

2019



PEGUIS FIRST NATION
SURRENDER CLAIM TRUST

Building *Our* Future

ANNUAL REPORT

FOR THE PERIOD ENDING DECEMBER 31, 2019



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INTRODUCTION

FINANCIAL CHAIR'S MESSAGE

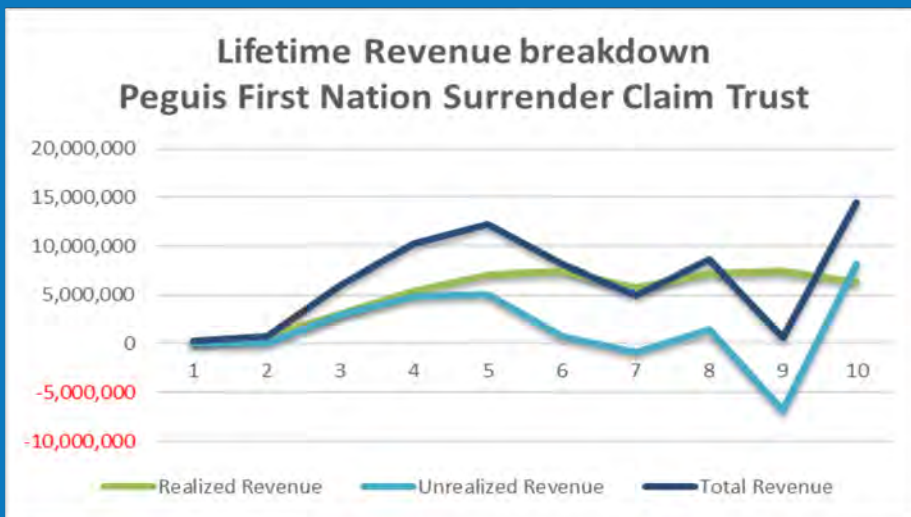
Greetings to the Trust Beneficiaries. This year marks eight years of Financial Trustees managing the assets by the terms of the Trust. As Financial Trustees, we are responsible for the assets, investments, and financial operations of the Trust. We engage professional investment managers, advisors, management, and staff to assist with governing the Trust. Our focus is to balance the Trust's financial ability to equally meet the needs of today's beneficiaries with those of our future generations.

2019 Results



Financially, the year-end Trust net balance increased by \$10,072,774 (8%), revenues rebounded to the highest level on record, and operational expenses increased below inflation levels. While investment results this year are exceptional, it is essential to remember that the financial markets are volatile. The effect of the global Covid-19 pandemic has impacted almost everything in our daily lives. Our Trust was not immune to the recent financial market volatility. The Financial Trustees have ensured we remain vigilant and focused on our disciplined investment philosophy and processes. We know that sticking with the Trust's prudent, long term investment plan and avoiding speculation or panic is the best way to protect capital and grow wealth for the betterment of our community.

It is important to note that the fluctuations in trust value are primarily due to 'paper' or unrealized gains or losses. We are pleased to report the 'actual' or realized income has remained at stable levels compared to previous years of Trust operations (as illustrated as 'Realized Revenue' in the graph below).



MISSION STATEMENT

"To manage and safeguard the Trust so it will benefit the people of Peguis for all time. We are dedicated to apply our resources to support Peguis, to build a strong nation, to elevate the quality of life for our people and to preserve and protect the legacy that defines us as a sovereign nation."

BACKGROUND

On June 29, 1998, after 91 years of struggle by Peguis First Nation, Canada confirmed it agreed with Peguis that the 1907 surrender of the St. Peter's Reserve was void and legally invalid due to Canada's failure to comply with requirements of the Indian Act of 1906. Canada and Peguis entered into negotiations to compensate Peguis for its loss of land and economic loss as a result of this illegal surrender.

On June 13, 2009, Peguis members voted in favour of the proposed settlement claim and the agreement was ratified by the parties on October 4, 2010.

The total settlement amount was \$126,094,903.00. Upon payment of settlement costs and legal fees, Canada deposited \$118,750,000.00 into the Peguis First Nation Surrender Claim Trust.

Looking forward to 2020 and beyond, we continue to strive for improved efficiency and capacity in Trust investment and operations. Continuous monitoring of key measurements and annual strategy planning are our primary methods of improvement.

The new reality brought on by the global pandemic has presented challenges in how we do business. We have indefinitely postponed physically hosting our Annual General Meeting (AGM). Our hope is the restrictions set by health authorities open to provide us with an opportunity for an AGM in the coming months.

Vacant trustee positions remain unresolved this year. The call for Trustee positions by an appointed nominating committee has yet to complete the process of restoring a full board of trustees. For the past five years, both Community Fund and Financial Trustee boards have operated with minimum members for a quorum.

I want to thank the administration of the Trust for their work supporting the Trustees responsibilities. Please take the time to read and digest the annual report. We strive to be open and transparent with Trust operations with the detail provided in this annual report and also by keeping our website updated with current information.

Most importantly, we thank you, the beneficiaries, for your continued support of the Peguis Surrender Claim Trust.

Sincerely,

Peguis Surrender Claim Trust
Errol Wilson
Financial Trustee, Chair 2019

COMMUNITY FUND CHAIR'S MESSAGE

In 2011 the Peguis membership elected the Trustees that are continuing to serve you today. The past 10 years have been a decade of growth and learning the Trust industry and providing funding to the membership for their dreams and projects. We have lost a few Trustees since then, for various reasons, but have remained steadfast in making sure that the Trust stays true to our mission statement.

“The Surrender Claim Trust will manage and safeguard the Trust so that it will benefit the people of Peguis for all time. We are dedicated to apply our resources to support Peguis, to build a strong nation, to elevate the quality of life for our people and preserve and protect the legacy that defines us as a sovereign nation”

Chief Peguis stated in 1863 in a letter to the Queen Mother “A proper settlement to be made with us for our lands, so that our children, and our children’s children, whose lands are being taken possession of by foreigners, may receive what is just and fair for the loss of their lands”. We honor Chief Peguis’ vision by ensuring that the settlement approved in 2009 will benefit our people for generations to come.

The Peguis First Nation Surrender Claim Trust is built on a solid foundation that will continue to grow

and provide the resources that Peguis needs for the prosperous future, that Chief Peguis envisioned. We have created one of the most successfully managed First Nation Trusts in Canada. The Trustees have addressed the need to protect the principal, make it grow and ensure the community benefits from resources that the Trust provides. Our administration team, led by Sharon Stevenson-French, have done and are continuing to do the hard work with the community and Trustees that helps makes our Trust a success.

It is an honor to have been chosen by the people to serve and protect a Trust that is so important to our future. We look forward to a brighter and prosperous future for generations to come.

Since 2011, the Community Fund Trustees have approved 527 applications totaling \$29,504,898.

Miigwech, Ekosani, Thank you,

Hal Sutherland
Community Fund Trustee
Co-Chair 2019

Lloyd Sinclair
Community Fund Trustee
Co-Chair 2019

OUR TRUSTEES

The duties and responsibilities of the Trustees are contained in the Trust Agreement. Each year the Trustees are required to provide Chief and Council and upon request any member of Peguis First Nation with financial statements for the Trust as well as a report on the administration of the Trust. The report describes the income and expenditures of the Trust, the activities of the Trustees and a report on the investments of the Trust.

FINANCIAL TRUSTEES



ERROL WILSON
Chair Financial Trustee

Errol is employed as Operations Manager by the Alberta Indian Investment Corporation. Errol's lifelong learning includes Rotman-ICD Directors Education at University of Toronto and an Executive MBA at University of Alberta. Currently, he resides with his wife Velvalee in the city of Edmonton. Errol Wilson is Cree-Ojibway from the Peguis First Nation in Manitoba.



ELVA McCORRISTER
Financial Trustee

Elva is the On-Reserve Trustee. She is retired and has held many senior management roles in Peguis and other Provincial Territorial Organizations. She holds a Bachelors degree from the University of Calgary. And provides consulting services related to the health industry and general business development. You can find her in and around Peguis with her family and many friends. A proud mother, grandmother, great-grandmother and auntie to a large extended family.



ROB MAGNUSSON, CPA

Rob Magnusson was born and raised in Selkirk, Manitoba. He obtained his Bachelor of Commerce (Honours) degree from the University of Manitoba and then obtained his Chartered Accountant designation. He was appointed as the Chartered Accountant Financial Trustee in 2014. He has previously served on a number of Boards, including End Homelessness Winnipeg and the Health Sciences Foundation.



BILL WILLMS
TD Corporate Trustee

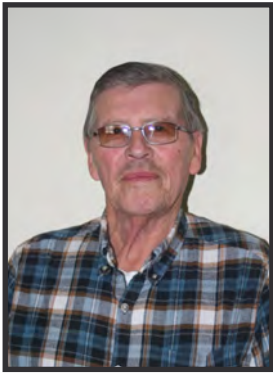
Regional Manager, Indigenous Trust Services. Bill has over 28 years of experience in the trust industry, approximately 20 of which include administering Indigenous trust and custodial accounts. Working with Indigenous communities, he provides investment and trust training, guidance with respect to the implementation and ongoing administration of their trusts and acts as a general resource to assist them in carrying out the provisions of their trusts. In addition to a university degree, Bill holds a TEP designation through STEP and has completed various industry courses. He is a current member of the Winnipeg chapter of STEP and the Winnipeg Estate Planning Council, where he served as President. Outside of work, Bill enjoys outdoor activities which include hunting, fishing, snowmobiling and kayaking.

COMMUNITY FUND TRUSTEES



HAL SUTHERLAND
Co-Chair Community Fund Trustee

Hal is the Off-Reserve representative for the Community Fund Trustees. He is a Border Services Officer with the Canada Border Services Agency serving since 1984. Hal is a recipient of the Peace Officer Exemplary Service Medal due to the good conduct he has shown as a Border Services Officer. He is a graduate of Peguis Central School. Hal resides in Winnipeg with spouse Mirinda where they raised their 3 children and are the proud grandparents of 10.



ROBERT DELORME
Community Fund Trustee

A historian and storyteller, Robert enjoys visiting with family, friends and community members. He joins the Trust after spending twenty years with Peguis Child and Family Services. Robert and his wife, Loreen spent many years in the North, at Hay River and Pine Point, working hard and raising a family.

Born in St. Peters and raised by his grandparents, Robert has a rich history and strong family connections that keep him humble and full of stories.



LLOYD SINCLAIR
Co-Chair Community Fund Trustee

On-Reserve Community Fund Trustee. Lloyd has been married for 43 years to Janice, is the father of 3 children, they have 18 grandchildren and 1 great-grandchild.

Lloyd was on Peguis First Nation Council for 10 years and was involved in the negotiation of the TLE Trust and the Surrender Claim Trust. He is currently self-employed.



