

**Schedule "A"**

**AN AGREEMENT  
WITH RESPECT TO FUNDING FOR  
MI'KMAQ EDUCATION IN NOVA SCOTIA**

**Between:**

**HER MAJESTY THE QUEEN IN RIGHT OF CANADA,**  
As represented by the Minister of Indian Affairs and Northern Development

(Hereinafter referred to as "Canada")

**And:**

**THE MI'KMAQ BANDS OF NOVA SCOTIA** who have ratified the *Agreement with respect to Mi'kmaq Education in Nova Scotia*,

(Hereinafter referred to as the "Participating Communities")

**And:**

**THE MI'KMAW-KINA'MATNEWEY**, a body corporate established pursuant to the laws of Canada and having its head office at Sydney in the Province of Nova Scotia

(Hereinafter referred to as the "Mi'kmaw Kina'matnewey")

(Hereinafter all of whom are collectively referred to as "Parties")

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**WHEREAS** the provisions of this Agreement are made pursuant to the *Agreement with Respect to Mi'kmaq Education in Nova Scotia*, signed on February 14, 1997, (hereinafter referred to as the Final Agreement) between the Participating Communities and Canada and constitutes Schedule A of the Final Agreement.

**THE PARTIES AGREE AS FOLLOWS:**

**1.0 INTERPRETATION OF THIS FUNDING AGREEMENT**

This Funding Agreement is referred to herein as "this Agreement". The provisions of the Final Agreement apply to this Agreement unless the context otherwise requires.

**1.1 Definitions**

In this Agreement, except where the context otherwise indicates:

**"Agreed-Upon Programs and Services"** means the programs and services outlined in sections 6.1 and 6.2.

**"Annual Grant"** means:

- (a) in Year One, the amount payable by Canada to the Mi'kmaw Kina'matnewey on behalf of the Participating Communities and the Mi'kmaw Kina'matnewey being the Base Amount under this Agreement prorated by the number of months remaining in Year One from the date of the commencement of the term of this Agreement. A portion of this amount is subject to an annual appropriation by Parliament of monies for the purposes set out in this Agreement for the Fiscal Year in which payment is to be made;
- (b) in those Fiscal Years subsequent to Year One, the amount payable by Canada to the Mi'kmaw Kina'matnewey on behalf of the Participating Communities and the Mi'kmaw Kina'matnewey in respect of a specific Fiscal Year under this Agreement.

**"Base Amount"** means the amount of the Annual Grant in Year One before any proration of the Annual Grant in Year One due to this Agreement commencing part way through the Fiscal Year, which is subject to the adjustment provisions contained in this Agreement, payable by Canada to the Mi'kmaw Kina'matnewey on behalf of the Participating Communities and the Mi'kmaw Kina'matnewey.

**"Canadian Environmental Assessment Act (CEAA)"** means an Act to establish federal environmental assessment process, S.C. 1992, c. 37, as amended from time to time.

**"Comprehensive Funding Arrangement (CFA)"** is a program-budgeted funding agreement that DIAND enters into with recipients for a one year duration and which contains programs funded by means of contributions, flexible Transfer Payments and/or grants.

**"Final Agreement"** means "An Agreement with Respect to Mi'kmaq Education in Nova Scotia" signed on February 14, 1997, amended on February 22, 2002 and as further amended from time to time.

**"Fiscal Year"** means a twelve-month period beginning on and including April 1 of a year and ending on and including March 31 of the immediately following calendar year.

**"Generally Accepted Accounting Principles"** means the accounting principles generally accepted in Canada from time to time and, where the Canadian Institute of Chartered Accountants (including the Public Sector Accounting Board), or its successor, publishes a statement of principle or accounting guideline, that statement or guideline will be considered conclusively to be an accounting principle generally accepted in Canada.

**"Indian Studies Support Program"** means a DIAND program component of the post-secondary student support program which provides for financial support to institutional projects.

**"Mi'kmaw Kina'matnewey"** means the body described in section 5.7 of the Final Agreement and established by section 10(1) of the *Mi'kmaq Education Act*, S.C. 1998, c. 24.

**"Nominal Roll"** means a student count taken annually, in September, of students ordinarily resident on Reserve and attending a school on Reserve operated by a Participating Community, a provincially operated school or a privately operated school at the primary, elementary and secondary level.

**"Own Source Revenue Agreement (OSRA)"** means an agreement that sets out the manner by which the parties will determine the own source revenue capacity of the Participating Communities and the manner in which it is to be taken into account under a subsequent funding agreement.

