

YUULU?IL?ATH FIRST NATION GOVERNMENT

Enacted under the Financial Administration Act sections 8.6 and 11.1

**ST. JEAN'S CANNERY LOAN
GUARANTEE REGULATION**

YFNR 30/2015



This regulation enacted on September 30, 2015

Signed

A handwritten signature in black ink, appearing to be 'Les Doiron', written over a horizontal line.

Les Doiron, President of the
Yuulu?il?ath First Nation

DEPOSITED IN THE
REGISTRY OF LAWS AND
OFFICIAL RECORDS

ON 21 / Oct / 2015

A handwritten signature in black ink, appearing to be a law clerk's signature, written over a horizontal line.

Signature of Law Clerk

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PART 1 - INTRODUCTORY PROVISIONS

Short title

- 1.1 This regulation may be cited as the St. Jean's Cannery Loan Guarantee Regulation.

Application

- 1.2 This regulation authorizes the Ka:'yu:'k't'h'/Che:k'tles7et'h' First Nations to provide a guarantee in connection with the transaction.

Definitions

- 1.3 In this regulation:

“Act” means the Financial Administration Act;

“closing” means the closing date for the transaction;

“holdings limited partnership” has the meaning given to that term in the Economic Development Act;

“NCN Cannery Limited Partnership” means a new limited partnership to be established for the purposes of the transaction, in which Yuulu?il?ath First Nation will have a 20% interest through the holdings limited partnership or an operating limited partnership;

“operating limited partnership” has the meaning given to that term in the Economic Development Act;

“St. Jean's Cannery” means the cannery currently operated by St. Jean's Cannery Ltd and St. Jean's Coast Mountain Resources Inc. with its head office and main processing facility located at 242 Southside Drive, Nanaimo, British Columbia V9R 6Z5;

“transaction” means

- (a) the purchase by NCN Cannery Limited Partnership of an 85% interest in St. Jean's Cannery,
- (b) an option for NCN Cannery Limited Partnership to purchase the remaining 15% interest in St. Jean's Cannery within three years of closing, and
- (c) the purchase by NCN Cannery Limited Partnership of a parcel of land in Port Alberni, British Columbia, a portion of which is used in the operation of St. Jean's Cannery.

PART 2 - LOAN GUARANTEE

Loan guarantee

- 2.1 Having considered the report prepared by the director pursuant to section 8.6(b)(i) of the Act, the Executive hereby authorizes the Yuulu?il?ath First Nation to guarantee the following loans in connection with the transaction to a maximum of 20% of the total amount of each loan:
- (a) a term loan from Canadian Western Bank to NCN Cannery Limited Partnership in the amount of \$1,700,000;
 - (b) existing operating loans from Canadian Western Bank to St. Jean's Cannery Ltd. totaling approximately \$3,200,000 on closing; and
 - (c) existing term loans from Canadian Western Bank to St. Jean's Cannery Ltd. totaling approximately \$1,100,000 on closing.

Authorized signatories

- 2.2 For certainty, as provided in section 8.7 of the Act, any agreement or instrument relating, in whole or in part, to the guarantee authorized under section 2.1 must be signed by two members of the Executive.