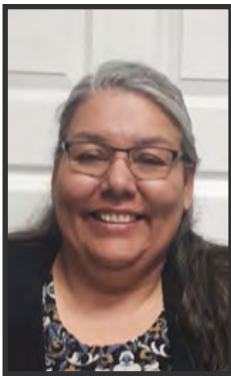
OUR STAFF

With our office located in the Peguis Recreation Centre, staff welcome the opportunity to meet with beneficiaries to discuss funding for their ideas, hopes, dreams and wishes. It is our pleasure to discuss the Trust criteria, application completion, business plans, alternative funding sources and additional resources available to applicants.



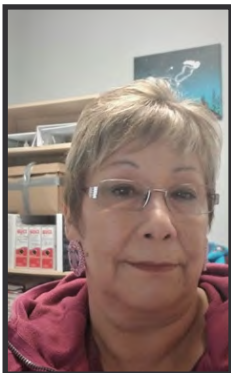
SHARON STEVENSON BA, HBA, CAFM, CAPA
Trust Manager

Sharon has been with the Trust for four years. She brings with her a wealth of knowledge based on her financial management background and experience, sitting as a TLE Trust Financial Trustee for twelve years, and her many years of experience with community, provincial and national boards. Sharon is a graduate of Peguis Central School, University of Manitoba and the University of Western Ontario and Harvard Business School. She also has her designations from AFOA Canada, in recognition of her financial and management training and experience. Sharon also welcomes the opportunity to present and speak on Trust-related topics at national conferences.



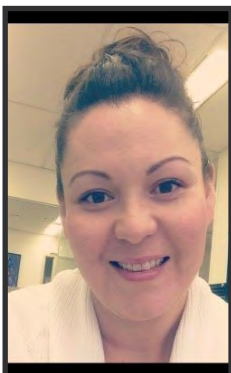
DEBBIE McELHINNEY
Community Fund Project Officer

Debbie graduated at Prince George Senior Secondary School, Prince George, BC with Honors in Business. Attended Saskatoon Business College, Saskatoon, SK completed Word Processing Secretarial, and she completed 1st Year Accounting Technician, Rossan College, Ireland. Debbie graduated Community, Development & Administration Diploma with Honours at University College of the North, The Pas, MB and is also Accredited with Cando as Certified Technician Aboriginal Economic Developer (TAED). Debbie also completed National Aboriginal Trustee Training Program and Received the Atleo National Aboriginal Trust Officers Association Award for Top Student. She also received Service Excellence Awards for unqualified audit with Dallas/Red Rose Community Council.



DENISE SINCLAIR
Finance Assistant

Denise completed grade 12 with Certificate in Business Education & Retailing. Denise attended Angus/Business College for Secretary Course and RRCC for Accounting & Bookkeeping courses. And also completed the NATOA Trustee Accreditation course. She recently completed a Quickbooks accounting software course. Denise worked with the Trust since 2016 as Administrative Assistant, then took on the role as Financial Assistant.



NIKKI STEVENSON
Administrative Assistant

Nikki joined the Trust in 2017 to assist the staff and Trustees in an administrative capacity. She completed her 1st year Business Administration program at Red River College. Nikki also has her Culinary Arts certificate from RRC. She is a secondary graduate of Peguis Central School. Nikki welcomes the community members to the Trust office and proudly supports the staff & Trustees.

CORPORATE TRUSTEE TD SUPPORT



MICHELLE SAMAGALSKI
Regional Manager (Prairies), Indigenous Trust Services

Michelle has over 30 years' experience in the Trust Industry. In addition to managing complex Indigenous Trust accounts throughout the Prairies and Northwest Territories, she presents at the National NATOA conference and is involved with AFOA. She has a background in law and finance, as well as Indigenous Studies and has completed numerous industry related courses. She is the Student Liaison for the Winnipeg Branch of the Society of Trust and Estate Practitioners (STEP), and an Advisory Board member for the Public Guardian and Trustee of Manitoba. She is married and has a disabled adult daughter. She enjoys kayaking and is former resident of Nunavut.



CHARLENE GILL
Associate Trust Officer

Charlene has five years' experience in the Trust industry. She joined TD three years ago as a member of the growing Indigenous Trust Services Team. She is responsible for the day-to-day administration and support of First Nations Trusts. She also maintains regular correspondence with her administrative counterparts within First Nations communities. Her education includes Indigenous Studies, and Social Work; through which she regularly volunteers with immigrant and refugee youth as well as the elderly. She holds a certificate in Counselling and is currently working toward her TEP designation through STEP

TRUST ACTIVITIES & EVENTS

Throughout the year, the Peguis Surrender Claim Trust engage in various activities to promote and support the Trust and the community.

Peguis Training & Employment Career Fair is held annually in March. It provides us the opportunity to present to the Junior and High School students from Peguis Central School about the career opportunities within the Trust industry and from Peguis based on the community planning discussions. Many students may not have considered a career in the trust industry or finance and management, these careers are much needed for Peguis.

The Annual General Meetings (AGM) were held in May, with sessions held in Peguis and Selkirk. The Peguis meeting was attended by approximately 200 people and we met with nearly

100 people in Selkirk. The AGM provides us with the opportunity to share the community fund application grants provided in 2018 and the update on the investments for the year.

Proponents, those that received funding, are asked to make a presentation to the community to share their experience and benefits of funding from the Trust. The investment advisor, TE Wealth and an investment manager, are also available to present the update on the investments and the market effects. Our auditor is BDO and they present the audited financial statements and notes to the community. We are grateful that our partners can join us to present to the community and to be available to community members for discussion. An Annual Report is provided to the community, and the audited financial statements are also available for

distribution. We are thankful to the community for their attendance. There was a group of young men outside the community hall, who asked if we needed help and they helped setup and prepare for the meeting, we are thankful for their consideration and support.

Peguis Central School Heritage Day provided the Trust with the opportunity to share some of the history of the Anishinabek people, our migration to the west, the stories in our artwork, and the leadership provided by many community members. We wanted to acknowledge and share the rich history we have in Peguis and the trials and challenges our ancestors endured. We shared the history of the illegal surrender of St. Peters Indian Reserve and the home and lands we had lost to move to Peguis and set up new homes and a community.

Throughout the year, we engage in mentoring programs with the Training and Employment Program. They offer the Youth Mentorship Program and Adult Mentorship Program, whereby a Youth or Adult is placed in our office for a period of three months. During this time, we provide them with a job description and duties as an Administrative Assistant. In 2019, we had the opportunity to work with George Asham and Katy Sutherland.

The Interlake Reserves Tribal Council also held a mentorship program for young adults and we had the privilege of working with Anthony Thomas for a three month period.

The Trust held a Community Vote in August 2019 seeking approval for the Peguis First Nation Splash Pad Project. The project was seeking funding of up to \$500,000 for the construction of a \$650,000 Splash Pad. After receiving approval and recommendation from the Community Fund Trustees and Chief and Council, the community is required to approve any project funding over \$298,062.37. The community voted in favour of funding the Splash Pad project, with 350 registered voters: 243 voted yes, 42 voted no, and there were 2 spoiled ballots.

The Community Vote in August, also surveyed the registered voters at the meeting on whether Cannabis should be removed from the prohibited drug list, as it had been legalized in 2018. Currently, project applicants undergo a drug test as

a contingency to approval of their project funding. Anyone testing positive for a prohibited drug will have their application rescinded and not eligible for funding. The results of the survey were 125 voted in favour to remove cannabis from the prohibited drug list and 57 in favour of keeping cannabis on the prohibited drug list. As a result of the low turnout on the survey, the Community Fund Trustees have chosen to keep Cannabis on the prohibited drug list.

The Trust also administers a Summer Research position for a post-secondary student to assist and support the staff. In 2019, Tracey Stevenson joined our office and was provided with specific projects for her pursuit and undertaking over the summer. We also ask that the summer student seek out resources and supports for the youth, based on her peer group and their needs and to seek out opportunities available to the youth.

As the Peguis Summer Employment Program is one of our funded proponents, we also make our office available for placement for the summer students, during their two-week engagement.

The Trust participated in a Peguis Youth Forum held at the Community Hall, with presentations by the various organizations and programs within Peguis. We had our youth employees present on behalf of the Trust. They presented on what the Surrender Trust is and why we have one, the projects funded that support the youth, and potential project options and grants for the youth, as to what is possible. We hope to inspire the youth and share with them some of the projects funded by the Trust or by the projects undertaken by youth in other communities. Thank you to Tracey Stevenson and Mekhi Parisian for their contributions and presentation.

With the students back in school in the Fall, the office becomes quieter without the temporary summer staff. The summer students informed us that there are very few part-time employment opportunities for them after school. Based on these comments and support that students provide to our office over the summer, we instituted a part-time employment program for Grade 12 students. We focussed on the Grade 12 student who is pending graduation, to be able to provide them with some



resources: data, connections and financial, to assist them as they prepare for the next phase in their life. Working with the student in our office, also provides us with the opportunity to get to know the person, their schoolwork and activities and their recreational pursuits. We also get to share with them the work we are doing at the Trust for the community and resources we have available to assist proponents. We hope that the information and training that they receive from the Trust would build their confidence and provide them with support for their pursuits. We would like to acknowledge and say thank you to our Grade 12 students who joined us during 2019:



- Abigail Spence – Graduate 2019
- Mekhi Parisian – Graduate 2019
- Beth Asmus – pending Graduate 2020
- Krista Stevenson – pending Graduate 2020

Peguis Recreation Open House was held in December for the businesses and organizations that operate out of the Recreation Centre. The following organizations proudly supported the Open House: Peguis Recreation; Peguis TLE Trust, Housing Dept; Lands Dept., Treaty Auto and the Peguis Surrender Claim Trust. Our offices were open to the community members and snacks were provided to the visitors, along with the opportunity to enter into draws for door prizes.

Midnite Madness & Community Draw was held to promote and support the community at the end of the year. Midnite Madness was attended by many community members and with a large variety of events and vendors available. To give back to the community and show our Christmas spirit, a draw was held for an Ethan Bear, Edmonton Oilers jersey and a Zach Whitecloud, Vegas Golden Knights jersey. We had over 600 people attend our booth. The proud winners of the jerseys were Kyle McCorrister for Zach Whitecloud and Greg Daniels' son for Ethan Bear's jersey.

CAPACITY BUILDING & PROFESSIONAL DEVELOPMENT

In our effort to ensure that the Trustees and staff keep abreast of the ever-changing Trust and Investment industry, they engage in professional development. The skills, resources and contacts made through these engagements offer many opportunities for the development, enhancement and growth of the Peguis Surrender Claim Trust.