**"Reserve"** means a reserve as defined in the *Indian Act*, R.S.C. 1985, c. I-5, located within the province of Nova Scotia.

**"Transfer Payments"** mean annual funding transferred by Canada to the Mi'kmaw Kina'matnewey, on behalf of the Participating Communities and the Mi'kmaw Kina'matnewey, for expenditure on Agreed-Upon Programs and Services.

**"Year One"** means the Fiscal Year beginning April 1, 2011 and ending March 31, 2012.

## **2.0 TERM**

### **2.1 Agreement Period**

2.1.1 The term of this Agreement shall be October 01, 2011 until March 31, 2016 or until such time as agreed to in writing by the Parties.

- 2.1.2 In the event that a subsequent funding agreement to this Agreement has not been entered into by the Parties prior to expiry of the term of this Agreement, then this Agreement shall be extended on the same terms and conditions for a period of two years.

### **3.0 SERVICE POPULATION**

#### **3.1 Service Population**

The service population for whom funding is being transferred is:

3.1.1 Primary, elementary and secondary education - all members resident on Reserves of the Participating Communities.

3.1.2 Post-Secondary - all members whether or not resident on Reserves.

3.1.3 Primary, elementary and secondary education - all non-members resident on Reserves of the Participating Communities.

### **4.0 CANADA'S RESPONSIBILITIES**

4.1 Subject to the terms and conditions of this Agreement, Canada shall make annual Transfer Payments to the Mi'kmaw Kina'matnewey on behalf of the Participating Communities and the Mi'kmaw Kina'matnewey as set out in annual Transfer Payment plans developed for each Fiscal Year in accordance with Appendix 2 of this Agreement.

4.2 Canada will make all reasonable efforts to ensure the Mi'kmaw Kina'matnewey and the Participating Communities are recognized and considered by federal departments in the introduction of new education programs or services.

4.3 The manner in which the Mi'kmaw Kina'matnewey and the Participating Communities exercise the jurisdiction and authorities set out in the Final Agreement and carry out the responsibilities they have under this Agreement do not create any financial obligations on behalf of Canada.

### **5.0 MI'KMAW KINA'MATNEWEY AND PARTICIPATING COMMUNITIES' RESPONSIBILITIES**

5.1 The Mi'kmaw Kina'matnewey and the Participating Communities shall ensure the provision of Agreed-Upon Programs and Services.

5.2 Agreed-Upon Programs and Services provided by the Mi'kmaw Kina'matnewey and the Participating Communities shall be delivered in compliance with the provisions of the Final Agreement and this Agreement.

5.3 The Mi'kmaw Kina'matnewey and the Participating Communities may allocate and expend the Annual Grant as the Mi'kmaw Kina'matnewey and the Participating Communities, in their discretion, determine.

5.4 The Mi'kmaw Kina'matnewey and the Participating Communities have the discretion to retain any unexpended balances of the Annual Grant.

### **6.0 FUNDING UNDER THIS AGREEMENT**

#### **6.1 Scope**

Funding under this Agreement is provided to the Mi'kmaw Kina'matnewey on behalf of the Participating Communities and the Mi'kmaw Kina'matnewey for the support of the governance and delivery of education programs and services as set out in Part 5.0 of the Final Agreement, including:

- 6.1.1 Funding with respect to primary, elementary and secondary education, post-secondary support, *Indian Studies Support Program*, education-related band support and band employee benefits;
- 6.1.2 Funding for capital facilities, major repairs and replacement of existing education facilities;
- 6.1.3 Funding for the operation and maintenance of education facilities and classroom equipment;
- 6.1.4 Funding for governance for the Mi'kmaw Kina'matnewey and the Participating Communities.

## 6.2 Targeted Education Programs

Canada will include the following targeted education programs in the Annual Grant: Teacher Recruitment and Retention, Parental and Community Engagement, New Paths, Elementary/Secondary Instructional Services, and Special Education Program (High Cost).

- 6.2.1 The Mi'kmaw Kina'matnewey, on behalf of the Participating Communities and the Mi'kmaw Kina'matnewey, shall incorporate targeted education programs into the annual strategic planning ' results based reporting process and will include detailed annual reporting on the use of targeted programming. Annual reporting on targeted education programs shall be consistent with the information required in the *Recipient Reporting Guide* produced by DIAND.
- 6.2.2 In the event that a targeted education program is eliminated, merged or re-programmed, the Annual Grant will be adjusted accordingly. The Mi'kmaw Kina'matnewey on behalf of the Participating Communities and the Mi'kmaw Kina'matnewey will be notified of any such changes in targeted education programs in the same manner as other recipients of targeted education programs.
- 6.2.3 Targeted education programming, including those in the Annual Grant, will be subject to re-evaluation for inclusion in the Annual Grant upon the negotiation of a subsequent funding agreement.
- 6.2.4 Targeted education programs included in the Annual Grant will be subject to annual Federal Domestic Demand Implicit Price Index (FDDIPI) and volume adjustments.

