



KIASHKE ZAAGING ANISHINAABEK

GULL BAY FIRST NATION
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August 9, 2016

Information for Ratification of the Timber Royalties Specific Claim Settlement Offer

I am happy to report to members the status of the above noted claim, which sees a just and sensible offer being presented to GBFN members for a vote. Let me briefly describe the basis of our claim assertions. The Timber Royalties Specific Claim addresses the overall failure of Canada in the fulfillment of its fiduciary duties and legal obligations stemming from the oversight of timber contracts. Between 1920 and 1950, contractors were authorized by Canada to remove timber resources from within the current FN reserve boundaries. It is KZA - GBFN's position that Canada did so without effectively administering the tender processes of these contracts; that Canada failed to accurately manage or accumulate harvest reports; and failed to collect associated payments and revenues for the remittance to GBFN. As such, GBFN is rightfully owed financial compensation for the losses in timber revenues that were to be paid.

After working on this particular negotiation, on and off, for more than eight years, I am personally very pleased to see this claim come to the point of the reception of what I feel is a fair and reasonable offer

In 2011, during the tenure of past-Chief Miles Nowegejick and his Council, Canada had sent a letter to the community that they were proposing to start negotiations on this claim. However, Canada gave GBFN a deadline to respond. Information that I would later obtain demonstrated that Miles did nothing in response to Canada's request to negotiate.

After the January 2013 election, when I returned to office after my two-year absence, I had discovered that the overall administrative, operational and financial state of the community was in complete shambles. For the next few months, Council and myself worked diligently to determine the exact status in all areas, while I reached out to Canada to enquire on claim matters that I knew were outstanding when I had lost the election in December 2010. In April of 2013, I was advised by Canada that the previous Council had indeed failed to engage Canada in pursuit of the Timber Claim.

At that point in time, there were only weeks remaining on the deadline given ex-Chief Nowegejick until Canada was in the position to legally close the Timber claim matter once and for all exclusive of the requirement of settling the file. **Without the action of my Council and myself, GBFN could have lost the ability to pursue this claim and to receive the monies associated with the compensation owed to our community for the related losses of timber resources.**

We immediately sent notice to start up negotiations and pushed onward. **In their initial claim offer, Canada was only classifying the compensation as to the financial losses suffered by the community as 'small' - less than \$500,000.** We refused the offer outright. GBFN engaged a team, comprised of legal professionals, an economist and a researcher, to review the previously submitted evidence, to produce new historical reports, and to develop estimation models as to damages. We held community meetings with members to share information and receive their feedback and direction. I am very proud and humbled by the outpouring of appreciation as to the commitment and determination put forward by both myself and the current Council to continue to represent our People in a honest, straightforward and tenacious way.

So now, on behalf of the GBFN Negotiation Team and the entire Council, I am writing to urge you to give serious consideration to the information in this package, and to participate by voting "YES" in the Ratification.

Chief and Council are asking Members to **vote "Yes"** for three good reasons.

First, as I have previously explained, **the negotiating process as undertaken by myself and Council was thorough.**

Second, the **global offer of EIGHT MILLION TWO HUNDRED THOUSAND SEVEN HUNDRED AND FORTY-TWO DOLLARS (\$8,200,742 CAD) is fair**, and after the FN deducts all invoices regarding the legal fees, negotiation expenses and ratification costs from the global offer, the remaining net compensation of EIGHT MILLION ONE HUNDRED AND NINE THOUSAND AND THIRTY-TWO dollars (\$8,109,032) is reasonable.

Third, if members vote to settle this claim, then Chief and Council can make a **Per Capita Distribution (PCD) of FIVE THOUSAND FIVE HUNDRED DOLLARS (\$5,500.00)** to all Members. Eligible members will be those names appear on the *Indian Registration System – Individual Report* for GBFN (Band List) at 7:59 pm on September 10, 2016 – just preceding the closure of the polls, with the result decision made by Members only impacting Members to that exact point in time. The option to make per capita distribution payments was put forward by Members and has been widely endorsed at community meetings. It reflects a broad consensus about what GBFN Members want to be done with this Claim money.

The Ratification vote on the Timber Royalties Specific Claim will be held:

SATURDAY, SEPTEMBER 10, 2016

In-person Voting Station located at the Kiashke Zaaging Anishinaabek

Gull Bay First Nation Recreation Centre, with polls open between 12:00 pm and 8:00 pm.

Chief and Council **urge all members to vote**. If a majority of Members vote in the Ratification and a majority of **those who vote put their “X” in the “YES” box, then Canada will pay** the compensation to KZA - GBFN.

It is **important** to understand what will happen **if not enough Members vote** or if a majority of voters reject the package. If less than 25% +1 of our voting Members **do not vote**, or if a majority of votes cast are **“NO”** it will be taken as evidence that the proposed settlement offer does not have the support of GBFN members and Canada **WILL NOT PAY** the compensation. If this happens, there will be **no further negotiations**, but KZA - GBFN could still take Canada to Court. As I have outlined at previous community meetings, litigation is not only extremely costly and time consuming, but the court process has no guarantees as to the outcomes. KZA – GBFN would also have to find the funds to pay the legal and court costs up front, as Canada would obviously not offer loan funding to a FN suing them.