As a leader in the Indigenous Trust industry, the Peguis Surrender Claim Trust encourages the sharing and distribution of knowledge with the community and beneficiaries. The community presentations allow us to build capacity with our members and to inspire the members to pursue their dreams and instil pride in their heritage and history of Peguis and the Trust.

NACCA National Indigenous Economic Prosperity Forum 2019 - The National Aboriginal Capital Corporation Association held their first annual conference in February 2019, in Ottawa, Ontario. Sharon Stevenson, Trust Manager attended this event to seek out resources, ideas and partnerships for the economic benefit potential of our clients. NACCA is the national organization for the Aboriginal financial institutions in Canada. Sessions included information on: Futurpreneur and providing financing, mentoring and support tools for small businesses and entrepreneurs, VanCity Financial and the partnership work they are doing with indigenous clients and supports for their economic initiatives; Business Development Bank of Canada (BDC) and their work with entrepreneurs and the supports from the Manitoba Regional office; Caroline Hilton from Indigenomics Institute provided the keynote address on the Indigenous economy and how much of an impact

we are having and can have on the national economy. The regional capital corporations were in attendance and were able to share some of their successes with the Awards banquet and to discuss access to capital for their clients.

NATOA National Conference was held in Vancouver, BC in May 2019 and is attended by trustees from indigenous trusts across Canada. This conference was attended by Elva McCorrister, Hal Sutherland and Sharon Stevenson-French. We were joined by Councillors Martin Favell and Kelvin Wilson at the conference. As first-time attendees, they were able to get a perspective on the role of the Trustee, the investment industry and to meet many trustees from other Indigenous communities and people in the Trust industry. At the Trustee Perspective session, we were able to share the challenges with being a Trustee in your community and trying to maintain the role of trustee versus a beneficiary. There were several presentations on wealth strategies, including ESG (Environmentally, Social and Governance investments), growth versus value and spending limits within the trust based on income generated and future demands. With about 250 delegates in attendance, we were able to visit with other indigenous Trustees, meet new and old trust industry professionals and see what was happening with other Trusts across Canada, that are valued in the billions of dollars.

Institute of Corporate Directors provides training for corporate board members on the roles and responsibilities of the board member. This training is provided over a series of four modules and is a nationally accredited designation. Errol Wilson, Financial Trustee had registered to undertake this training and designation. He has completed Module 1 – Guiding Strategic Direction & Risks: which provides a comprehensive overview of the fundamental board tasks and processes including director legal duties and responsibilities, overseeing strategic decisions, as well as managing group dynamics and decision-making in the boardroom. The three remaining modules will take place in 2020.

AFOA Canada National Conference, October 2019 was held in Saskatoon, Saskatchewan with the theme 'Managing Through Disruptions', which includes natural disasters, acts of god, cyber-attacks and community events. A timely theme, as many were affected by the debilitating snowstorm that followed the close of the conference. The AFOA National Conference receives approximately 1000 delegates, primarily from across Canada, however delegates have been attending from the US, Australia and New Zealand. With over 200 tradeshow booths and presenters, it is the premiere conference on indigenous finance. As a National Board Member of AFOA Canada, Sharon was asked to join a panel discussion on a Balance Approach Between Growing Wealth and Per Capita Payments, along with Chief Billy Morin, Enoch Cree Nation, Tim Laronde,

Peace Hills Trust and Miriam Jorgenson from the University of Arizona. As many Indigenous Trusts also attend this conference, this provides the opportunity to discuss opportunities and challenges with the Trusts.

Rodgers Trust & Investment Conference hosted their annual conference in Toronto, Ontario in October 2019. This conference was attended by Nikki Stevenson, on behalf of the Trust. The professional development opportunity includes the Investment Challenge Team, whereby delegates are placed in teams and must manage an imitation portfolio, including buying and selling stocks and bonds. This provides a good insight into the rise and fall of the markets, the effect of the environment on the value of the stocks and bonds and the opportunity to get to know other delegates on your team. The conference also provides educational information on Trust & investment basics, which is good for new Trustees or staff to be aware of the Trust as a legal document and a basic understanding of investing in stocks and bonds. There are also subsequent sessions for advanced Trust issues and Investments. A Trustee must also be aware of the fiduciary responsibility that they take on as a Trustee and the role and responsibility of a Trustee. The Per Capita Distribution with Trusts is always an issue, as to whether or not to have a distribution, and if so, how much. This session provided a great opportunity to discuss how the level of the distribution can positively affect the member and how a large per capita distribution can negatively affect the community and its future members. Another session she participated in was a discussion on community engagement, and how some communities have a hard time to get members to attend their community meetings and to get Trustees to represent their trusts. Luckily, in Peguis, we have some great supports from the community members who actively look forward to our Annual General Meeting and the updates from the Trust on our investments and the projects funded for the year. We also have tremendous support from our Investment Managers, Advisors and vendors, who proudly sponsor the door prizes and donations for our community meetings.

The Assembly of First Nations held a National Cannabis & Hemp Conference in November in Kelowna, BC. This conference was attended by Elva McCorrister and Debbie McElhinney. As Peguis is getting into the Cannabis industry, it is imperative that we be prepared and informed on any new or potential business ventures. This conference was able to provide a first-hand opportunity to discuss the feasibility of a cannabis production plant, the challenges and concerns regarding the Cannabis industry and operations and the opportunity to inquire with other First Nations on their experiences with cannabis regulations and development.

On June 29, 1998, after 91 years of struggle by Peguis First Nation, Canada confirmed it agreed with Peguis that the 1907 surrender of the St. Peter's Reserve was void and legally invalid due to Canada's failure to comply with requirements of the Indian Act of 1906.



On June 13, 2009, Peguis members voted in favour of the proposed settlement claim and the agreement was ratified by the parties on October 4, 2010. The total settlement amount was \$126,094,903.

TRUST NOMINATING COMMITTEE

Trust Nominating Committee Members, as appointed by Chief and Council, are Dave McPherson, Victor Sutherland, Jordan Ulrich, Joanne Mason, Mike McDonald, Jeremy Hrapsted and Wade Sutherland.

In February 2019, the Trust Nominating Committee had filed their list of eligible applicants to stand for nomination of Trustee vacancy positions with Chief and Council.

Once the Chief and Council review and approve the eligible list of applicants, they would secure an electoral officer and call for an election of Trustees.

The Peguis Surrender Claim Trust Financial Trustees currently have three vacancies and the Community Fund hold two vacancies for Trustee positions.

TRUSTEE HONORARIUM

Elected Trustees are provided with an honorarium for meetings to a maximum of 18 meetings per year. Any meetings beyond the 18 approved meetings are not paid honorarium. The honorarium is recorded and paid out throughout the year. In some cases, the accrued honorarium will be paid out in the following year.

FINANCIAL TRUSTEES	# of Meeting	Honoraria	Travel	Prof. Dev.	Total
Errol Wilson, Chair	18	\$9,000.00	\$19,418.00	\$5,000.00	\$33,418.00
Elva McCorrister	20	\$3,900.00	\$8,082.00	\$3,652.00	\$15,634.00
Rob Magnusson, CA Appointment	10	\$10,950.00	\$987.00	\$1,510.00	\$13,447.00
COMMUNITY FUND TRUSTEES					
Hal Sutherland, Co-Chair	22	\$5,700.00	\$4,618.00	\$2,276.00	\$12,594.00
Lloyd Sinclair, Co-Chair	21	\$5,900.00	\$8,523.00	\$0.00	\$14,423.00
Robert Delorme	18	\$5,600.00	\$6,198.00	\$0.00	\$11,798.00

FINANCIAL OPERATIONS REPORT

Investment Income Received for the Period

The investment income and capital gains generated from Trust investments for the period was \$6,412,610. Of this amount, \$3,956,270 represents interest and dividend income and \$2,456,340 represents realized net capital gains.

Expenditures Incurred for the Period

Expenditures incurred for the period totalled \$1,508,593 and were comprised of corporate Trustee fees, investment management and consulting fees, Trustee honorarium and expenses and other professional fees as follows:

▶ Investment Management fees	\$457,520
▶ Accounting and Audit	\$22,852
▶ Legal Fees	\$11,197
▶ Consulting Fees	\$12,483
▶ Corporate Trustee fees	\$177,307
▶ Salaries and Benefits	\$313,053
▶ Trust administration expenses	\$123,272
▶ Trustee Honoraria and expenses	\$101,324
▶ Loan interest and related charges	\$231,317
▶ Meetings and Advertising	\$49,268
▶ Per Capita Payments	\$9,000

Expenditures Beneficial to the Beneficiary

The amount of \$2,909,554 was disbursed to the community for approved projects and programs. A project listing for 2019 is attached.

In addition, various project commitments from current and previous years, totaling \$1,137,289 have been approved and are expected to be funded in the following year.

Trust Property Approval Limits

Approval limits regarding applications for Trust funds increase each year by the rate of inflation. The Community Fund Trustees can approve amounts up to \$89,418.71, the Community Funds Trustees and Chief and Council can approve amounts up to \$298,062.37. Amounts greater than \$298,062.37 must be approved by the Community Fund Trustees, Chief and Council and the Members of Peguis First Nation.

Per Capita Distributions

An amount of \$10,500,000 was approved by the Initial Trustees in 2010 to fund per capita payments to eligible Peguis Band members. There were 9 applications processed in 2019 for a total amount of \$9,000. In accordance with the provisions of the Trust, any amount that remains after all the per-capita claims have been made is returned to Peguis to be used for community purposes.

US Tax Recovery

In August 2019, Max Reed Law Corp was able to secure reimbursement of US taxes paid on Trust investments based on the status of the First Nation Government. A refund encompassing three years, totaling \$171,655 was

returned to the Peguis First Nation. Going forward, US taxes are not paid on investments on US stocks.

Investment Activities of the Trust

The Trust funds are managed by TD Waterhouse Private Investment Counsel, Beutel Goodman Investment Council, Mawer Investment Management Ltd. and Ridgewood Capital Asset Management in accordance with the objectives of Peguis First Nation and as set out in the Trust Agreement and Investment Policy Statement.

Generally, the objectives are to provide safety of principle, stable and consistent income flow and capital appreciation. The investments consist of government and high-quality corporate bonds and equities. No more than 30% of the Trust funds can be invested in equities (stocks).

Line of Credit

To preserve the Trust Property, the Financial Trustees secured a \$15,000,000 line of credit with the TD Commercial Bank. The line of credit was utilized to fund the arena and housing projects, the larger capital grants. As of December 31, 2019, the balance of the line of credit was \$5,109,646. Interest is charged at the prime rate, which as of December 31, 2019, was 3.95%.

Value of the Trust

The value of the Trust investments as at December 31, 2019 was \$139,439,159.

The net value of the Trust as at December 31st (excluding the line of credit and accrued liabilities) was \$134,234,117.



