



Cote First Nation

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COTE DEVELOPMENTS LP

BUSINESS CHARTER

April 2020

Cote Developments LP

BUSINESS CHARTER

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PREAMBLE

Cote First Nation, Reserve #366 encompasses about 8,090 hectares (19,900 acres) is situated north of Kamsack, Saskatchewan and 16 kilometres west of the Manitoba border. Cote First Nation is a growing and thriving community of 4,099 members with 1,161 members living on reserve. Cote First Nation is a signatory to Treaty 4 in 1874. The First Nation is one of the 6 First Nations that are members of the Yorkton Tribal Council. Saulteaux is the native language.

In 2017, Cote Leadership made the decision to participate in the Comprehensive Community Plan (CPP) program. Over the course of the past few years the membership on and off reserve and Chief and Council were engaged with many new and exciting ideas presented to incorporate into the CPP. The hard work of the community navigators and members brought ideas to the plan to enable Cote First Nation to set out a path for the benefit of current and future generations.

In pursuit of this commitment, the Cote First Nation will embark on strengthening its economy through the incorporation of the Cote Developments Limited Partnership. The movement towards the separation of business and politics will ensure that Cote businesses are professionally managed with demonstrated development capacity through successful business expansion and attraction strategies. We need to work towards developing a culture of entrepreneurial excellence where our young and growing population will see business creation as a way to economic sustainability.

Wealth creation strategies and the successful growth and renewal of our economic development projects under Cote Developments LP will increase the generation of our own source revenue and will identify, investigate, develop, direct and oversee the business interests, investments, and opportunities of the Cote First Nation. Cote Developments LP will be instrumental in generating revenue and increasing employment opportunities for our members under the direction of a Chief Executive Officer and Board of Directors.

On April 27, 2020 Cote First Nation formally explored the initiative of creating a business arm for the community, which would become Cote Developments LP. The intent of creating Cote Developments LP is to analyze, research, direct and explore the viability of existing, and potential, business opportunities on behalf of the Cote First Nation. This Business Charter outlines the terms and conditions under which Cote Developments LP is governed and undertakes these activities.

THEREFORE BE IT RESOLVED, that the Council of the Cote First Nation wish to proceed with this initiative. In 2020 Chief George Cote and Council passed a motion at a duly convened meeting to “enhance its business holdings through the establishment of a Development Corporation”.

1.0 DEFINITIONS

In this agreement:

Board means the board of directors of the Corporation.

Canada means the Government of Canada.

CCP means the Comprehensive Community Plan (CPP).

Charter means a business charter approved by the First Nation.

Corporation means the Cote Developments LP.

Nation means Cote First Nation.

Saskatchewan means the Government of Saskatchewan.

Shareholder means the Cote First Nation.

Shareholder Representatives means the elected Chief and Council of the First Nation.

2.0 VISION STATEMENT

We are a vibrant community, through economic development, prospers in self-sufficient and sustainable means.

3.0 MISSION STATEMENT

Cote Developments LP has been entrusted to actively encourage sustainable ventures and partnerships, oversee business enterprises, and be trusted managers of business assets; which will generate own source revenue and benefits for Cote First Nation members through business, employment, and training opportunities for current and future generations.

4.0 GUIDING PRINCIPLES OF THE COTE FIRST NATION

- We are committed to an independent Development Corporation for our Nation.
- We strive to provide resources and support for business development endeavours.
- We value a business arm that is efficient, profitable, well-managed, and accountable.
- We expect honesty, respect, and cooperation for the Development Corporation, the Shareholder Representatives, and the memberships to achieve success.
- We are focused on sound and professional business practises and code of conduct of our Development Corporation representatives and our partners.
- We envision a thriving community built on knowledge, experiences, talents, and skills of our members, individuals, associations, networks, physical assets and natural resources, financial resources, cultural assets, rights, claims, land entitlements and local institutions.
- We understand the benefits of working together on development to benefit current and future generations.

