

**YUULU?IL?ATH GOVERNMENT**

**ECONOMIC DEVELOPMENT ACT**

**YFNS 34/2014**



**OFFICIAL CONSOLIDATION – CURRENT TO DECEMBER 10, 2024**

This is a certified true copy of the consolidated Economic Development Act, YFNS 34/2014, current to December 10, 2024

Date: December 17, 2024

Signed: *Hamilton*  
Law Clerk

**YUULU?IL?ATH GOVERNMENT  
ECONOMIC DEVELOPMENT ACT YFNS 34/2014  
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## PREAMBLE

The Yuulu?i?ath believe that a healthy and prosperous future requires the Yuulu?i?ath and its citizens to pursue economic development opportunities both on and off of Yuulu?i?ath lands and that such economic development will foster a safer, stronger, healthier, more financially secure, more self-reliant and more sustainable community.

While recognizing that government often is better equipped to initiate economic development on a larger scale, we believe that economic development is best achieved independent of political influence and considerations.

This independence, however, is not absolute. Those who carry out economic development on behalf of the Yuulu?i?ath government or on Yuulu?i?ath lands must ensure that economic development is conducted in a way that is socially, economically and environmentally sustainable as well as being transparent, accountable and carried out in accordance with applicable law.

The Yuulu?i?ath adopts this Act based on these values.

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## PART 1 - INTRODUCTORY PROVISIONS

### Short title

1.1 This Act may be cited as the Economic Development Act.

### Executive oversight

1.2 The member of the Executive holding the asset management portfolio is responsible for the executive oversight of this Act.

### Application

1.3 This Act is enacted under sections 13.11.1, 13.12.1 and 13.12.2 of Chapter 13 Governance of the Maa-nulth Treaty and applies to all Yuulu?il?ath corporations and Yuulu?il?ath businesses.

### Interpretation

1.4 In this Act,

“annual plan” has the meaning given to that expression in the governance and fiscal agreement;

“business mandate” means the nature of business the Yuulu?il?ath business is mandated to engage in under section 3.5;

“business plan” means a business plan prepared in accordance with section 3.3;

“concept study” means a concept study prepared in accordance with section 3.2;

“constating documents” means, in respect of a Yuulu?il?ath business, its articles of incorporation, partnership agreement or other similar document, as amended from time to time in accordance with its terms, the governance and fiscal agreement and any applicable law;

“directive” means a directive given in writing by the Executive under section 5.1;

“economic development office”, “economic development officer” and “office of economic development” means the office continued under section 2.7 or the individual appointed to hold that office;

“economic development plan” means the plan approved under section 3.1 and any updates to that plan approved by the economic development committee in accordance with section 3.1(d);

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“governance and fiscal agreement” means the agreement entered into by the Executive, on behalf of the Yuulu?il?ath government, the holdings limited partnership and each operating limited partnership in accordance with section 4.1;

“holdings board” means the board of directors of the holdings general partner;

“holdings general partner” means the general partner of the holdings limited partnership;

“holdings limited partnership” means the limited partnership registered with the name YFN Holdings Limited Partnership under the Partnership Act (British Columbia) under registration number LP571851;

“operating board” means the board of directors of an operating general partner;

“operating general partner” means the general partner of an operating limited partnership;

“operating limited partnership” means a limited partnership registered under the Partnership Act (British Columbia) and

- (a) the interest of which is 51% or more owned legally and beneficially by the holdings limited partnership, and
- (b) is identified in Column 1 of the table in Schedule 1 as a limited partnership, other than the holdings limited partnership;

“Yuulu?il?ath business” means the holdings limited partnership, the general partner of the holdings limited partnership, each operating limited partnership, the general partner of each operating limited partnership and the applicable business mandate for each of them.

## **Economic development mission**

**1.5** The mission of Yuulu?il?ath government economic development is to

- (a) actively seek, secure and promote economic initiatives that will enhance the quality of life and prosperity of Yuulu?il?ath citizens,
- (b) develop diverse, sustainable and profitable businesses for Yuulu?il?ath government and Yuulu?il?ath citizens that respect the history, culture and traditions of the Yuulu?il?ath and the environment in which we live, and
- (c) assist in building the capacity of Yuulu?il?ath citizens to be successful entrepreneurs.