COMMUNITY FUND PROJECT SUMMARIES

Terry Wilson – Wilson’s Drone Services - \$3,000.00

Funding for a small business venture to purchase equipment to provide aerial footage for clients that request it, such as flooding, ice jams, promoting development projects, community events and fires.

Peguis Development Corporation – Office Complex Feasibility Study - \$85,000.00

Funding for architectural & engineering services to provide a feasibility study complete with report, schedule, milestones for a 35,000 square foot office complex.

Peguis Recreation – Winter Carnival - \$25,000.00

Funding to support a Community winter carnival event with prize, food and supplies for three days of fun and family gathering.

Peguis Minor Hockey Association – Annual Hockey Season - \$123,700.00

Funding to support the 2018-2019 hockey season programming from squirts to midgets for 140+ minor hockey players, team sports, healthy lifestyle and creating community gatherings for games.

Peguis Development Corporation – Replace Fan Coils - \$38,000.00

Funding to assist PDC in the maintenance and replacement of the Peguis Family Foods heating system to ensure the health and safety of the staff and clientele.

Peguis Senior Centre – Nursing Supplies - \$47,500.00

Funding to support the purchase of medical equipment and furniture for elders at Peguis Senior Centre to improve their quality of care and living conditions.

Peguis Senior Centre – 2018 Elder’s Party - \$20,000.00

Funding to support and host an annual Christmas party with over 400 elders in attendance. Entertainment and dinner was provided that brings the community together and lifts spirits of our elders.

Peguis Communications Department – Equipment & App Development - \$6,000.00

Funding to develop an application to feed information to community member’s mobile devices and digital calendars for Peguis, Selkirk & Winnipeg.

Terrance Sinclair/Ryan McCorrister - 2nd Annual Dennis Bear Memorial Snow Drags - \$5,000.00

Funding to host a community event with Snow Drags, to promote the sport and raise the level of competition.

Peguis Next Generation Steppers – NGS Square Dance Competition - \$10,000.00

Funding to support and host a square dance competition at Peguis Community Hall to showcase our youth’s talents and skills and promote squaredancing and community events.

Peguis Junior Hockey Club – 2018-19 Hockey Season - \$56,000.00

Funding to support the Peguis Juniors Club in the Keystone Junior Hockey League as reigning provincial champions.

Peguis Community Services – Off Reserve Membership Requests - \$100,000.00

Funding for Peguis Community Services to support Off-Reserve memberships requests for emergency financial assistance.

Ryan Bear – Tristen Bear Banff Hockey Academy - \$15,000.00

Funding to support Tristen Bear, elite midget player attending Banff Hockey Academy Varsity/Prep Hockey Team 2018/19.

Peguis Lands Department – Sustainable Land Management Development - \$250,000.00

Funding to assist the Lands Department work towards establishing a land code, clean up land registry system, support a land manager assistant, environmental officer and geographic info system/land use planner.

Peguis Gaming Commission – Charter Bus Purchase-\$100,000.00

Funding to assist Peguis First Nation in purchasing a chartered bus for events, sport team transportation and community pride.

Cheryl Bear – Colby Bear Pilot Mount - \$13,000.00

Funding to support Colby Bear while attending Pilot Mount Hockey Academy to build hockey skills and education at an elite level hockey.

Ramona Favel – Women’s Provincial Indigenous Volleyball Team - \$500.00

Funding to support Denika Favel, elite athlete, for the Ajojin Club Volleyball which is a provincial Indigenous elite women’s volleyball team.

PFN Public Works - Public Works Building - \$15,274.80

Funding to support the construction of a building to house the Public Works equipment and staff for storage and maintain of the equipment.

Peguis Housing Authority – Community Initiatives Proposal - \$250,000.00

Funding to provide for Emergency housing repairs for 25 homes from major repairs to Exterior Doors, yard equipment for Senior Centre, Family Units, Singles and 55 Plus.

Peguis Development Corporation – Strategic Planning - \$5,000.00

Funding to assist PDC hire a consultant to facilitate a two (2) day strategic planning session for PDC staff and board of directors.

Ryan Cochrane – Human Resource Management Tuition - \$5,000.00

Funding for the tuition for Red River College, Human Resource Management for Ryan Cochrane for his professional development.

Charlene Bear – Linden McCorrister’s Athletic Development - \$1,000.00

Funding to support Linden McCorrister, elite athlete, as he is attending Darryl Belfry Camp to develop skills with elite skill coach trains and work toward NHL development camp.

Peguis First Nation – New Horizon - \$24,000.00

Funding to support, produce and distribute the Peguis New Horizon for printing, postage and sorting costs to ensure the monthly newsletter is available to members.

Dorey Favell – Favell’s Auto Repair Service - \$30,000.00

Funding to support business venture, Favell’s Auto Repair Services provide auto services and repairs to Peguis First Nation and surrounding communities.

Chasity Thomas – Ball Hockey League - \$500.00

Funding to support the registration fees for 13 Peguis Band members team to play in Winnipeg Alternative Hockey Association ball hockey league at a competitive level.

Rhonda McPherson - Evander’s Hockey Development - \$500.00

Funding to support Evander McPherson, elite athlete with his training with Manitoba Hockey Development program at an elite level.

Steven Daniels-Webb – National Aboriginal Hockey Championships - \$3,000.00

Funding to support elite hockey athletes and coaches, Emily Daniels, Bryden Sinclair, Matthew Mason-Vandel and Colby Bear to compete in the National Aboriginal Hockey Championships along with Dale Bear, Head Coach and Steven Daniels-Webb, Manager to attend in Whitehorse on May 4-13th, 2019.

Garrett Williams – Two son’s Hockey Development - \$1,000.00

Funding to support McKenzie and McKenen Williams, elite athletes, with their training with Manitoba Hockey Development program at an elite level.

Anita Stevenson – Essence Acting Training - \$1,000.00

Funding to support Essence Stevenson in her training program to work with actors/actress to make film reel, monologues, commercials, comedic clip to showcase to other film agents.

Cheryl Sutherland – Colton’s AAA Hockey Development - \$500.00

Funding to support Colton Sutherland, elite athlete with his training with Manitoba Hockey Development program at elite level.

Cheryl Sutherland – Tallon’s AAA Hockey Development - \$500.00

Funding to support Tallon Sutherland, elite athlete with his training with Manitoba Hockey Development program at elite level.

Peguis Family Centre Head Start Program – Dolly Parton Imaginary Library - \$4,000.00

Funding to provide children ages 1-4 years old with one (1) book a month to help with literacy and reading promotion.

Christine Sinclair – Christine’s Boutique & Thrift Store - \$3,200.00

Funding to support the development of a small community program with the purchase of shop furnishings, footwear and clothing inventory for thrift shop.

Rodney Thomas – Vehicle for Scrap Metal Business - \$5,000.00

Funding provided for the development of a small business venture with the purchase of a vehicle to continue with cleaning, garbage removal and recycle scrap metal business.

Peguis Gaming Commission – Ball Park Maintenance Machinery - \$30,000.00

Funding for the maintenance and upkeep of the baseball park with the purchase of a tractor and accessories to improve and maintain the baseball diamonds.

Peguis Anglican Church – Graveyard Fencing St. Peters Church - \$5,000.00

Funding to support the purchase and installation of chain link fencing around the new St. Peters cemetery.

Walter Flett – Woodworking Tools & Supplies - \$4,000.00

Funding to support a home-based business with the purchase of tools and supplies to continue providing woodworking and furniture products.

Ryan Wilson – Netflix BANFF diversity of Voice Initiatives - \$500.00

Funding to support Ryan Wilson who was selected for the Netflix-Banff diversity of Voices Initiative, which facilitates media industry access and provides training and mentorship to under-represented media professionals.

Ramona Favel – Jayden Favel’s Peewee AAA Interlake Minor - \$500.00

Funding to support elite athlete Jayden Favel, who was selected to play with Female Peewee prospect program with Interlake Minor Hockey.

Eric Bear – Corwyn Bear’s Hockey Development - \$500.00

Funding to support Corwyn Bear, elite athlete to develop hockey skills with Manitoba Hockey Development.

Peguis Family Headstart Program – Parental Involvement Program - \$3,000.00

Funding to support the programming with the purchase of supplies, prizes, gifts, powwow supplies, workshops, and food to promote parental involvement.

Brian Stevenson – Farm Equipment - \$55,100.00

Funding to support the expansion of his farm business with the purchase of an excavator and skidder to drain fields, clean barns, dig dugout and service the community.

Peguis Training & Employment – Community Resource Centre - \$4,973.80

Funding to support the development of the Computer Resource Centre with the purchase of a smartboard, to provide workshops on resume writing, interview skills, computer skills and work ethics.

Peguis Country Rock Radio - \$25,000.00

Funding to support the enhancement of the radio station with the purchase of state of the art equipment, which would provide for improved programming.

Peguis Junior Hockey Club – 2019 Border to Border - \$20,000.00

Funding to assist with the Peguis Juniors hosting 2019 Border to Border Cup with Ontario and Manitoba teams.

Peguis Lighthouse Program - \$22,500.00

Funding to support the recreational program with the purchase of supplies, educational enhancements, sports and outings with 60 youth participants between 8 to 13 years of age.

Gary Freeman – Gorilla Fries Inc. - \$17,775.00

Funding to support a small business venture with the purchase of a ¾ ton truck to move concession stand for seasonal business all over Manitoba.

Luella Stevenson – Truck Seat - \$5,000.00

Funding to support the purchase of a power chief mid-back truck seat that will support spine and allow her to continue with her career as a truck driver.

Ashley Spence – Fishing Business - \$10,938.21

Funding to support commercial fishing business with the purchase of two (2) fishing quotas, equipment for summer and winter fishing and operating expenses.

Debora Cook – The Cook House - \$3,500.00

Funding to support the small business initiative with the purchase of supplies, equipment, equipment rental, fuel and propane for mobile concession stand.

Peguis Free Spirit Child Care Centre – Play & Child Development - \$10,000.00

Funding to support the purchase of high standard program materials, supplies and equipment for 3 - 6 year old children, which is crucial to child development.

Lee-Ann Spence – Dyani Spence Miss Peguis Teen Princess - \$750.00

Funding to support Dyani Spence representing Peguis Youth as Miss Peguis Teen Princess since 2016, as she attends powwows.

Michael & Michelle Cochrane – Merrill's Fastball Development - \$750.00

Funding to support Elite fastball player, Merrill Cochrane, completing in Bismark ND on June 8 & 9 and Mankato MN on July 4-6, 2019.

Michael & Michelle Cochrane – Madison's Fastball Development - \$750.00

Funding to support Elite fastball player, Madison Cochrane, completing in Mankato MN on July 4-7, Manitoba Provincials in Brandon on July 12-14 and Nationals in Montreal on August 7-11, 2019.