5.0 BUSINESS STANDARDS OF THE CORPORATION

The Corporation will base its operations on the following set of business standards:

- 5.1. Cote Developments LP and its investments should be based on sustainable business practices, with a commitment to the bottom line, with an emphasis on value and service not be influenced by politics or social pressures.
- 5.2. Cote Developments LP will be accountable, transparent, and diligent in reporting in its operations to the Shareholder Representatives with development and investment activity geared towards the full benefit of the members.
- 5.3. Cote Developments LP will play an active role in community activities whereby relationship building is essential with the Shareholders; local and regional businesses; customers; public and government sectors.
- 5.4. Cote Developments LP will serve to enhance local business opportunities that serve the interests of the Corporation, which include the development of local management capacity and increased local employment opportunities.

6.0 MANDATE

- 6.1. To preserve, maintain and serve the Cote First Nation's vision, mission and business standards.
- 6.2. To research, develop and attract new viable business opportunities to the Cote First Nation.
- 6.3. To develop and maintain a 5-year strategic plan adopted by Cote Developments LP, and identify local and regional business opportunities that may be of interest to the Cote First Nation.
- 6.4. To develop mutually beneficial partnerships with established businesses, industry sectors and stakeholders for the purpose of profitability and sustainability.
- 6.5. To oversee and manage as appropriate the Cote Developments LP and related subsidiary investments on behalf of the Shareholder Representatives.
- 6.6. To build, maintain and protect all assets that have been entrusted to the Corporation by the Shareholder Representatives.
- 6.7. To report to the Shareholder Representatives on the Corporation's investments, business plans, corporate and financial affairs.
- 6.8. To represent the best interests of the Shareholders and Shareholder Representatives in a business and professional manner.

7.0 PURPOSE - The Business Charter

The purpose of the Cote Developments LP Business Charter is to provide a basis for the existence of an institutional structure and operations of the Corporation, which entails the economic development planning of the Cote First Nation and the Corporation.

8.0 CORPORATE STRUCTURE

8.1. The Cote First Nation

The Cote First Nation, as represented by its Chief and Council, will establish the Corporation, which shall oversee all business activity and act as the management organization for the investment holdings of the Cote First Nation.

8.2. Shareholder (Unit Holder)

- (a) The Shareholders of the Corporation are the Cote First Nation Chief and Council and owners in the interest of the general membership.
- (b) The Shareholders will approve the Business Charter and will be binding on the current and each successive Chief and Council.

8.3. Shareholder Representatives (Chief and Council)

- (a) The Shareholder Representatives are the elected Chief and Council of the Cote First Nation and represent the general membership.
- (b) The rights and obligations conferred in this Business Charter shall be binding on the current Chief and Council of the Cote First Nation as named herein, as well as each successive Chief and Council.

8.4. Board of Directors

- (a) The Cote First Nation, through the establishment of the Corporation, will separate its political functions from its business development functions. Accordingly, the corporate by-laws and other documents of the Corporation will reaffirm and provide appropriate mechanisms for ensuring that the Cote Developments LP Board is arm's length from the Chief and Council of the Cote First Nation, and is professionally qualified for the management of the Cote First Nation's Corporation.
- (b) The Board shall consist of a minimum of six (6) and up to eight (8) directors as follows:
 - i. The Cote First Nation Council Member responsible for the Economic Development Portfolio for the Cote First Nation Council shall hold an Ex-Officio position as Chairperson, with rights as outlined in the articles of incorporation, corporate by-laws and other documents of the Corporation;

