot when you go to vote:

Do you approve of and agree to the terms and conditions of the Blood Tribe Treaty Entitlement Cattle Specific Claim Settlement Agreement and Trust Agreement and do you authorize a quorum of Blood Tribe Council to sign all documents necessary to give effect to these Agreements?

Q33. When is the Voting Day?

A33. Electronic Voting will occur on September 14 and 15, 2021 and September 16, 2021 is the day for the In-Person Vote and is the final day for Voting.

Q34. Where are the In-Person Voting Stations?

A34. The In-Person Voting Stations will be located at:

STAND OFF: Multi-Purpose Building, Stand Off, AB

LETHBRIDGE: Italian Canadian Cultural Centre
1511 St. Edward Blvd North
Lethbridge, AB. T1H 2P9

CALGARY: Delta Hotel Calgary South
Nakiska Ball Room
135 Southland Dr. SE
Calgary, AB. T2J 5X5

Q35. What are the times for the Electronic Voting?

A35. The Electronic Voting will be available from

9:00 a.m. on September 14, 2021 to 8:00 p.m. on September 15, 2021

Q36. What are the hours at the In-Person Voting Stations?

A36. 9:00 a.m. to 8:00 p.m. on September 16, 2021.

Q37. Who is the Ratification Officer?

A37. Robin Little Bear

Q38. What is the Ratification Officer's mailing address and telephone number?

A38 (403) 332-2875 Box 299, Standoff, AB T0L 1Y0

Q39. How can a Voter vote electronically?

A39. The Blood Tribe has contracted with a company called OneFeather who have established an electronic voting platform that Blood Tribe Voters will be able to use to vote electronically. Visit the OneFeather website page at <https://onefeather.ca/nations/BloodTribe> to register and initiate the electronic voting process. Voters will be advised when the Voting website is able to be accessed.

Q40. Is Voting with OneFeather secure?

A40. Yes. All the data is encrypted when transmitted and stored behind the best firewalls and data protection systems in Canada.

Q41. Can a Voter/person Vote twice?

A41. No, it is impossible for a person to vote twice electronically on the same voting event using OneFeather. The electronic vote will be closed before the in-person vote opens and if you voted electronically you will not be able to vote in-person. A Voter will only get to vote once at the Ratification Vote, either electronically or in-person, but not both.

Q42. Is the electronic Vote anonymous and secret?

A42. Yes, just as an in-person Vote is secret, so is an electronic Vote. Once it is cast it is encrypted and stored in OneFeather's electronic ballot box – no one can see it – and it cannot be withdrawn, changed or otherwise tampered with. In the event of an objection, a Voter's digital foot-print and the authentication and verification procedures can be used to demonstrate that the Voter voted electronically and that all ballots cast are properly accounted for, just like at an in-person Vote but the Vote itself remains secret and cannot be connected to an individual Voter.

INFORMATION MATERIALS

Q43. What Information Materials will be available to Blood Tribe Voting Members?

A43. Materials will include:

- An Executive Summary of the Settlement Agreement;
- An Executive Summary of the Trust Agreement;
- An Overview of the Cattle Claim; and
- Frequently Asked Questions and Answers (Qs & As) on the Cattle Claim.
- Voting members will also be able to obtain a copy of the full Settlement Agreement and Trust Agreement upon request.

Q44. How will Blood Tribe Members receive these Information Materials?

A44. The instructions for Voters to obtain a summary or a copy of the Settlement Agreement and the Trust Agreement are posted with the Notice of Ratification Vote. Access to these documents and other relevant documents will be available on-line at official Blood Tribe platforms.

Q45. What other measures are being taken to ensure that Blood Tribe Members are informed about the Cattle Claim and the Ratification Vote?

A45. Information officers will be going out to each household on the Blood Reserve to provide the Information Materials and, if Covid-19 measures permit, to discuss the Cattle Claim with the voting Members of the Blood Tribe. Information Officers will also be in Lethbridge and Calgary. Blood Tribe Voters can call **1(877) 331-6070** to ask questions and get more information.

- Under the Settlement Agreement one (1) **Information Meeting** is required prior to Voting Day where information on the Settlement Agreement, Trust Agreement and the Ratification Vote will be provided. This will be a Virtual Meeting to be held on **August 18, 2021**. Information on registering for the meeting and access will be provided as soon as arrangements are completed.
- The virtual meeting will also be recorded and accessed through the Blood Tribe website after August 18, 2021. Any questions you may have after watching the video can be directed to **1(877) 331-6070**.

VOTING AND RESULTS OF THE VOTE

Q46. Who can vote in the Ratification Vote?

A46. Blood Tribe Members who are 21 years of age or older as of the Voting Day.

Q47. When will the results of the Ratification Vote be known?

A47. The Votes will be counted and made public after the close of Voting on the Voting Day.