Peguis Warrior Arm Wrestling Club – 2019 National Championships - \$14,750.00

Funding to support 43 athletes attending the 2019 Canadian Arm Wrestling Championships in Edmonton AB on July 12-14, 2019.

Peguis Powwow Committee – 2019 Competition Powwow - \$20,000.00

Funding for the Annual Peguis Competition Powwow, showcasing our culture and heritage. The powwow is a major cultural event and draws many visitors to the community.

Peguis Senior Centre – 30 Year Anniversary - \$5,000.00

Funding to host a 30 Year Anniversary Celebration for Peguis Senior Centre Elders.

Anne Deligliglio – Masters in Psychology - \$5,000.00

Funding for tuition support at Alder University, Vancouver for 2 year Master of Counselling Psychology program.

Peguis Free Spirit Child Care Centre – Mini Powwow - \$1,500.00

Funding to host a cultural event and mini-Powwow honouring our children on June 21st.

Adrienne Thomas – Dallas Ratt’s Educational Trip - \$500.00

Funding for Dallas Ratt to attend a 12 Day Caribbean Marine Biology Tour for a high school educational summer program with expert marine scientists.

Terina Spence – Tiddly’s Bakery - \$5,000.00

Funding for a small business expansion of her pie making business with the purchase of equipment and supplies.

Peguis Gaming Commission – Annual Treaty Days - \$210,000.00

Funding for the Peguis Annual Treaty Days for community members and visitors to enjoy the family events.

Margaret Okeke – Pete Flett Team MB Roller Hockey - \$750.00

Funding for Peter Flett who was selected to play goal for Team Manitoba Roller Hockey in the State Wars Roller Hockey in Fort Wayne, Indiana on July 26 – August 2, 2019.

Tammy McCorrister – Airbrushing Business - \$4,000.00

Funding for small business development in the purchase of air brush compressor & accessories to provide artwork on vehicles, clothing, helmets and equipment.

Peguis Junior Hockey Club – Championship Jackets - \$3,400.00

Funding to assist Peguis Junior Hockey Club 2018-19 Hockey season four (4) year Keystone Junior Hockey League Champions in the purchase of club jackets.

Peguis Recreation – Professional Development - \$20,000.00

Funding for professional development for Recreation staff, coaches, volunteers and community members to assist and support them in their roles in working with the community.

Misty Bear – Carter’s Elite World Showcase - \$500.00

Funding for Carter Bear, elite hockey athlete, to attend major hockey events in France, Toronto, Chicago and Michigan for exposure to world stage, elite coaches, scouts and league executives.

Peguis Health Centre – 2019 Elders Gathering - \$210,000.00

Funding for Peguis Elders to attend the 2019 Elders Gathering in Winnipeg on September 9 – 12, 2019. This provides an opportunity where elders can network, visit and share stories.

Alvin Randy Thomas – Basic Life Support Certification Equipment - \$5,000.00

To support Alvin Thomas, as a facilitator in Life Support Training, with the purchase of training equipment to teach basic life support certification in and around Peguis.

Karen Spence – Karen’s Consulting - \$2,500.00

To support the small business venture with the purchase of office furniture, supplies and equipment to provide administration services, such as administration support, proposal writing, office set-up, HR issues/child welfare legal advise, program development, policy writing and bookkeeping.

Derek D. McCorrister – Tavon’s Team Manitoba Bantam Box Lacrosse - \$750.00

To support Tavon McCorrister, elite athlete, who was selected to represent Team Manitoba Bantam Box Lacrosse on August 18 - 25, 2019 at Coquitlam, BC.

Dawn Bear – Emma Bear’s Team Manitoba Wrestling - \$750.00

To support Emma Bear as she attends the 2019 Western Canada Summer Games, August 13-18, 2019 in Swift Current, who was selected for Team Manitoba Wrestling.

Peguis Emergency Operations Centre – Priority One Issues - \$50,000.00

Funding to address medical, disabled, elderly emergency issues from electrical, water safety issues, well installs, mould work, and septic fields installation.

Peguis First Nation – Splash Pad Project - \$400,000.00 option of \$100,000.00 increase

To provide funding for the design and construction of 3,500 sq ft community splash pad for community members to provide children and families with a recreational option in the summer.

Michael Cochrane – Madison National Team Baseball - \$750.00

To support Madison Cochrane, elite baseball athlete who was selected to play on the U14 National Baseball Team in Montreal August 7-14, 2019.

Gerald Favel – Farming Land Preparations - \$5,000.00

To support the expansion of a farming business with the purchase supplies to prepare land for crops.

Peguis Historical Society – 100 Centennial Celebration - \$3,000.00

Funding to support and celebrate 100 years of St Peter's Church. Events included a church service, gospel singers, horse & buggy rides and potluck.

Shawna Spence – Winnipeg Women's Volleyball League - \$1,000.00

Registration, jerseys & socks for seven Peguis Band Member to play on 12-member team for competitive volleyball.

Renee S. S. Stevenson – MWJHL - \$1,650.00

Support for the registration for Manitoba Women Junior Hockey league with the Predators, 2019-2020 season, as an elite athlete.

Sharon Wilson – Food Services Equipment & Building Materials - \$4,926.64

Funding to support the small business restaurant service by purchasing food service equipment and building materials for a food service building.

Glen Cochrane – NCI Gospel Jambore - \$5,000.00

Funding to support the NCI Gospel Jambore at Peguis Multiplex on October 25 – 26, 2019, which showcases some of the local gospel singers.

Peguis First Nation - Peguis Hunters & Gatherers - \$3,000.00

To support the Peguis Hunters and Gather's Annual Community Feast which brings youth, elders and community together. Hunters, trappers share their bounty in a potluck feast. Cooking & baking contests are held to share the talents of the local cooks.

Holly Courchene -Peguis Gymnastics Club - \$3,450.00

Funding to support 30 children for afterschool gymnastics classes in Gimli from September 20 – November 22, 2019.

Valerie Hudson – Elders Quilting Project - \$4,472.00

Funded as a community project to purchase sewing machines and supplies to have elders to sew and make quilts for the community as they preserve their skills and talents.

Michelle Sinclair – Peguis Snow Drags - \$5,000.00

The community gathering for Snow Drags was funded as the 4th Annual Snow Drag Racing. The event was postponed to February, 2020 to accommodate the need for snow, for which weather was not cooperating in December 2019, as originally scheduled.

Eric Bear – Colby Bear's Pilot Mound - \$13,000.00

To provide support for Colby Bear, as he attends Pilot Mound Hockey Academy 2019-2020 hockey season to develop his elite hockey skills as he attends Grade 11.

Peguis Recreation – Hockey Camp - \$18,000.00

To build capacity and development, Peguis Recreation hosted the Reggie and Jamie Leach hockey school for 3 days of on-ice and land exercises to teach hockey techniques from NHL alumni.

Peguis Elder Advisory Committee – Rising Above Abuse Conference - \$17,920.00

For community healing and well-being to host three (3) day healing and reconciliation conference facilitated by Rising

Above Abuse Counselling Agency on November 27 – 29, 2019

Samantha J. Spence – Hair Glam by Samm - \$5,000.00

To support Samantha Spence, as a registered hairdresser, to develop her business with the purchase of equipment and supplies to offer hair services, ear piercing, make-up and waxing services.

Earl Sutherland – Earl’s Guitar Shop - \$4,999.62

To assist Earl Sutherland as he develops his guitar repair shop to purchase tools and supplies to build and repair guitars.

Phillip Sutherland – Olds College Volleyball Scholarship - \$2,000.00

Funding to support Phillip Sutherland as an elite athlete while attending Olds College in Alberta on a scholarship to play college volleyball.

Erica Contois – Expand Catering Business - \$5,000.00

Support to assist Eric Contois to expand catering business and opening and operating a café, The Perfect Place Catering & Restaurant.

Peguis Minor Hockey Association – 2019-2020 Hockey Season - \$160,000.00

Funding to support the programming for 140+ minor hockey players and team sports. The Peguis Minor Hockey provides a healthy lifestyle, recreation services and inspires community gatherings for entertainment and to support the children, youth and families.

Conrad Bear - Hockey Pro-Draw - \$12,000.00

Funding to support Conrad in the development and marketing of his invention, The Hockey Pro-Draw, a face off training device for center position hockey players.

Sonya Kohoko – Twins AA Midget Girls Hockey - \$1,000.00

To support Pearlee Kohoko as an elite athlete with Midget AA Registration with Twins AA Midget Girls Hockey Team.

Peguis Counseling & Resource Centre – McLean Day School Hearing - \$15,900.00

To support the Peguis Day school students to attend McLean Day School Settlement Court Hearing in Winnipeg.

Sommer Bousquet – Project Management Certificate - \$3,769.60

To provide tuition and support for the Red River College Project Management Program.

Ryan Bear – Tristen Bears Pursuit of Excellence Hockey Academy - \$15,000.00

To support Tristen Bear in the Pursuit of Excellence Hockey Academy for Midget Varsity/Prep Hockey Team 2019-2020 hockey season, CSSHL – Canadian Sport School Hockey League, while he attends grade 11 in Kelowna, BC.

Kristopher Cook – Cook Brother’s Trucking Enterprises - \$60,000.00

Funding provided for small business start-up and to purchase trucks, trailers, building a repair/storage shop and create employment for trucking business.

Post-Secondary Department – Student Christmas Dinner - \$5,000.00

To support the Annual Christmas dinner for post-secondary students and their children.

Ramona Favel – Jayden AAA Bantam Female Hockey - \$2,000.00

To support Jayden Favel in her elite hockey pursuits, as she qualified to play AAA Bantam Female Hockey.

Eric Bear – Brayden’s AAA Bantam Interlake - \$1,500.00

To support Brayden Bear who is an elite hockey player playing at AAA Bantam level.

Michelle & Michael Cochrane – Madison U14A Girls Fast Pitch Team - \$1,000.00

To support Madison Cochrane who is playing Level A elite for the provincial league for girls fast pitch softball. She

attended Canadian nationals last year with MB Thunder.

Michelle & Michael Cochrane – Merril U12A Girls Fast Pitch Team - \$1,000.00

To support Merril Cochrane who is a Level A elite playing provincial league for girls fast pitch softball, with the goal of playing college fastball.

Angel Pelletier – Dyson (AA Rebel) - \$1,000.00

To support Dyson Pelletier as an elite hockey player playing with AA Rebels Midget.

Rhonda & Darrel Sutherland – R&D Animals In Need of Rescue - \$10,000.00

Funding to provide Animal care, rescue and a shed for community animals in need of medical attention or homes.