- ii. A minimum of one (1) and up to a maximum of six (6) registered members from the Cote First Nation; and
 - iii. A minimum of one (1) and up to a maximum of six (6) independent directors.
- (c) Board appointments of the members from the Cote First Nation will be made by a 50% + 1 majority vote of the shareholder representatives at a duly convened meeting of the Chief and Council based upon standardized criteria as outlined in the articles of incorporation, corporate by-laws and other documents of the Corporation.
- (d) Board appointments of the board and independent directors will be made by a 50% +1 majority vote of the shareholder representatives at a duly convened meeting of the Chief and Council based upon standardized criteria as outlined in the articles of incorporation, corporate by-laws and other documents of the Corporation.
- (e) The Board chair is authorized to request the resignation of any board and independent directors that contravenes the board Code of Ethics, Declaration of Interest, corporate by-laws, or other policies and procedures of the Corporation.
- (f) Board removals will be made by a 50% + 1 majority vote of the Shareholder Representatives at a duly convened meeting of the Chief and Council based upon standardized criteria as outlined in the articles of incorporation, corporate by-laws and other documents of the Corporation.
- (g) The board shall maintain up to three (3) directors for three (3) year terms, which will consist of at least one (1) members from the Cote First Nation and at least one (1) independent director.
- (h) The board shall maintain up to three (3) directors for two (2) year terms which will consist of at least one (1) member from the Cote First Nation and at least one (1) independent directors, such that a staggered appointment schedule is established. Directors may be eligible for re-appointment without time restrictions.
- (i) The Cote First Nation Council Member responsible for the Economic Development Portfolio serves as the Ex-Officio Board chair is based on the appointment by the Cote First Nation Chief and Council to the Economic Development Portfolio and

shall sit for the duration of the council term appointment and may be eligible for re-appointment.

- (j) Board directors are eligible for re-appointment for up to two (2) full three (3) terms for a maximum of six (6) years continual service.

9.0 ROLES AND RESPONSIBILITIES

9.1. The Cote First Nation is committed to the separation of political and governance affairs from the business operations of the Cote Developments LP. Within this context, the Corporation will operate based on its own corporate by-laws, board resolutions and policies as approved from time-to-time by the Board and when required, the Shareholder Representatives.

9.2. Shareholder Representatives will have the following roles and responsibilities:

- (a) Represent the Shareholders of the Corporation;
- (b) Support the mandate for the Corporation;
- (c) Support the best interests of the Corporation;
- (d) Appoint and remove the Board according to the approved process;
- (e) Participate in strategic planning and business development plans for the Corporation when required;
- (f) Receive annual operating plans and budgets;
- (g) Receive reports and monitor progress of all the Cote First Nation's corporate activity through the Corporation; and
- (h) Report to the Shareholders and Band Membership.

9.3. The Board's primary task is to oversee the operations of the Corporation and to ensure that those operations reflect the strategic interests and objectives of the Corporation and the Cote First Nation. The Board will provide direction and advice to the Chief Executive Officer. The specific roles and responsibilities of the Board are as follows:

- (a) Approve and amend policies and rules required for the governance of the Corporation;

- (b) Select, oversee and evaluate the Chief Executive Officer and Management;
- (c) Develop and approve an operational work plan in conjunction with the Chief Executive Officer;
- (d) Collaborate where necessary with the Shareholder Representatives and the Chief Executive Officer to develop a strategic plan for the Corporation;
- (e) Reports to and is accountable to the Shareholder Representatives respecting the Corporation on the following:
 - i. Submission of an approved annual operating plan;
 - ii. At a minimum, submission of quarterly progress reports outlining results set out in the annual operating plan;
 - iii. Submission of approved annual audited financial statements; and
 - iv. Submission of an annual report summarizing progress against corporate goals and objectives.
- (f) Assesses information and reports provided by the Chief Executive Officer and Management;
- (g) Develop and approve a standardized investment decision making processes; and
- (h) Make sound business investment decisions within authority guidelines established by the Board and Shareholder Representatives.

9.4. The Chief Executive Officer serves as the focal point of management responsibility for the Corporation. While assuring the corporate operations respect the guidelines set by the Shareholder Representatives and the Board, the Chief Executive Officer has the flexibility to make quick and efficient business decisions.

The Chief Executive Officer's responsibilities include the following:

- (a) Provide day-to-day business management of the Corporation;
- (b) Reports directly to the Board chair on a regular basis;
- (c) Develop and implement operating policies and procedures as approved by the Board;
- (d) Lead the development of a 5-year strategic plan for the Corporation;

- (e) At a minimum, submit quarterly reports to the Board and support the Board in reporting to the Shareholder Representatives;
- (f) Develop the annual operating plan, including budgets and performance objectives;
- (g) Establish overall accounting for all corporate funds;
- (h) Seek and initiate planning for new business developments within the investment plan approved by the Board and Shareholder Representatives;
- (i) Undertake all due diligence on business development opportunities as directed by the Board;
- (j) Develop and monitor the operations of the business that the Corporation has investments in; and
- (k) Participate in the governance of the business investments to the extent possible.