## 6.3 Incremental Funding

The Mi'kmaw Kina'matnewey, on behalf of the Participating Communities and the Mi'kmaw Kina'matnewey, may be eligible for incremental funding in the event of new and enhanced policy approvals resulting in supplementary funding being received for education by DIAND through increases to departmental appropriations and the new and enhanced policy approvals will be introduced taking into consideration the circumstances of the Final Agreement in accordance with section 4.2 of this Agreement.

- 6.3.1 In the event of incremental funding approvals, Canada agrees to establish a targeted budget allocation for the Mi'kmaw Kina'matnewey and the Participating Communities which will be managed through a Comprehensive Funding Arrangement that may be with the Mi'kmaw Kina'matnewey, the Participating Communities, or both.

6.3.2 In the event that new and enhanced policy approvals become part of regular ongoing education programming resulting in supplementary funding being received for education by DIAND through increases to departmental appropriations, and if an adjustment is agreed to, then the adjustment shall be made to the Annual Grant.

#### 6.4 Capacity for Shared Fiscal Responsibility

The Government of Canada's Approach to Implementation of the Inherent Right and the Negotiation of Aboriginal Self-Government(1995) regards the financing of self-government as a shared responsibility between federal and Aboriginal governments and institutions. Upon ratification of this Agreement, Canada and the Participating Communities will begin negotiations toward the application of this principle.

6.4.1 By March 31, 2014, Canada and the Participating Communities will conclude negotiations of an Own Source Revenue Agreement that will set out a mechanism for calculating the contribution(s) to be made by the Participating Communities towards the costs of education programs and services.

6.4.2 In negotiating the Own Source Revenue Agreement, Canada and the Participating Communities will take into account:

- a) the capacity of the Participating Communities to generate revenues;
- b) the prevailing fiscal policies with respect to the treatment of First Nation own source revenue in self-government fiscal arrangements;
- c) that the Own Source Revenue Agreements should not unreasonably reduce incentives for Participating Communities to generate revenues;
- d) other matters as agreed to by Canada and the Participating Communities.

6.4.3 Own source revenue, as a principle, includes a phase-in period which begins immediately upon the effective date of an OSRA; the terms of which will be subject to negotiation.

### **7.0 METHOD AND CONDITIONS OF PAYMENTS**

#### 7.1 Subject to Annual Appropriation

Subject to an annual appropriation by Parliament of monies for the purposes set out herein, Canada shall provide to the Mi'kmaw Kina'matnewey on behalf of the Participating Communities and the Mi'kmaw Kina'matnewey an Annual Grant.

#### 7.2 Payment

The Annual Grant shall be paid on a quarterly basis beginning April 1 of each Fiscal Year to the Mi'kmaw Kina'matnewey on behalf of the Participating Communities and the Mi'kmaw Kina'matnewey.

### **8.0 ANNUAL GRANT**

#### 8.1 Term

Canada shall provide to the Mi'kmaw Kina'matnewey, on behalf of the Participating Communities and the Mi'kmaw Kina'matnewey, an Annual Grant to deliver the Agreed-Upon Programs and Services for the period specified in Section 2.0.

## 8.2 Base Amount

Canada shall provide to the Mi'kmaw Kina'matnewey on behalf of the Participating Communities and the Mi'kmaw Kina'matnewey a Base Amount of \$45,282,532.

## 8.3 Adjustment to the Annual Grant

8.3.1 For the first Fiscal Year subsequent to Year One, the Annual Grant will be determined by adjusting the Base Amount which is the Annual Grant in Year One before any proration of the Annual Grant in Year One due to this Agreement commencing part way through the Fiscal Year:

- a) in accordance with Section 12.0 of this Agreement;
- b) in accordance with Section 11.0 of this Agreement, if applicable; and
- c) in accordance with section 6.3.2 of this Agreement, if applicable.