Projects Paid by Year Summary

Year	Projects Paid
2011	\$205,000
2012	\$4,467,056
2013	\$12,054,071
2014	\$2,088,444
2015	\$1,667,397
2016	\$1,325,576
2017	\$2,332,139
2018	\$2,455,661
2019	\$2,909,554
Total Projects Paid	\$29,504,898

PENDING OUTSTANDING REPORTS

The Community Fund Trustees require a final report and financial statements to be filed by each applicant who is in receipt of funds from the Peguis Surrender Claim Trust. Staff make every effort to contact, advise and assist the applicant on reporting requirements.

The Trustees will make every effort to ensure accountability and transparency of Trust funds. The onus is on the applicant to ensure that the funds received have been used as approved and a Final Report filed to account for the funds.

COMMUNITY FUND PROJECTS OUTSTANDING REPORTING

Keith Wilson – First Nation Auto Inc - \$21,500.00 – Approved 2014

Funded to establish an auto dealership located at 1075 Portage Avenue.

Kelly Sinclair – Commercial Fishing Business - \$10,500.00 – Approved 2015

Funding to support her fishing business with the purchase of equipment, supplies and parts.

Fairwind Truscott – Infinity Air Filtration – \$10,000.00 – Approved 2015

Funding to support his air filtration business.

Trever Greyeyes – Manajiw Arts & Entertainment Website - \$5,000.00 – Approved 2013

Funded to purchase web space, camera, computer to support his business for reporting on Winnipeg Aboriginal arts and entertainment scene.

Peguis Agricultural Committee – Restore & Revitalize Peguis Agricultural Lands - \$150,000.00 – Approved 2013

Funding provided to assist Peguis farmers in the maintenance for agricultural and livestock farming with drainage, fencing, pasture forage and restoration projects. Partial Reporting Completed by some Co-op Members

Lorne Flett – Construction Tools - \$5,000.00 – Approved 2015

Funding to purchase carpentry tools and equipment.

William (Billy) Flett – Niibin Windshield Repair Service - \$2,640.00 – Approved 2015

Funding to purchase windshield repair equipment.

Peguis Justice Board – Diversion Program - \$30,000.00 – Approved 2015

Funding of the Adult and Youth Diversion program for Board/Elder training as mediators & advisors, tours (prison, court), working with RCMP, court room bookings, administration and for healing circles/judging circles. Partial report on file.

Allan Sinclair – Allan On Site Wastewater Management - \$5,000.00 – Approved 2017

Funding for business to help the maintenance department and after hours to clean sewer lines and water drains for our community members.

Desmond James Bear – Automotive Equipment - \$5,000.00 – Approved 2017

Funding to enhance his vehicle mechanic services to the community members with the purchase of this equipment. He welcomes new and returning clients to his shop for their tire needs.

Peguis Health Services – Palliative Care - \$80,000.00 – Approved 2015

Funding for newly developed end of life care for patients and family. Partial report on file.

Justin Lee Stevenson – Equipment - \$5,000.00 – Approved 2015

Funding for automotive repair business equipment.

Allan D Thompson Jr. – Trapping Building - \$5,000.00 – Approved 2018

Funding received to build a working storage building for trapping activities, storage and hide preparation.

Derwin Stevenson – Cattle Operation - \$5,000.00 – Approved 2018

Funding to purchase bred heifers to start own cattle operation.

William Prince – Promote & Market Music - \$5,000.00 – Approved 2015

Funding provided to promote music career, develop and release CD.

Garrett McPherson – McPherson Yard Work Services - \$5,000.00 – Approved 2018

Funding to purchase garden tools and equipment to provide community lawn care services.

Angela Bair – Sole Consulting Advancement - \$4,709.37 – Approved 2018

Funding to purchase equipment and supplies for Sole Consulting Advancement offering business support in business plan writing, proposal and application writing to advance First Nation Economic Development.

Project Reporting Summary	Dollar Value	%
Approved Projects 2011-2019	\$29,504,898.	100%
Final Reports Filed	\$29,023,549.	98%
Outstanding Reports	\$481,349.	2%

Total Approved Projects



PEGUIS SURRENDER CLAIM TRUST INVESTMENT COUNSEL & MANAGERS

Investment Counsel

The Peguis Surrender Claim Trust contracts the services of an Investment Counsel to provide investment and trust industry advise and support to the Trustees. It is with the guidance and advise of the investment counsel that the Trust is able to implement, manage and develop their investment policies. As an independent advisor, the investment counsel oversees and ensures compliance of the investment policies. Quarterly investment reviews are also conducted and presented to the Trustees for their review and market updates.



T.E.Wealth Investment Counsel

On behalf of T.E. Wealth's Indigenous Services practice, we are honored to be able to support the Peguis First Nation Surrender Claim Trustees surrounding the Trust's ongoing investment advisory needs.

Joining the Trustees in 2011, our role is to assist with:

- Strategy Development to support wealth creation;
- Member communications and consultation;
- Statement of Investment Policies & Guidelines;
- Ongoing monitoring/measurement of investments.

We believe that ***“the key to sustainable wealth is the ability to meet the needs of today without compromising the ability of future generations to meet their own needs...”***

“It’s about Balance” in an effort to build a prosperous, healthy and culturally-vibrant community.

Thank you for allowing us to join you on this important journey!

T.E. Wealth Team



LISA CASWELL, CFA
Vice President, T.E. Wealth Indigenous Services

Lisa brings over 25 years of investment industry experience and holds a Masters in Business; a Bachelor of Science; and a Chartered Financial Analyst (CFA) designation. Prior to joining T.E. Wealth, Lisa served as Director, Investment Services with a national investment firm. Lisa brings a deep understanding of global economics, financial markets, as well as extensive knowledge of debt, equity and alternative investments. Lisa has been a regular presenter, moderator and panel participant at various economic development events and conferences including the National Aboriginal Trust Officers Assoc. and the Aboriginal Financial Officers Association.



KAIN BIG CANOE, CPA
Senior Manager, T.E. Wealth Indigenous Services

Kain is a member of the Chippewas of Georgina Island First Nation and is a Certified Public Accountant (CPA). He is also a graduate of the Master of Accountancy (MAcc) program from the Goodman School of Business at Brock University. As a Senior Manager of our Indigenous Advisory practice, Kain brings with him a solid expertise in the planning, development and implementation of effective investment and Trust solutions. Prior to joining T.E. Wealth, Kain was employed as a consultant with the multinational professional services firm, Deloitte.



DAVID PELLETIER, BEcon
Senior Analyst, T.E. Wealth Indigenous Services

As a Senior Analyst for T.E. Wealth's Indigenous Services practice, David provides investment research to support our national investment manager research team. In addition to assessing investment managers and strategies, he is also actively involved in the analysis of our clients' investment performance and the writing of quarterly reports.

David holds degrees in Math and Economics from Carleton University as well as Civil Engineering from Concordia University. David is certified bilingual in English and French. He has experience as an elementary and high school math tutor at the 'Ecole Wiinibekuu School' in the Cree Nation of Waskaganish and has also acted as a Project Coordinator for the Dream Quest Camp at Algonquin College, coordinating the camp for 45 Indigenous students from various rural areas. David is a member of the Serpent River First Nation.



JACK JAMIESON
Vice President, T.E. Wealth Indigenous Services

As Vice President and founder of T.E. Wealth's dedicated Indigenous Services practice, Jack brings over 30 years of experience to the investment and financial services industry. He specializes in working with community leadership and trustees across Canada on the planning, development and implementation of efficient and cost-effective trust and wealth management solutions. Jack volunteers his time with NATOA (National Aboriginal Trust Officers Association) as a member of the national advisory board in addition to sitting on the membership committee. Through T.E. Wealth, he is also a corporate member of AFOA (Aboriginal Financial Officers Association), and is a recipient of AFOA's Certificate of Recognition for his work in co-developing the curriculum for their Trust Management work shop which was rolled out nationally in 2013. He has authored articles for the Journal of Aboriginal Management and is a regular speaker at indigenous conferences across Canada. Prior to joining T.E. Wealth, Jack held the position of Vice President of a national accounting firm where he led the investment consulting practice for south western Ontario. He has a business degree from Wilfrid Laurier University.

THE YEAR IN REVIEW AS OF DECEMBER 31, 2019

We are pleased to report that the combined holdings of the Peguis First Nation Surrender Claim Trust appreciated 11.37% in absolute terms over the year, which outpaced the market benchmark return of 10.78%. Worth noting, the Trust continues to provide a very solid average annual return since inception of 6.73% or an appreciation of \$60,060,482, which has added value over the market benchmark return by a modest 1.08% as illustrated in Chart 1 below.

The Peguis First Nation Surrender Claim Trust is managed under a multi-manager structure as a risk management strategy thus diversifying the investment

risk between two investment management firms being Beutel, Goodman & Company Ltd. (Value style manager) and Mawer Investment Management Ltd. (Growth-oriented strategy). Over time, the markets will tend to favour one style of management or another hence the benefits of such manager diversification.

Given the income requirements and significant weight in bonds within the Trust, Ridgewood Capital Asset Management was hired to provide a higher yield fixed income strategy to complement the TD Emerald Canadian Bond Index Fund.

