



Squamish Nation Chiefs and Council
Squamish Nation Trust
Joint Communication



To Squamish Nation Members
March 28, 2016

Re: Transaction to Maintain Tax-Free Status of Trust Income

For the past 15 years, in order to protect the Squamish Nation Trust's income from being subject to income taxes, the Trust has paid all of its income to the Nation and the Nation has loaned the exact same amount back to the Trust. The only purpose of this annual transaction is to ensure that the Trust income available for community projects is not diminished by taxes. The cumulative amount of these transactions has been shown on the Trust's financial statements as "Due to Squamish Nation". As of December 31, 2014 that amount was \$36,829.716.

In 2015, our tax advisors recommended that, to further ensure that we would not have to pay tax on this amount should tax rules change, that the Trust and the Nation exchange cheques for an amount equal to the amount due to Squamish Nation. So, in March of 2016, the Trust paid the Nation \$36,829,716 and the Nation paid back to the Trust ("gifted") an equal amount.

At the end of the exchange, neither the Trust nor the Nation had more or less money than they'd had before the transaction.

These transactions have no impact on the Trust's ATR loan to the Nation.

Sincerely,

SQUAMISH NATION TRUST

Kathleen Smith
Squamish Nation Trustee, Chair

SQUAMISH NATION

Syexwaliya / Ann Whonnock
Council Co-chair

Don Woods,
Toronto Dominion Canada
in its capacity as,
Administrative Trustee of Squamish Nation Trust

Byron Joseph
Council Co-Chair