

# CAPITAL TRANSFERS PROTECTION LAW

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### Table of Legislative Changes

<b>Name of Law</b>	<b>Date Enacted</b>	<b>Section(s) Amended</b>
Amendment to Capital Transfers Protection Law 2015	February 19, 2015	s.12 repealed and replaced

## Title

1. This Law shall be cited as the *Capital Transfers Protection Law*.

## Definitions

2. In this Law,

“Assembly” has the same meaning as in the Tłchq Constitution.

“Chiefs Executive Council” has the same meaning as in the Tłchq Constitution.

“Capital Transfers” means the monies paid to the Tłchq Government in accordance with Chapter 24 of the Tłchq Agreement.

“Tłchq Government” means the Tłchq Government and its institutions as defined in the Tłchq Constitution.

“Eligible Income” for a given year means the net investment income earned for that year calculated by determining how much income the Capital Transfers and previously retained earnings have earned in investment income for that year after:

- (a) saving and reinvesting enough of the investment income for that year to, at a minimum, maintain the constant value of all of the Capital Transfers and previously retained earnings after inflation over time; and
- (b) putting aside enough of the annual investment income to cover any administrative and investment costs respecting the management of the Capital Transfers .

## Perpetual Endowment

3. All Capital Transfers received by the Tłchq Government shall be managed as a perpetual endowment for the benefit of all Tłchq.
4. The Tłchq Government and its institutions shall not directly or indirectly distribute or disperse or offer up as security the principle amount of the Capital Transfers or the portion of the investment income earned thereon required to maintain its constant value after inflation.
5. The Capital Transfers may not be used for any purpose unless authorized under this Law consistent with the Tłchq Constitution.

## Capital Transfers Protection

6. Until the Capital Transfers have been deposited into a trust, the Chiefs Executive Council shall arrange for expert investment advice for the funds in the Capital Transfers account to protect the Capital Transfers and the interest earned thereon and ensure that they are prudently invested and that those investments are consistent with the Tłchq Constitution to protect their value over time.
7. Until the Capital Transfers have been deposited into a trust, the Chiefs Executive Council shall cause a separate bank account to be established and shall ensure that all Capital Transfers and any investment income thereon are directly deposited in that account.
8. The Chiefs Executive Council shall develop procedures to ensure that there are sufficient protections on the Capital Transfers account so that there will not be any unauthorized withdrawals or disbursements and shall take all necessary precautions to protect the Capital Transfers and the interest earned thereon for future generations as required by the Tłchq Constitution.

## Tłchq Capital Transfers Trust

9. The Chiefs Executive Council shall create a trust called the Tłchq Capital Transfers Trust that will hold and manage the Capital Transfers consistent with this Law and the Tłchq Constitution.
10. When created, all Capital Transfers and investment income thereon shall be settled on the Tłchq Capital Transfers Trust for the benefit of the Tłchq Nation as represented by the Tłchq Government.
11. The Tłchq Capital Transfers Trust will be created in a tax and own source revenue efficient manner.
12. There shall be seven trustees of the Tłchq Capital Transfers Trust appointed by the Chiefs Executive Council for up to five-year terms, the majority of whom shall be Tłchq Citizens.  
*Amended: Amendment to Capital Transfers Protection Law 2015*
13. The Chiefs Executive Council shall set the other terms of the trust and shall ensure that those terms are consistent with this Law and the Tłchq Constitution.

## **Tłchq Capital Transfer Investment Policy**

14. The Chiefs Executive Council shall develop and approve an investment policy, to be called the Tłchq Capital Transfer Investment Policy, to govern the investment of the Capital Transfers consistent with this Law and the Tłchq Constitution.
15. The Tłchq Capital Transfers Trust shall adhere to the Tłchq Capital Transfer Investment Policy.
16. The Chiefs Executive Council may amend the Tłchq Capital Trust Investment Policy from time to time provided that it remains consistent with the Law and the Tłchq Constitution.
17. The Trustees of the Tłchq Capital Trust shall arrange for expert investment advice to ensure that the Capital Transfers are prudently invested to maximize returns consistent with the Tłchq Capital Transfer Investment Policy.

### **Building up the Endowment**

18. Until all of the Capital Transfers are received from Canada, all of the income on the Capital Transfers shall be retained and re-invested to build up the endowment.

### **Eligible Income**

19. After all the Capital Transfers are received and subject to section 22 of this Law, Eligible Income shall be available for Tłchq Nation purposes.
20. The Tłchq Assembly shall direct the Trustees of the Tłchq Capital Transfers Trust as to what portion of Eligible Income for the year, if any, should be paid to the Tłchq Government from the Trust.
21. The Tłchq Assembly shall determine how the Eligible Income received by the Tłchq Government in a given year will be expended.
22. If at any time the Tłchq Capital Transfers Trust's holdings are worth less than what is required to maintain the Capital Transfers constant value after inflation as required by the Tłchq Constitution, then no Eligible Income shall be distributed from the trust until such time as the Tłchq Capital Transfers Trust's holdings' worth have increased to meet the constitutional requirement of preserving the capital and inflation.

## **Interpretation**

- 23.** For the purposes of compliance with section 2.2(b) of the Tłı̨chǫ Constitution and for the determination of maintaining constant value after inflation, the amount to be saved to protect against inflation shall be calculated using the five-year average of the annual investment returns and the annual inflation amounts for those years.
- 24.** Annual inflation shall be determined by reference to the Canadian Price Index published by the Government of Canada for a given year.

## **Repeal and Replacment**

- 25.** This Law repeals and replaces the *Capital Transfers Interim Protection Law*.

## **Coming into Force**

- 26.** This Law comes into force on the date the Grand Chief signs this Law.<sup>1</sup>

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<sup>1</sup> Law was signed by Grand Chief on April 25, 2013

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Current to March 8, 2024

Last amended on February 24, 2015