Chart 1 – Overall Trust Returns against Market Benchmark

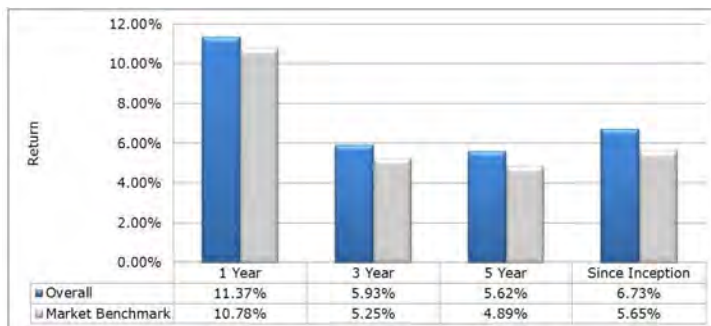


Chart 2 – Balanced Manager Returns against Market Benchmark

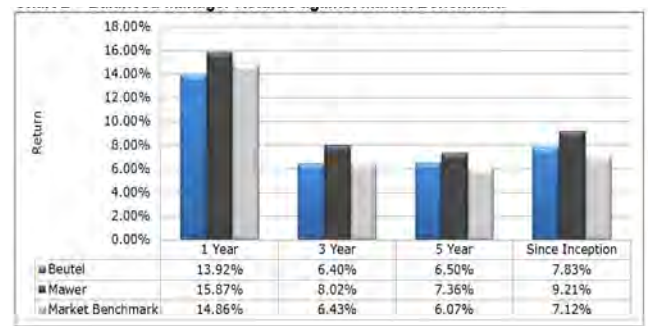


Chart 3 – Fixed Income Returns against Market Benchmark

TD Emerald Canadian Bond Index Fund



TD Emerald Canadian Bond Index Fund

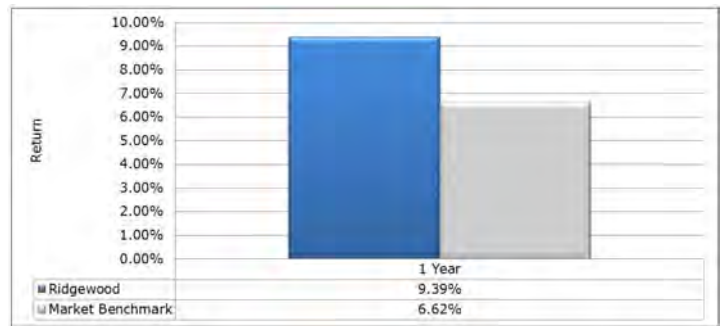


Chart 4 – Top Ten Equity Holdings as at December 31, 2019



0.7%	0.6%	0.5%	0.4%	0.4%
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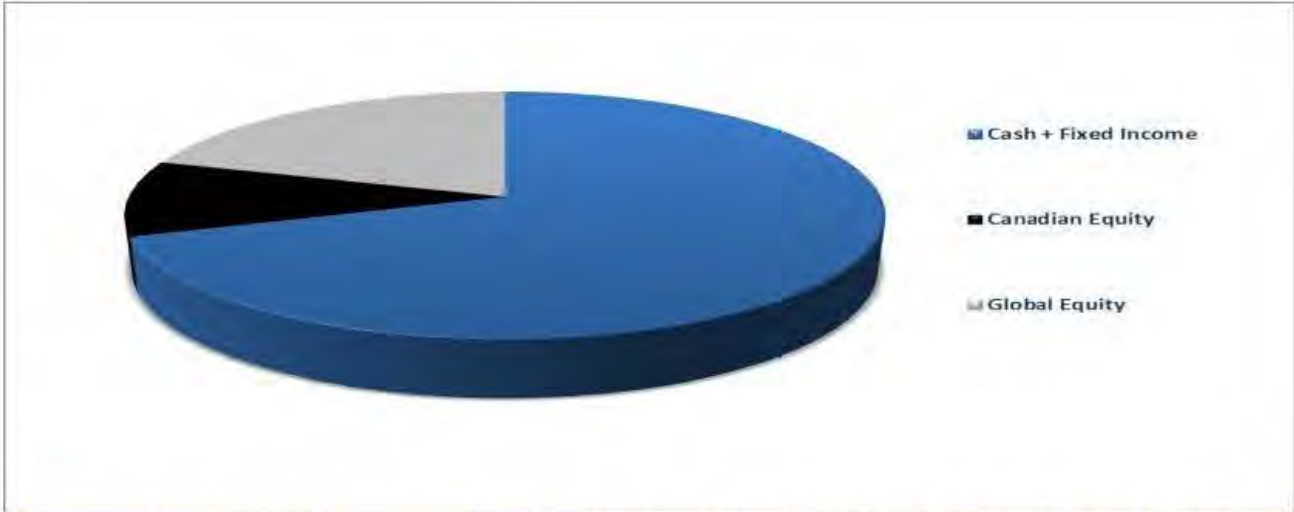
0.4%	0.4%	0.4%	0.4%	0.4%
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Chart 4 above documents the top ten holdings and highlights the percentage weight of each security as a percentage of the total portfolio. As noted, there are no securities within the portfolio that make up more than 0.7% of the portfolio which limits the risk of the Trust should any single security decline significantly in value.

Chart 5 – Compliance

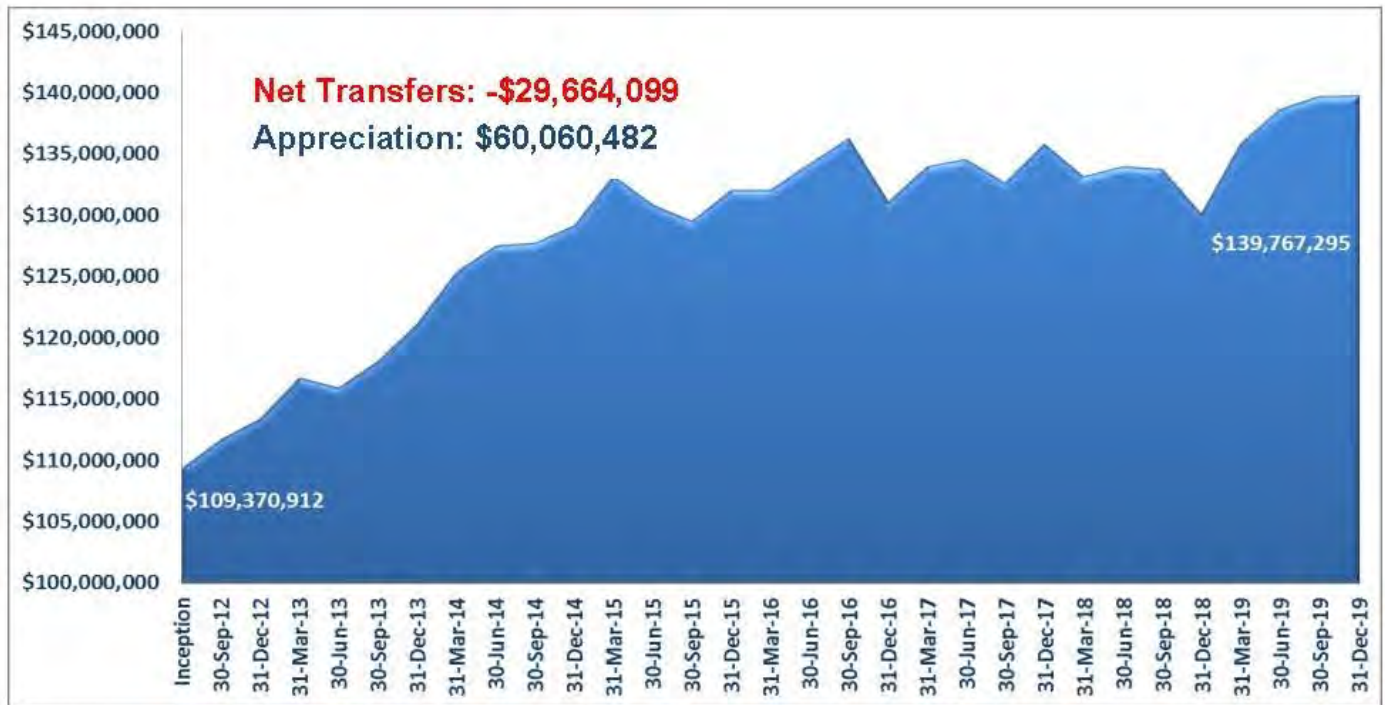
We are pleased to report that as of December 31, 2019, the Peguis First Nation Surrender Claim Trust is compliant with all mandatory requirements within the Trust Agreement and Investment Policies and Guidelines.

The chart on the following page highlights the breakdown of the Trust’s security holdings and the respective targets and ranges as of December 31, 2019.



	Cash & Equivalents	Fixed Income	Canadian Equities	Global Equities
Current	3.6%	66.3%	9.9%	20.2%
Target	5.0%	67.0%	10.0%	18.0%
Ranges	0.0% - 10.0%	62.0% - 72.0%	5.0% - 15.0%	13.0% - 23.0%

Chart 5 – Compliance



*Valuations may differ slightly to other financial reporting as a result of differences in accrual rates and foreign exchange conversion rates.

With the goal of achieving a sustainable wealth objective over the life of the Trust that will balance the needs of today while also growing the portfolio for the benefit of future generations, we are pleased to confirm that the investments have appreciated over \$60.0 million dollars since inception while also providing a net transfer to the Peguis First Nation of over \$29.6 million dollars.

In Closing

T.E. Wealth’s Indigenous Services practice considers it a privilege and an honour to support the Peguis First Nation Surrender Claim Trust and we are pleased to confirm that the Trust portfolio continues to exceed market benchmarks and policy expectations since its inception.

We will continue to apply a diligent process in the monitoring of the investment managers and will advise the Peguis First Nation on an ongoing basis as to the managers’ status relative to expectations. We continue to recommend the employment of Beutel, Goodman & Company Ltd., Mawer Investment Management Ltd., the TD Emerald Bond Fund and Ridgewood Capital Asset Management for the investment management of the Peguis First Nation Surrender Claim Trust.



INVESTMENT MANAGERS

Beutel, Goodman & Company Ltd. was founded in 1967 to provide investment counsel and discretionary portfolio management to institutional and individual clients. We are dedicated to achieving the investment objectives of our clients and manage money on behalf of Indigenous communities, pension funds, endowments, foundations, mutual funds and high net worth individuals across Canada.

Beutel Goodman has been committed to developing relationships with First Nations and Indigenous people for almost 20 years. The company is a founding member of the National Aboriginal Trust Officers Association (NATOA). We are also Corporate members of the Aboriginal Financial Officers Association of Canada (AFOA). In addition to helping our clients achieve investment goals, we are committed to promoting education and sharing knowledge with Chief and Council, trustees and community members.

For many years we have contributed to Indigenous investment and trust management workshops as a speaker and sponsor. Beutel Goodman routinely sponsors community activities such as hockey tournaments, golf tournaments and Indigenous Foundation fundraisers. We are also proud co-sponsors of an Aboriginal Scholarship awarded each year to support Aboriginal students studying at the University of Toronto in the Faculty of Social Work.

Steven Smith, portfolio manager for the Peguis Surrender Claim Trust, has visited Peguis First Nation on many occasions to deliver updates at Annual General Meetings and he meets regularly with the Trustees and their advisors to provide portfolio updates.



Steven's career spans more than 35 years in the investment industry and he has been with Beutel Goodman for more than 15 years. He is a graduate of the University of Toronto with a Bachelor of Arts in English and Economics. Steven received the Chartered Financial Analyst designation in 1994.

What a difference a year makes! Thoughts of market resilience replaced fear and gloom. In December 2018, equity markets were in free fall over concerns that the U.S. Federal Reserve's (Fed) overly hawkish policy would drive the U.S. economy into a recession. But in one of the fastest stock-market recoveries on record, the S&P 500 Index finished 2019 with a total return of over 31%, in U.S. dollar terms, while the S&P/TSX Composite Index returned a healthy 23%. True, the results are not as formidable when measured over the 16 month period beginning in September 2018, before the market began its 20% slide, but the change in sentiment was impressive. Investors were encouraged that the U.S. and China took the first steps towards reaching a deal on trade, and the Fed's change in policy, which led to three rate cuts in 2019, improved the outlook for global and U.S. economic growth. An additional bonus for the U.K. and European economies was Boris Johnson's election victory and his plan to "get Brexit done", because it removes much of the uncertainty of the past three years.