10.0 OPERATIONS OF THE CORPORATION

- 10.1. The Corporation shall be responsible for identifying investment opportunities for the Cote First Nation and for performing all due diligence research with respect to such investment opportunities.
- 10.2. The Corporation shall abide by the guidelines established by the Business Charter, articles of incorporation, corporate by-laws, and other foundational documents and will act, at all times, in the best interests of the Corporation.
- 10.3. The Corporation shall comply with all applicable provincial and federal laws.

11.0 PROCEDURES OF THE CORPORATION

- 11.1. The articles of incorporation, corporate by-laws, and other foundational documents shall be approved by the Shareholder Representatives at a duly convened meeting of the Chief and Council.

- 11.2. The Shareholder Representatives shall approve by 50% + 1 majority vote, in writing and prior to any amendment, the amendment of any provision of the articles of incorporation, corporate by-laws or other foundational documents of the Corporation.
- 11.3. The corporate by-laws of the Corporation shall provide for representation of members from the Cote First Nation on the Board. All other Board positions shall be filled by independent directors in accordance with the articles of incorporation, by-laws and other foundational documents of the Corporation.
- 11.4. The Board shall manage the operations of the Corporation consistent with the Business Charter and with the articles of incorporation, corporate by-laws and foundational documents of the Corporation. Without limiting the foregoing, the Cote First Nation recognizes that the Board shall have the exclusive responsibility with respect to matters including the appointment of officers, employment of the Chief Executive Officer, Management and the day-to-day operations of the Corporation.

12.0 REPORTING AND ACCOUNTABILITY

- 12.1. The Cote First Nation recognizes that despite the separation of business and politics as envisioned by this Business Charter, the Corporation remains accountable to the Shareholder Representatives. Accordingly, the Board and CEO shall report to, and shall always be accountable to the Shareholder Representatives.
- 12.2. The Board and CEO shall provide to the Shareholder Representatives, at least thirty (30) days prior to the start of each fiscal year, an operating budget for the upcoming fiscal year. The operating budget shall be subject to final approval by the Board.
- 12.3. The Board shall report on the operations and financial results of the Corporation to the Shareholder Representatives on a quarterly basis.
- 12.4. The Board and the Chief Executive Officer will report on the operations and finances of the Corporation to the Shareholder Representatives according to the policies and procedures of Shareholder meetings or regular meetings of the Chief and Council.
- 12.5. The Board shall produce audited financial statements within one hundred and twenty (120) days from the fiscal year end for the Corporation. The financial statements, along with an annual financial report and any auditor's management letter, shall also be provided to the Shareholder representatives.

13.0 DISPUTE RESOLUTION

- 13.1. The Board will establish a dispute resolution policy to ensure fair treatment and create a positive working relationship with the Cote First Nation.
- 13.2. In the event a dispute arises between the Shareholder Representatives and the Board regarding the interpretation and / or implementation of the Business Charter, the matter shall be referred to the dispute resolution policy established by the Board and every effort shall be made to resolve the issue internally.
- 13.3. As a last resort, legal counsel for the Corporation and / or the Cote First Nation may be engaged who shall advise on the best course of action to resolve the issue.

14.0 APPROVAL PROCESS OF THE BUSINESS CHARTER

- 14.1. The Shareholder Representatives shall pass a motion in a duly convened meeting of the Chief and Council to approve and execute this Business Charter.

15.0 AMENDMENTS

- 15.1. The Business Charter shall be reviewed by the Shareholder Representatives and the Board on an annual basis.
- 15.2. The Shareholder Representatives shall approve by 50% +1 majority vote, and notify in writing any amendment, the amendment of any provisions of the Business Charter.