8.3.2 For each Fiscal Year subsequent to Year One, except the first Fiscal Year subsequent to Year One, the Annual Grant will be determined by adjusting the amount of the Annual Grant for the prior Fiscal Year:

- a) in accordance with Section 12.0 of this Agreement;
- b) in accordance with Section 11.0 of this Agreement, if applicable; and
- c) in accordance with section 6.3.2 of this Agreement, if applicable.

## 9.0 EDUCATION FACILITIES

### 9.1 Existing Facilities, Operations and Maintenance and Major Repairs and Recapitalization

9.1.1 The Mi'kmaw Kina'matnewey and the Participating Communities will adopt a life cycle management approach for the replacement and maintenance of education facility assets, in accordance with the federal government's standards for real property management, including the following functions:

- a) preparation and implementation of a multi-year maintenance and replacement plan and budget developed from information contained in a capital management information system that is to be made available to the Mi'kmaw Kina'matnewey and the Participating Communities;
- b) maintenance of the education facility assets in good condition thereby protecting the current investment in education facilities; and
- c) replacement of the education facility assets as necessary.

9.1.2 The Mi'kmaw Kina'matnewey and the Participating Communities shall be responsible for the disposition, management and allocation of capital, and operation and maintenance funding related to major repairs, renovation, growth, insurance, and replacement of existing facilities in accordance with this Agreement including;

- a) financing a capital project;
- b) major maintenance and replacement of education facility assets, in accordance with a lifecycle management program;
- c) segregation of capital funding provided under this Agreement; and
- d) management of the capital funding identified in this Agreement to ensure the availability of adequate funding for the maintenance and replacement of education facilities.

9.1.3 The Mi'kmaw Kina'matnewey and the Participating Communities will maintain education facilities in a manner consistent with federal and provincial laws, including building, and fire and safety codes, at a level necessary to provide for the delivery of education in accordance with this Agreement.

9.1.4 The Mi'kmaw Kina'matnewey and the Participating Communities will maintain insurance on all applicable assets.

9.1.5 The Mi'kmaw Kina'matnewey and the Participating Communities will be responsible for the maintenance and replacement of all education facility assets.

## 9.2 Health and Safety

For education related facilities and activities, the Mi'kmaw Kina'matnewey and the Participating Communities shall provide for the preservation of public health and safety through adherence to applicable laws and regulations.

## 10.0 ENVIRONMENT

10.1 Prior to making any decision on a project triggering an environmental assessment under the *Canadian Environmental Assessment Act*, ('CEAA') the Participating Community or the Mi'kmaw Kina'matnewey shall notify Canada.

10.2 The Participating Community shall ensure that:

- a) every project on a Reserve, which does not appear on the Exclusion List, prescribed under CEAA paragraph 59(c) and which is to be carried out with funding provided under this Agreement, undergoes an environmental assessment;
- b) work does not commence on a project until an environmental assessment is completed and the Participating Community has made an environmental assessment decision;
- c) the Participating Community on the affected Reserve(s) has access to the information respecting the project, the environmental assessment and the environmental assessment decision;
- d) all mitigation measures and any follow-up program requirements included in the Participating Community's environmental assessment decision are implemented;
- e) Canada is provided with the environmental assessment decision including the environmental assessment report; and
- f) Canada is notified promptly if the intended results of the specified mitigation measures and/or follow-up program requirements are found to be inadequate.

## 11.0 CHANGE IN PARTICIPATION

### 11.1 Participating to Non-Participating

In the event a Participating Community becomes a Non-Participating Community to this Agreement pursuant to part 8.0 of the Final Agreement, funding under this Agreement in that year and subsequent years will be adjusted as follows:

- 11.1.1 Funding, as outlined in section 6.1.1, will be decreased by the amount dedicated to the Participating Community that is changing status in effect in the year that notice is given and in a manner agreed to by Canada, the Participating Communities and the Mi'kmaw Kina'matnewey;
- 11.1.2 Funding, as outlined in section 6.1.2, will be decreased or maintained in a manner agreed to by Canada, the Participating Communities and the Mi'kmaw Kina'matnewey;
- 11.1.3 Funding, as outlined in section 6.1.3, will be decreased or maintained by the amount dedicated to the Participating Community that is changing status in effect at the time that notice is given and in a manner agreed to by Canada, the Participating Communities and the Mi'kmaw Kina'matnewey; and
- 11.1.4 Funding, as outlined in section 6.1.4, will be decreased in a manner agreed to by Canada, the Participating Communities and the Mi'kmaw Kina'matnewey.