## **Economic development values**

**1.6** To fulfil its purpose, this Act is intended to uphold the following values:



- (a) Yuulu?i?ath businesses will be allowed to operate free from political interference;
- (b) Yuulu?i?ath businesses will operate transparently and be held accountable to their owners, the Yuulu?i?ath government;
- (c) Yuulu?i?ath businesses will, to the greatest extent possible having regard to the values stated in this section, operate profitably and in a manner that provides a reasonable return on the investment the Yuulu?i?ath government has made in the Yuulu?i?ath business;
- (d) Yuulu?i?ath businesses will operate within and comply with the governance and fiscal agreement, the applicable annual plan and all applicable laws;
- (e) Yuulu?i?ath businesses will, to the greatest extent possible, be self-sufficient and independent of the financial resources of the Yuulu?i?ath government in its operations;
- (f) Yuulu?i?ath businesses will engage in economic development that is socially, economically and environmentally sustainable and that respects our history and the heritage, culture and traditions of our people, our Nisma (Yuulu?i?ath territory) and the environment within which we live;
- (g) Yuulu?i?ath businesses will use commercially reasonable efforts to
  - (i) maximize the employment and contracting opportunities of other Yuulu?i?ath businesses, businesses owned or operated by Yuulu?i?ath citizens and Yuulu?i?ath citizens, and
  - (ii) access training opportunities for Yuulu?i?ath citizens in order that they be qualified to accept such employment and obtain practical economic benefits for the Yuulu?i?ath government and Yuulu?i?ath citizens;
- (h) Yuulu?i?ath businesses will institute and maintain an employment policy governed by the principle of preferential hiring of Yuulu?i?ath citizens, subject to demonstrable levels of adequate skills and capabilities, to the greatest extent reasonably possible, but consistent with all applicable laws in effect from time to time and with optimum efficiency in the operation of the Yuulu?i?ath business;
- (i) Without limiting subsections (g) and (h), each Yuulu?i?ath business will
  - (i) where the Yuulu?i?ath business is contracting for work or services, engage other Yuulu?i?ath businesses or other businesses owned or operated by Yuulu?i?ath citizens to provide such work or services, subject to demonstrable levels of adequate skills and capabilities and the provision of that work or service on commercially reasonable terms,

- (ii) work closely with its clients, contractors and suppliers to maximize employment and economic opportunities for Yuulu?il?ath businesses, businesses owned or operated by Yuulu?il?ath citizens and Yuulu?il?ath citizens who are tradespersons and contractors with demonstrable levels of adequate skills and capabilities, and
- (iii) to the extent that there are training programs which are sponsored directly or indirectly by a Yuulu?il?ath business or in which the Yuulu?il?ath business is participating in some manner and which might be of benefit to other Yuulu?il?ath businesses, businesses owned or operated by Yuulu?il?ath citizens or Yuulu?il?ath citizens, attempt to secure such trainee spaces for suitably qualified Yuulu?il?ath citizens as may be available.

## PART 2 - ECONOMIC DEVELOPMENT ADMINISTRATION

### Economic development oversight

- 2.1 Subject to section 3.1(a), primary oversight responsibility for economic development is vested in the Executive.

### Role of the Executive

- 2.2 Without limiting section 2.1 and in accordance with this Act, the Executive's oversight responsibility for economic development includes the following:
- (a) reviewing and, after considering the recommendation of the economic development committee and if acceptable, recommending for approval by the Legislature a proposed economic development plan prepared in accordance with section 3.1;
  - (b) reviewing and, after considering the recommendation of the economic development committee and if acceptable, recommending for approval by the Legislature concept studies prepared in accordance with section 3.2 for new business opportunities to be included in the economic development plan;
  - (c) reviewing and, after considering the recommendation of the economic development committee and if acceptable, approving business plans prepared in accordance with section 3.3 for new business opportunities to be implemented and owned or operated by an existing or new operating limited partnership on behalf of the Yuulu?il?ath government,
  - (d) negotiating, or providing direction to the economic development officer to negotiate on its behalf,
    - (i) rights under the Maa-nulth Treaty, or
    - (ii) other agreements for the Yuulu?il?ath governmentthat may impact on economic development for the Yuulu?il?ath government or Yuulu?il?ath citizens, after considering the advice of the economic development committee; and
  - (e) approving the economic development officer's negotiating mandate for, the terms of and entering into, any agreements on behalf of the Yuulu?il?ath government that are necessary or advisable to establish new business relationships with other persons in order to pursue new business opportunities to be jointly owned or operated by an existing or new operating limited partnership;

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- (f) reviewing and, if acceptable, approving the annual financial statements of the holdings limited partnership and the operating limited partnerships, after considering the comments of the economic development committee; and
- (g) establishing, by regulation, minimum financial performance requirements that Yuulu?il?ath businesses are expected to meet for their business sustainability, after considering the recommendation of the economic development committee.

2.3 [Repealed]

2.4 [Repealed]

2.5 [Repealed]

2.6 [Repealed]

### **Economic development office continued**

- 2.7
- (a) The economic development office is continued as a division of the asset management department.
  - (b) The director of operations may appoint an individual to hold the office of economic development.
  - (c) If appointed, the economic development officer reports to the asset manager.
  - (d) If the director of operations has not appointed an individual to hold the office of economic development or if the office of economic development is vacant, the asset manager must perform the duties and may exercise the powers of the economic development officer.