16.0 SIGNATURES AND OFFICIAL SEAL

By setting their hands hereto, the parties below hereby pledge the commitment of the Cote First Nation to the policies and guidelines established in this Business Charter, as of the date first above written.

Chief George Cote

Councillor Vincent Cadotte

Councillor Alvin Cote

Councillor Joseph Cote

Councillor Reynold Cote

Councillor Tyrone Keshane

Councillor Darrel Langan

Councillor Robert Severight

Councillor Trevor Severight

Councillor Brian Shingoose

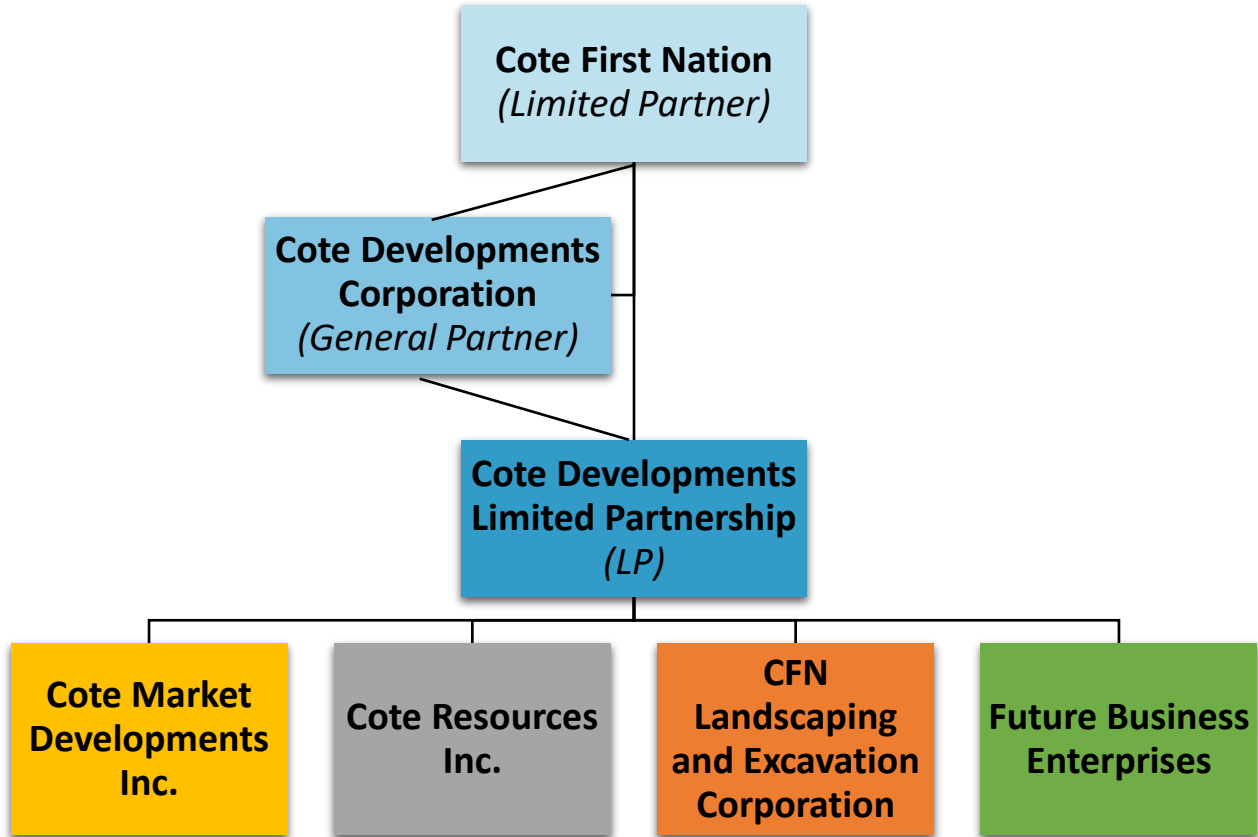
Councillor Jaret Stevenson

Councillor Delvina Whitehawk

Councillor Pamela Whitehawk

Official Seal

Appendix 1 - Cote Developments LP Corporate Structure Chart



Appendix 2 - Cote Developments LP Organizational Chart