## 11.2 Non-Participating to Participating

In the event that a Non-Participating Community becomes a Participating Community in accordance with Part 8.0 of the Final Agreement, funding under this Agreement in that year and subsequent years during which it remains a Participating Community, will be adjusted as follows:

- 11.2.1 Funding will be increased by the amount of funding provided for that community by DIAND in its current funding arrangement and any other education funds that are managed by a tribal council or other organization on the community's behalf at the time a notice is given in accordance with 8.1.3.1 of the Final Agreement;
- 11.2.2 Funding for governance will be increased in accordance with the allocation methodology for the governance funding of a Participating Community in effect at the time a notice is given under section 8.1.3.1 of the Final Agreement and adjusted in a manner agreed to by Canada, the Participating Communities and the Mi'kmaw Kina'matnewey; and
- 11.2.3 Governance funding to the Mi'kmaw Kina'matnewey may be increased.

## **12.0 ANNUAL ADJUSTMENTS**

### 12.1 Provisions for Annual Adjustments

#### 12.1.1 The Annual Grants for the periods:

12.1.1.1 April 1, 2011 to September 30, 2011 paid in accordance with the previous funding agreement amongst the Parties for the period April 1, 2005 to September 30, 2011; and

12.1.1.2 October 1, 2011 to March 31, 2012;

shall be adjusted for price and volume for the first Fiscal Year subsequent to Year One in accordance with sections 12.2 and 12.3 and subject to the annual appropriation of funds by Parliament.

12.1.2 The Annual Grant for the period April 1, 2012 to March 31, 2016 shall be adjusted annually for price and volume in accordance with sections 12.2 and 12.3 and subject to the annual appropriation of funds by Parliament.

12.2 Adjustments for volume will be calculated annually by taking the year over year change in the average annual growth in Nominal Roll for the most current five years, as compiled by the Mi'kmaw Kina'matnewey as of September 10th of each year, and submitted to Canada by September 20<sup>th</sup> of each year as defined in section 13.3. An example of the calculation is contained at Appendix 1 to this Agreement.

### 12.3 Annual Calculation of Price Adjustment Factor

The Annual Price Adjustment Factor to be applied for a Fiscal Year is equal to the quotient obtained by taking the Final Domestic Demand Implicit Price Index (FDDIPI), for the second quarter of the calendar year immediately preceding the calendar year in which the new Fiscal Year for which the adjustment is being made begins, and dividing it by the FDDIPI for the second quarter of the calendar year prior to the immediately preceding year.

The FDDIPI values used to calculate the Annual Price Adjustment Factor will be the FDDIPI published by Statistics Canada immediately following the end of the second quarter of the calendar year immediately preceding the calendar year in which the particular Fiscal Year commences. In the event that there is a delay in publishing the second quarter statistics, then the Annual Price Adjustment Factor from the previous year, or an estimate as otherwise agreed by the Parties to this Agreement, may be used until the statistics are available, and any subsequent adjustments will be made prior to the disbursement of the next scheduled payment.

Therefore, the Annual Price Adjustment Factor (APAF) will be calculated as follows:

$$\text{APAF} = \text{FDDIPI 2Q } y-1 / \text{FDDIPI 2Q } y-2$$

where:

FDDIPI 2Q y-1 is the first published value of FDDIPI for the second quarter of the calendar year immediately preceding the calendar year in which the new Fiscal Year begins; and

FDDIPI 2Q y-2 is the value of FDDIPI for the second quarter of the calendar year prior to that immediately preceding (y-1) calendar year, which is published in the same publication and at the same time as the FDDIPI value used for 2Qy-1.

Once an Annual Price Adjustment Factor has been calculated, the result shall be final and shall not be subject to revisions, unless otherwise agreed by the Parties. For greater certainty, subsequent revisions, rebasing or other changes to FDDIPI figures used to calculate the Annual Price Adjustment Factor for Fiscal Years of this Agreement shall not result in adjustments to the Annual Price Adjustment Factor for previous Fiscal Years.

An example of the calculation of annual adjustments is contained at Appendix 1 to this Agreement.

## **13.0 ACCOUNTABILITY AND REPORTING**

13.1 The Mi'kmaw Kina'matnewey and all Participating Communities shall maintain a system of program and financial accountability that is comparable to standards of program and financial accountability generally accepted for governments and public institutions, including education systems, in Canada.