The Peguis Surrender Claim Trust portfolio posted a return of 13.9% for 2019. The portfolio continues to perform well and remains structured to provide annual income to meet the needs of the community today and growth for future generations.

MAWER

Be Boring. Make Money.

Performance (gross) as at December 31, 2019	YTD	3 mos	1 Yr	Since Inception**
Peguis SC	15.88%	2.59%	15.88%	9.17%
Blended Benchmark*	14.75%	2.50%	14.75%	7.18%

*From November 2018: 5.00% FTSE Canada 91 Day TBill Index 40.00% FTSE Canada Universe Bond Index 20.00% S&P/TSX Composite Index (TR) 35.00% MSCI World Index (Net). From Inception: 5.00% FTSE Canada 91 Day TBill Index 50.00% FTSE Canada Universe Bond Index 15.00% S&P/TSX Composite Index (TR) 30.00% MSCI World Index (Net).

**Inception date of performance reporting March 31, 2012

Asset Class	Current Weight	Strategic Asset Mix	Rebalancing Range
Cash & Equivalents	6.67%	5%	0% - 10%
Bonds	37.22%	40%	35% - 45%
Total Fixed Income	43.89%	45%	40% - 50%
Canadian Equity	16.78%	20%	15% - 25%
Global Equity	39.34%	35%	30% - 40%
Total Equity	56.11%	55%	50% - 60%

The Surrender Trust's investment portfolio at Mawer gained 15.88% in 2019 and outperformed the benchmark which was up 14.75%. This year closed with a strong rally in which equity markets capped off a remarkable comeback globally after a weak 2018. The improvement in investor psychology that began in early 2019 with central banks' recommitment to lower interest rates, further improved in Q4 as some of the uncertainty investors had been concerned about was removed: negotiations between the U.S. and China appear to be progressing, the Conservatives' decisive election victory in the U.K. gave Brexit better clarity, and, closer to home, the results of the Canadian election largely signaled continuity. The US stock market led the way as the S&P500 gained 25% in Canadian dollar terms with the TSX close behind at 23% for the year.

The portfolio's asset mix has been maintained near the target for equities rather than allowing the weight to move higher as there continues to be economic uncertainty looking forward and stock values have moved higher. The equity mix is tilted towards global equity and less in Canada as there is broader opportunity to diversify globally and we continue to be concerned about the energy sector and high debt carried by Canadian households. As always, we continue to fortify the portfolio by diversifying across wealth-creating companies, with excellent management teams, that trade at a discount to our estimate of their intrinsic value. We believe this builds a level of resilience into our portfolios in the face of many different scenarios during uncertain times.

Team members working directly with Peguis:



GREG D. PETERSON, CFA

Greg Peterson is a Director and Investment Counsellor at Mawer Investment Management Ltd., which he joined in 2002. He is the manager of the Mawer Balanced Fund and the Mawer Global Balanced Fund. In addition, he leads the asset allocation team for the firm and is responsible for client portfolio management.

Mr. Peterson earned a Bachelor of Commerce degree, majoring in Finance, from the University of Alberta and is a Chartered Financial Analyst charter holder. He has investment experience since 1991.



GRANT BUNKER, MBA

Grant Bunker is an Investment Counsellor within the Private Client Investment Counselling team at Mawer Investment Management Ltd., which he joined in 2014.

Mr. Bunker has investment experience since 1995, serving both private and institutional clients.

Mr. Bunker earned his MBA from Schulich School of Business at York University and his Bachelor of Arts from the University of Guelph. In 2006, he obtained his Certified Investment Manager designation from the Canadian Securities Institute.



Ridgewood is grateful for the opportunity to work with the Peguis First Nation and appreciates your vote of confidence in hiring us to manage a portion of the Surrender Trust. In 2019, we were happy to help support the AGM and lend financial assistance to the community during the October snowstorm. We have very much enjoyed our first year working with all the Trustees and look forward to a long and prosperous partnership with the entire community.

Ridgewood Overview:

With a history spanning more than 25 years, Ridgewood Capital Asset Management is a well-respected investment counseling firm providing asset management services to both individuals and institutions. We manage over \$1.2 billion in assets and have been managing investment portfolios for First Nations and other Indigenous communities for over 20 years.

Surrender Claim Trust Portfolio:

Ridgewood manages a Fixed Income (Bond) portfolio for the Surrender Trust.

Our goal is to provide consistent long-term performance while maintaining a high quality, liquid bond portfolio. Our disciplined approach to fixed income management combines interest rate anticipation with strategic sector selection, to produce above-average returns with below-average volatility.

We are pleased to report that 2019 was a very successful year for the Surrender Trust portfolio. Ridgewood generated a return of 9.31% versus the FTSE Canada Universe Bond Index (the industry benchmark) at 6.60%, more than 2.70% of value-added performance. In

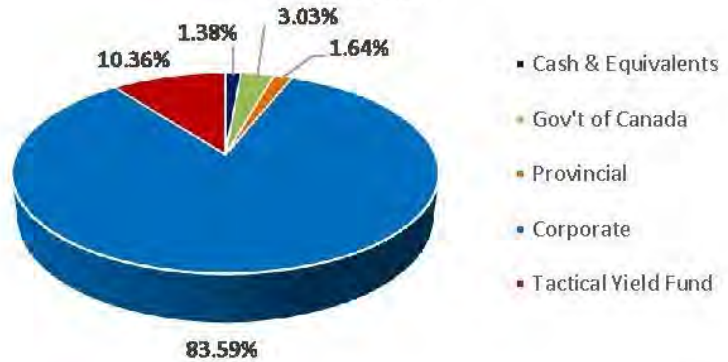


dollar terms this 9.31% means that Ridgewood was able to grow your investments by an estimated \$2.7 million dollars in 2019 to \$33,019,022.85.

Sample Holdings
as at Dec 31, 2019

BC Ferries
Brookfield Asset Management
Heathrow Airport
John Deere
Royal Bank of Canada

Bond Asset Mix
as at Dec 31, 2019



Looking at 2020, the world has been blindsided by COVID 19. Until we see some type of resolution financial markets will continue to be volatile. In the meantime, the bond portfolio remains well diversified and Ridgewood will continue to manage it using the same processes that have served us well through previous crises.

We thank you for your continued trust.

Sincerely,

Robert Cruickshank,
Vice President



ROBERT CRUICKSHANK
Vice President

Robert Cruickshank is a Vice President and partner at Ridgewood and brings over 30 years of experience in the financial services and investment industry to the firm. Robert has experience in custody, performance analytics and providing investment solutions to both high net worth and institutional investors. He has been actively involved with Aboriginal clients for over 14 years. Robert is a CFA charter holder and holds the CIM designation.

CERTIFICATION OF REPORT

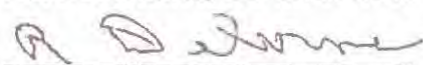
WE CERTIFY THAT, to the best of our information, knowledge and belief that the information contained on the preceding pages are true and that all expenditures and investments of the Trust Property were properly documented and authorized in compliance with the Trust Agreement.



Community Fund Trustees

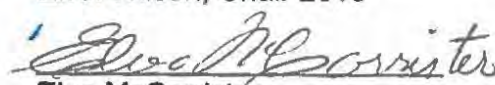

Lloyd Sinclair, Co-Chair 2019

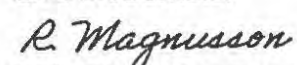

Hal Sutherland, Co-Chair 2019

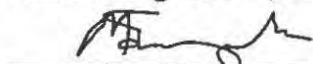

Robert Delorme

Financial Trustees


Errol Wilson, Chair 2019


Elva McCorrister


Robert Magnusson, CA


The Canada Trust Company

Management & Staff

- Sharon Stevenson, Trust Manager
- Debbie McElhinney, Community Fund Project Officer
- Denise Sinclair, Finance Assistant
- Nikki Stevenson, Administrative Assistant

Contact Information:

- www.peguissurrendertrust.com
- Box 942 Peguis, Mb R0C 3J0
- Tel. 204.645.5644







Peguis Treaty Days Triathalon 2019



smoked their pipes when they signed the treaty, and they came up with their prayer: "As long as the sun shines, the grass grows, and the water flows, the circle of the will go on"

They had but next generations to follow at heart. They thought of the three main areas to cover: Housing, Medical and Education. All of these are represented in this picture.

Also the main goals in the bear claw, the bear teaches us courage to back anything with no fear at all. This courage seen with our people when they took a stand to fight for our rights for the next generations of Peguis First Nation.

Ready to embark... *Copyright*

For Those Yet Unborn...

Seven Generations Ahead

HONORING Our ANCESTORS

St. Peters Reserve 1907

Trust Balance & Investment Investment Summary:	
2011 Settlement Account	\$126,094,903
2011 Per Capita Dist.	\$10,500,000
2011 Negotiating Costs	\$7,344,803
2011 Initial Investment	\$108,250,000
2018 Investment Income to date	\$48,544,054
2018 Total Projects Funded to date	\$27,834,909
2018 Trust Balance Due 31st	\$126,959,145

Community Project Summary:	
2011	\$48,000,000
2012	\$4,800,000
2013	\$1,200,000
2014	\$1,200,000
2015	\$1,200,000
2016	\$1,200,000
2017	\$1,200,000
2018	\$1,200,000
Total Community Projects	\$27,834,909

Peguis First Nation Surrender Claim Trust





TRIVIA CONTEST!

TRIVIA CONTEST – WIN PRIZES!!

With the COVID-19 restrictions, we would like to offer our membership the opportunity to win prizes from our Annual Report. Within the 2019 Annual Report are the answers to the trivia questions.

Trivia Questions:

1. In which year was the Illegal Surrender of St. Peters Indian Reserve vote conducted at St. Peters?

2. The Community Fund Trustees can approve projects totalling up to \$_____ and, along with Chief and Council can approve projects totalling up to \$_____, any projects over this amount will require approval by the Community.
3. In 2019, the Trust funded \$_____ in community projects.
4. TE Wealth Investment Advisor, Kain Big Canoe is a Chartered Professional Accountant from which Reserve? _____
5. Since 2012, our investments have grown in value (appreciation) by \$_____.

Please send your completed answers to the Peguis Surrender Claim Trust via:

Email: information@peguissurrendertrust.com

Fax: 204-645-5688

Mail: Box 942 Peguis, Mb R0C 3J0

Facebook: Peguis Surrender Claim Trust

Please ensure you include the following information:

Name: _____

Address: _____

Phone Number: _____

Note: By submitting your name, you are agreeing to the Trust publishing your name in the event that your name is selected for a prize.





P.O. Box 942
Peguis First Nation, MB R0C3J0
(Located at the Peguis Recreation Centre)
Ph: 204.645.5644
information@peguissurrendertrust.ca