Therefore, it is **important** for Members to vote. Members are also **encouraged to attend information meetings** at which specific details and conditions of the offer will be shared and discussed. **The scheduled dates for the community meetings are:** for members residing outside of GBFN on **Wednesday, August 24, 2016 from 6:30 -8:30 pm at the Valhalla Inn, in Thunder Bay, ON;** and for members residing in GBFN on **Thursday, August 25, 2016 from 9:30 - 11:30am at the KZA – GBFN Recreation Centre.**

During the presentations on August 24th and 25th, Chief and Council, along with members of the GBFN Negotiating Team, independent Financial Advisor, and Timber Claim counsel, will outline information on the Settlement and Trust Agreements which should assist members in making their decision. We will help you to process the information and outline the necessary paperwork to ensure that your vote will not be spoiled, **BUT we will not tell you how to vote.**

Members residing off-reserve are to receive voting packages containing the following:

- ‘Notice of Vote’ which has been posted in the community
- Mail-in ballot and ballot envelope
- ‘Declarations of Mail-In Voter and Witness’ form
- copies of both the Settlement Agreement (which also contains the Voting Guidelines) and the Trust Agreement
- Summaries of the two Agreements that were prepared by our lawyers Kim Alexander Fullerton and Frank Meness.
- Postage-paid return envelope which must be received by the Ratification Officer no later than Friday, September 9th at 4:30 pm

IF YOU WOULD LIKE HELP, PLEASE BRING YOUR MAIL-IN VOTING PACKAGE TO THE THUNDER BAY MEETING SO YOU MAY ASSISTED by the Ratification Officer who will be available to answer questions and support off-reserve members.

Chief and Council **strongly urge** you to read all of the information contained in the voting package, attend a community meeting, and then vote **"YES"** in the Ratification.

It is once again critical that all GBFN **members are encouraged to update their contact information** to ensure their full participation in this and upcoming processes of their Nation. I cannot reiterate enough the importance of member engagement, in not only the approaching Timber Claim meetings and vote, but also in upcoming community processes.

Not only are there are still **three substantial claims that remain outstanding** for GBFN, but also quickly approaching is our upcoming **election of Chief and Council in November of this year that will mandate a FOUR-YEAR TERM** to successful candidates, in accordance with the First Nations Elections Act protocols.

While I remain hopeful that the Crown responds to the FN's requests to carry on discussions leading to the respectful resolution of the Nation's **Larger Land Base Claim**, I also recognize that we must continue to move forward with activities relative to the Land Base Claim **filed with the Ontario Superior Court of Justice** in February of this year. GBFN seeks to have the reserve boundaries recognized that should have been established in 1850, **potentially increasing the size of our current reserve by ten times and seeks damages in the amount of \$150 million dollars** for the timber and other resources unlawfully taken since then. To both refresh memories and offer those yet to be familiar with the claim, early in the 1850's, the Crown discovered that government officials failed to establish the proper reserves promised in the Robinson Treaties. While the Crown promptly fixed this mistake for some FN communities and has made further settlements with others in recent years, the governments have consistently avoided dealing with Gull Bay's claims.

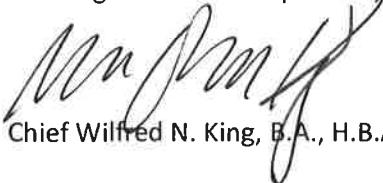
Although GBFN settled with Ontario Power Generation (OPG) in November 2014, and members received per capita distributions from the \$12 Million dollar settlement agreement, negotiations are still ongoing on the **Flooding Grievance Claims with the two remaining parties, being Ontario and Canada**. This process also represents a considerable settlement distribution to GBFN and its Citizens stemming from flood damages to the community, the Traditional Territories of the First Nation and the Traditional way of life for members of the FN including the impacts against their Aboriginal and Treaty rights.

Also, as I announced not long ago, the **Highway Expropriation Claim** continues to be pursued vigorously by this Council with the matter very recently being recommended for **referral to the Specific Claims Tribunal** with Canada.

I am determined to see these three outstanding claim matters resolved. I strongly feel that our Nation simply seeks fair and just resolution to longstanding issues. It has always been our community's preference to work together to address the errors of the past. It is the intention of myself and the current Council to ensure our rights are protected under the Treaty. I hope that the governments will move quickly to negotiate disputes rather than force our matters to proceed through litigation, but I remain steadfast in my pursuit to ensure that our Land and Resources are protected and to see that our members are supported - by all legal means possible and through all available avenues.

In closing, on behalf of the GBFN Negotiation Team and the entire Council, I am once gain urging you to give serious consideration to the information in this package, and to participate by voting "YES" in the Ratification. I look forward to meeting with members on the variety of FN business to be discussed in the many upcoming information sessions that are on the community's current schedule. As always, I remain honoured and privileged to be your agent as GBFN Chief.

Chi-Miigwetch and Respectfully yours,



Chief Wilfred N. King, B.A., H.B.A., LL.B.