### 13.2 The Mi'kmaw Kina'matnewey and all Participating Communities shall:

- a) Within 120 days following the end of each Fiscal Year, or such longer period as Canada, the Mi'kmaw Kina'matnewey, and the Participating Communities may agree in writing, provide Canada with audited financial statements, prepared in accordance with Generally Accepted Accounting Principles for non-government not-for-profit organizations.
- b) Where the Mi'kmaw Kina'matnewey transfers funding under this Agreement to a Participating Community, or another recipient, the Mi'kmaw Kina'matnewey shall include a schedule, detailing grant and contribution disbursements by category and segregated by recipient, including the Participating Communities, in its audited consolidated financial statements.

For greater certainty, the consolidated audited financial statement of each Participating Community shall include a schedule specific to the revenues and expenditures pursuant to this Agreement with expenses segregated by category as identified in the Mi'kmaw Kina'matnewey's 'Schedule of Band Transfers,' attached to the annual audited financial statements of the Mi'kmaw Kina'matnewey.

- c) Prepare, publish and make publically available an annual business plan for Agreed-Upon Programs and Services, setting out proposed objectives, financial allocations and anticipated performance results for the next Fiscal Year;
- d) Prepare, publish and make publically available an annual performance report, which assesses the commitments contained in the annual business plan against actual performance, for the previous Fiscal Year. This annual report is to be consistent with information published by other education systems in Canada and will be made available to Canada by October 31st of each year.

For greater certainty this annual performance report will include information related to the Participating Communities and the Mi'kmaw Kina'matnewey such as, but not limited to:

- i) Primary, elementary/secondary and post-secondary enrolment statistics;
- ii) Success indicators such as graduation rates, retention rates, attendance rates, student-educator ratios for elementary/secondary and post-secondary education;
- iii) Total education expenditures and per student operating expenditures;
- iv) Utilization of Annual Grant expenditures;
- v) Unique Mi'kmaw Kina'matnewey indicators such as programming, investment and outcomes in language, history and culture;
- vi) Provincial/national/international assessment results; and
- vii) Other relevant areas as agreed to by the Parties.

### 13.3 Student Enrolment Information

In addition to the information identified in section 13.2 (d), the Mi'kmaw Kina'matnewey will provide detailed student enrolment information to Canada as of September 10<sup>th</sup> of each year. This information will be used to support the volume adjustment calculation as defined in sections 8.3 and 12.2 and shall be included as a component of the annual performance report. The student enrolment information will include statistics by Participating Community, members and non-members, grade level and other relevant areas as agreed to by the Parties.

## **14.0 EXCEPTIONAL CIRCUMSTANCES**

14.1 In any situation where exceptional circumstances arise, which significantly impair the financial capacity of the Mi'kmaw Kina'matnewey, or the Participating Communities, to deliver Agreed-Upon Programs and Services, the parties shall, at the request of the Mi'kmaw Kina'matnewey on behalf of the Participating Communities and the Mi'kmaw Kina'matnewey:

- a) meet as soon as possible to review the exceptional circumstances and the impact on the ability of the Mi'kmaw Kina'matnewey and the Participating Communities to meet their obligations;
- b) review other assistance or potential funding sources available to the Mi'kmaw Kina'matnewey and the Participating Communities to meet their obligations; and
- c) decide what steps, if any, may be required by the Parties to address the exceptional circumstances.

14.2 Nothing in section 14.1 shall be construed as preventing the Mi'kmaw Kina'matnewey and the Participating Communities from responding, financially or otherwise, to exceptional circumstances in order to meet their obligations, before requesting a meeting of the Parties.

14.3 For the purposes of this Section, exceptional circumstances might arise in the following situations:

- a) a natural disaster on Reserve in a Participating Community;
- b) a health or safety emergency on Reserve in a Participating Community;
- c) other events, which are beyond the power of the Participating Communities or the Mi'kmaw Kina'matnewey to control, but which create new unexpected responsibilities for the Participating Communities or the Mi'kmaw Kina'matnewey.

## **15.0 SUBSEQUENT FUNDING AGREEMENT**

### **15.1 New Funding Agreement**

At least 24 months prior to the expiry of this Agreement, the Parties shall begin negotiating a subsequent Funding Agreement.

## **16.0 DELEGATION AND INDEMNITY**

16.1 The Participating Communities and the Mi'kmaw Kina'matnewey agree that funding which would have been payable by Canada to each Participating Community in accordance with the terms of the Final Agreement and this Agreement, shall be directed by Canada to the Mi'kmaw Kina'matnewey in full satisfaction of the amount otherwise payable to each Participating Community.

16.2 Notwithstanding section 16.1, the Participating Communities will remain liable to Canada for the performance of their obligations under this Agreement.

