

WOOD MOUNTAIN LAKOTA FIRST NATION

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Dear Wood Mountain Lakota First Nation Members:

Let me start by saying that the Wood Mountain Lakota First Nation webpage can be found at www.woodmountainlakotafn.ca. This is your only online source for *official* information about the settlement. Although all of the information is contained in your settlement package, in the event you still have questions, I encourage you to reach out to our legal counsel or financial advisors, whose contact information is located in your information package.

Over the course of the weekend at our information meeting concerning our 1910 surrender claim, I became aware that there is a group of members, gathering primarily on social media, who are misinformed and spreading inaccurate and untrue information about our settlement. Others are sharing dangerous opinions which would put our settlement and the proceeds from the settlement at risk.

I want to address a concern first raised by band member Henry Lethbridge and later on a website started by some ill-informed members who have suggested that the per capita distribution should be significantly larger than \$15,000/person. Mr. Lethbridge suggested it should be \$92,000/person. On the website of the ill-informed, they suggested that it should be \$200,000/person (i.e. the entirety of the settlement).

This is incredibly short-sighted. If it is paid out immediately, that money will never have an opportunity to grow and earn value for the future generations of our Nation. On October 4, 2017, Kelly Rodgers presented to the Aboriginal Finance Officer Association of Canada about the high cost of per capita distributions¹. Her report showed that if a First Nation made a \$15M per capita distribution, then, over the course of 50 years, that First Nation would lose more than \$36M in combined income and capital from the trust. In other words, a per capita distribution of the size proposed by Mr. Lethbridge or the other ill-advised band members would literally rob our children and grandchildren from benefitting from the settlement.

Instead, we opted for a distribution which provides a meaningful sum to our members while preserving the capital of the trust for our members who are not yet born. As our legal counsel explained, this claim centered around the taking of an asset, our lands, that should have been held

¹ <http://www.foa.ca/afoadocs/L2/CONF/Intl%20Conference%202017/Presentations/Workshop%20F%20-%20Kelly%20and%20Leilani%20.pdf>

forever. The lands should have benefitted not only us and our ancestors, but those members who are not yet born as well. We have established a trust that does precisely this.

Another ill-informed comment I have seen repeated online is that we, as Chief and Council, did not sufficiently consult with members about the settlement. That could not be further from the truth. The Chief and Council is the duly elected Chief and Council of the Wood Mountain Lakota First Nation. We govern our people pursuant to our inherent right of self-government. Any suggestion that we are not the legitimate government of our people undermines our right of self-government. We are elected to represent the people and that is precisely what we have done in negotiating the 1910 Settlement.

In a recent Court decision, the Court rejected two band members' argument and awarded \$20,000 in punitive damages against them, commenting that "...the Goodtracks' flagrant disregard for the First Nation's authority to manage its lands in the best interests of all of its members justifies an award of punitive damages. An award of punitive damages will have the effect of providing an extra measure of specific and general deterrence and will reinforce the principle of the rule of law on the First Nation reserve".

As leadership, we have in fact consulted widely with our members. For the past ten years, we have discussed the settlement at our annual general meetings each and every year and included information in our newsletters. This past year, while we had not yet received a settlement offer, we knew the settlement would likely be in the mid to high \$40M range based on the expert reports. We invited both our legal counsel and our financial advisors to present to the membership. They talked not only about how the settlement was negotiated, but also how we envisioned structuring the trust agreement. We made significant revisions to the trust agreement after consulting with the members.

Moreover, our elders were actively involved in not only consulting on the claim, but actually pursuing it as well. Elders Hartland Goodtrack, Margaret Schmaltz and David Ogle all contributed to building the historical record which eventually got the claim accepted for negotiation.

I also saw a suggestion online that "Chief and Council will have free reign on approximately \$45M". If you read the trust agreement, or the summary contained in your information package, then you know that is clearly not true. All of the money in the trust is protected and controlled by the trustee and beyond the reach of the Chief and Council, whether that is the current Chief and Council or whomever occupies those positions in the future. Chief and Council can only choose (but are not obligated) to apply to the trustee to spend capital money on land purchases (\$6M), investment purposes (\$2M), discretionary purposes (\$2M) (which track the same headings as the First Nations Trust monies which we already receive from gambling revenues from SIGA) and community purposes (\$2.5M). The maximum value of these encroachments is \$12.5M, all of which are for public purposes. This is very conservative in a settlement of this size.

There has also been a suggestion made that this settlement would absolve Canada of all of its past wrong-doings. This too is false. We are required to release the 1910 surrender claim only. The surrender is only with respect to the area to the west of the current reserve, already owned or occupied privately by ranchers. We still have an outstanding claim to Aboriginal title in Western

Canada which we intend to continue to pursue on behalf of our First Nation. We may well have other claims, but none of those are being released.

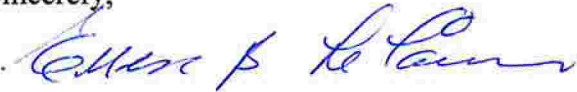
Finally, I have seen people encouraging others to vote “no”. I want to be very clear about what happens if the settlement is rejected by members. The settlement will not go through. The First Nation will not be able to place the \$49M into a trust. There will be no per capita distribution payment to members. The First Nation will be left with two options: re-negotiation or litigation. Neither outcome has any certainty and they may take many years.

It took 10 years to negotiate this claim. If it takes another 10 years, the First Nation will lose out on millions of dollars of interest and income that would have been generated by the trust. The federal government could change and their approach to compensating First Nations could also change. There is even a possibility that we litigate the claim and lose. Canada has not formally admitted liability and has the right to defend the claim on its merits.

In short, in this vote, we have a once in a generation opportunity before us. We can vote “yes” and obtain a settlement that will make a meaningful difference in the lives of our members today and our children and grandchildren tomorrow. It will literally change our First Nation for the better, forever. That is what resolving a surrender claim should be about. It should be about laying the foundation for our future generations and this is exactly what this settlement does.

Voting closes on January 11, 2020. Please vote “yes” and encourage your family members to do the same. The future of our First Nation depends on it.

Sincerely,

A handwritten signature in blue ink, appearing to read "Ellen B. Lecaine".

Chief Ellen B. Lecaine