16.3 The Participating Communities and the Mi'kmaw Kina'matnewey will save harmless and fully indemnify Canada, her officers, employees, servants and agents, successors and assigns from and against all claims, liabilities and demands arising directly or indirectly from:

- a) any act, omission, or negligence of the Mi'kmaw Kina'matnewey or the Participating Communities;
- b) any breach of this Agreement by the Mi'kmaw Kina'matnewey or the Participating Communities; and
- c) any claims, liabilities and demands that may arise from the Mi'kmaw Kina'matnewey or the Participating Communities entering into any loan, capital lease, construction contract, or other long term obligation

and such indemnification will survive the termination or expiration of this Agreement.

### **17.0 DISPUTE RESOLUTION**

17.1 In the event of a dispute among the Parties as to the interpretation or implementation of this Agreement, the Parties agree to meet, negotiate in good faith and attempt to resolve the dispute amicably.

17.2 In the event that the dispute among the Parties cannot be resolved in accordance with section 17.1 of this Agreement by the Parties directly involved within 30 business days of the first meeting of the Parties, the Parties agree that the dispute shall be addressed in accordance with Part 6.0 of the Final Agreement.

### **18.0 TRANSITIONAL**

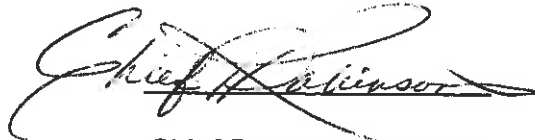
18.1 After execution of this Agreement:

- a) this Agreement takes effect on the first day of the term referred to in section 2.1 of this Agreement;
- b) upon taking effect, this Agreement shall replace and supersede any previous Schedule A to the Final Agreement; and
- c) upon taking effect, this Agreement will be appended to the Final Agreement and will be marked as Schedule A in accordance with the provisions contained in parts 10 and 12 of the Final Agreement.

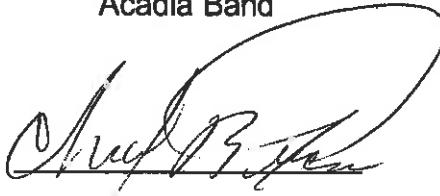
IN WITNESS WHEREOF this Agreement has been executed by the Chiefs of the Participating Communities on behalf of the participating Mi'kmaq Bands in Nova Scotia, by Canada, and by the Mi'kmaw Kina'matnewey as of the date(s) indicated herein:

SIGNED ON BEHALF OF THE MI'KMAQ BANDS OF THE PARTICIPATING COMMUNITIES THIS 23 day of September 2011.

By:



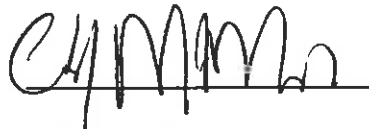
Chief Deborah Robinson  
Acadia Band



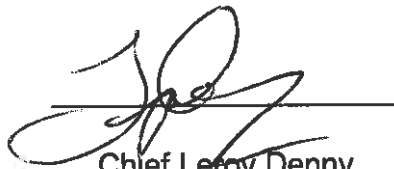
Chief Brian Toney  
Annapolis Valley Band



Chief Carol Dee Thompson  
Bear River Band



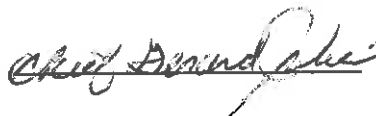
Chief Wilbert Marshall  
Chapel Island First Nation



Chief Leroy Denny  
Eskasoni Band



Chief Terrance J. Paul  
Membertou Band



Chief Gerard Julian  
Paqtnkek First Nation

Chief Aileen Francis

Chief Aileen Francis  
Pictou Landing Band

Chief Jerry Sack

Chief Jerry Sack  
Shubenacadie Band

Chief Norman Bernard

Chief Norman Bernard  
Wagmatcook Band

Chief Roderick Googoo

Chief Roderick Googoo  
Waycobah First Nation

Signed in the Presence of:

Eld of the Sph  
Witness

SIGNED ON BEHALF OF CANADA THIS 23 day of September 2011.

By: [Signature]  
Regional Director General

Signed in the Presence of [Signature]  
Witness

SIGNED ON BEHALF OF THE MI'KMAW KINA'MATNEWY THIS 23 day of September 2011.

By: [Signature]  
Authorized Signing Officer

(I have the authority to bind the corporation)

Signed in the Presence of: [Signature]  
Witness

## SCHEDULE "FED-1" - Federal Departments Consolidated Cash Flow Statement

### 1.0 - Program/Service Budgets, Authorities and Schedule of Monthly Payments Plan

As Of 2011/09/23

Arrangement #: 1112-02-000088  
 Arrangement Type: Grant  
 Recipient: 1127 - MI'KMAW KINA'MATNEWAY  
 DEPARTMENT OF INDIAN AND NORTHERN AFFAIRS CANADA

PROGRAM / BUDGET / TRANSACTION ACTIVITIES	Code	Seq	Auth.	RCM	Fund	P1	P2	P3	P4	P5	P6	P7	P8	P9	P10	P11	P12	Foot	Holdback	Allocation Total \$
						Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar			
<b>Grant</b>																				
Treaties and Aboriginal Government																				
TREATY MANAGEMENT - BG600																				
MI'KMAW EDUCATION AUTHORITY - 68106																				
MI'KMAW EDUCATION AUTHORITY	D1447	001	411	D230	D1															
(2016/03/31)																				
<b>Total Grant</b>						0.00	0.00	0.00	0.00	0.00	0.00	11,320,633.00	0.00	0.00	8,007,103.00	0.00	0.00	0.00	0.00	19,327,736.00
<b>Total DEPARTMENT OF INDIAN AND NORTHERN AFFAIRS CANADA</b>						0.00	0.00	0.00	0.00	0.00	0.00	11,320,633.00	0.00	0.00	8,007,103.00	0.00	0.00	0.00	0.00	19,327,736.00
<b>Total All Departments</b>						0.00	0.00	0.00	0.00	0.00	0.00	11,320,633.00	0.00	0.00	8,007,103.00	0.00	0.00	0.00	0.00	19,327,736.00

**SCHEDULE "FED-1" - Federal Departments Consolidated Cash Flow Statement**

**2.0 - Cash Flow by Fiscal Year by Department**

As Of 2011/09/23

Arrangement #: 1112-02-000088  
 Arrangement Type: Grant  
 Recipient: 1127 - MIKMAW KINA MATNEWEY  
 Current Year: 1 of 5

Budget	2011-2012
Department of Indian and Northern Affairs Canada	\$19,327,736.00
<b>Total</b>	<b>\$19,327,736.00</b>

**SCHEDULE "FED-1" - Federal Departments Consolidated Cash Flow Statement**

**3.0 - Cash Flow by Month and Year - ALL FUNDING by type and month**

As Of 2011/09/23

Arrangement #: 1112-02-000088  
 Arrangement Type: Grant  
 Recipient: 1127 - MIKMAW KINA MATNEWWEY  
 Current Year: 1 of 5

	2011-2012
April	\$0.00
May	\$0.00
June	\$0.00
July	\$0.00
August	\$0.00
September	\$0.00
October	\$11,320,633.00
November	\$0.00
December	\$0.00
January	\$8,007,103.00
February	\$0.00
March	\$0.00
Pool	\$0.00
Holdback	\$0.00
<b>Total</b>	<b>\$19,327,736.00</b>

**SCHEDULE "FED-1" - Federal Departments Consolidated Cash Flow Statement**  
**4.0 - Cash Flow by Month - Current Year - All Funding by Month and Department**

As Of 2011/09/23

Arrangement #: 1112-02-000088  
 Arrangement Type: Grant  
 Recipient: 1127 - MI'KMAW KINA'MATNEWAY  
 Current Year: 1 of 5

	Total	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Pool	Holdback
Department of Indian and Northern Affairs	\$19,327,756.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$11,320,658.00	\$0.00	\$0.00	\$9,007,103.00	\$0.00	\$0.00	\$0.00	\$0.00
Canada	\$19,327,756.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$11,320,658.00	\$0.00	\$0.00	\$9,007,103.00	\$0.00	\$0.00	\$0.00	\$0.00
<b>Total</b>															

Unclassified

Grant

### Schedule of Reporting Requirement Due Dates MI'KMAW KINA'MATNEWEY (1127)

Arrangement No.: 1112-02-000088  
Fiscal Year: 2011-2012

Program / Budget Activity / Report Name	Reports Due
Treaties and Aboriginal Government	
MI'KMAQ EDUCATION AUTHORITY	
Ad-Hoc - () - Annual Business Plan Submission 1	2012/07/30
Ad-Hoc - () - Annual Performance Report Submission 1	2012/10/31
Ad-Hoc - () - Student Enrollment Information Submission 1	2012/09/10

Schedule of Reporting Requirement Due Dates  
2011/09/23 - 07:52:53

MI'KMAW KINA'MATNEWEY (1127)