### **Duties and powers of the economic development officer**

- 2.8 The economic development officer must perform the following duties and may exercise the following powers:
- (a) manage the economic development office;
  - (b) assist the economic development committee in developing a proposed economic development plan in accordance with section 3.1 for review by the Executive and approval by the Legislature;
  - (c) ensure a copy of the most current economic development plan is available for viewing by Yuulu?il?ath citizens at the economic development office;
  - (d) identify new business opportunities and research and prepare, as directed by the economic development committee and in accordance with section 3.2, concept

studies for new business opportunities for review by the economic development committee;

- (e) research and prepare, as directed by the economic development committee in accordance with section 3.3, business plans for review by the economic development committee;
- (f) provide the economic development committee with information and technical or logistical support that is necessary or advisable in order for the economic development committee to advise the Executive on negotiations involving
  - (i) rights under the Maa-nulth Treaty, and
  - (ii) other agreements for the Yuulu?il?ath government,that may impact on economic development for the Yuulu?il?ath government or Yuulu?il?ath citizens;
- (g) negotiate, as directed by the economic development committee and on behalf of Yuulu?il?ath government, the terms of any agreements for approval by the Executive under section 2.2(g) that are necessary or advisable to establish new business relationships with other persons in order to pursue new business opportunities to be jointly owned or operated by an existing or new operating limited partnership;
- (h) identify and, as directed by the chief administrative officer, apply for grants or funding available from Canada, British Columbia or other persons for first nations economic development, for other types of economic development or for developing business opportunities;
- (i) assist the operating limited partnerships in developing business relationships with other persons on behalf of the Yuulu?il?ath government;
- (j) assist the holdings board and the operating boards, in accordance with the governance and fiscal agreement, to develop appropriate governance and fiscal policies and procedures and director, officer and committee terms of reference for the holdings general partner and the operating general partners;
- (k) develop and maintain a board of directors operations manual for each Yuulu?il?ath business that includes the applicable
  - (i) constating documents,
  - (ii) business mandate,
  - (iii) operational policies and procedures, and

- (iv) director, officer and committee terms of reference;
- (l) deposit at the Government House and make available to the holdings board and each operating board, as applicable, the board of directors operations manual maintained under subsection (k);
- (m) assist the holdings board and the operating boards, in accordance with the governance and fiscal agreement, to acquire necessary operational infrastructure for the holdings general partner and the operating general partners;
- (n) provide Yuulu?il?ath citizens with business development and entrepreneurship information;
- (o) provide Yuulu?il?ath citizens with information concerning business planning and financing strategies for businesses to be developed, owned or operated by Yuulu?il?ath citizens;
- (p) provide the applicable Yuulu?il?ath citizen, if any, with information concerning any new business opportunities that the Executive has determined will not be implemented and owned or operated by an existing or new operating limited partnership and has directed under section 3.6(a)(ii) that the new business opportunity is better suited to be owned or operated by a Yuulu?il?ath citizen;
- (q) at the request of the chair of the economic development committee, report on the activities of the economic development office by oral or written report at meetings of the
  - (i) hitacu assembly,
  - (ii) Legislature, or
  - (iii) Executive; and
- (r) perform any additional duties or exercise any additional powers assigned to the economic development officer
  - (i) under this or any other Yuulu?il?ath enactment or the governance and fiscal agreement, or
  - (ii) by the asset manager.

### Delegation authority

- 2.9** (a) Upon the approval of the director of operations, the economic development officer may delegate, in writing, with or without conditions, the performance of

any of the economic development officer's duties or the exercise of any of economic development officer's powers to

- (i) the asset manager,
  - (ii) another Yuulu?il?ath senior manager,
  - (iii) a Yuulu?il?ath government employee, or
  - (iv) an individual who is an independent contractor of the Yuulu?il?ath government.
- (b) Despite the delegation of any duties or powers under subsection (a), the economic development officer remains responsible for ensuring that the duties are performed properly and the powers are exercised appropriately.
- (c) The economic development officer may not delegate the power to delegate under this section.

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### PART 3 - BUSINESS PLANNING

#### Economic development plan

- 3.1** (a) On or before June 30, 2015 and on or before June 30 of every fifth year thereafter, the Legislature must
- (i) consider the economic development plan recommended by the Executive under section 2.2(a), and
  - (ii) approve, by resolution, an economic development plan for the next five years.
- (b) The economic development plan approved by the Legislature under subsection (a) must contain the following:
- (i) a statement concerning the strategic plan for economic development for the Yuulu?il?ath government for the following five years and, having regard to the mission set out in section 1.5 and the values set out in section 1.6, the goals and objectives hoped to be achieved by the Yuulu?il?ath government and Yuulu?il?ath businesses in that time period;
  - (ii) a brief overview of each new business opportunity for which
    - (A) a concept study has been prepared, and
    - (B) which the Legislature, after considering the recommendation of the Executive made under section 3.2(e), has approved;
  - (iii) the priority determined by the Legislature for each new business opportunity referred to in paragraph (ii);
  - (iv) a report from each operating limited partnership for the previous five year period setting out
    - (A) how that operating limited partnership is fulfilling its business mandate,
    - (B) the financial results of that operating limited partnership's operations for the previous five fiscal years,
    - (C) the number of Yuulu?il?ath citizens employed by that operating limited partnership and the full time equivalent of their positions during the reporting period,

- (D) the number of contracting and training opportunities provided by that operating limited partnership to other Yuulu?il?ath businesses, businesses owned or operated by Yuulu?il?ath citizens and to Yuulu?il?ath citizens during the reporting period, and
  - (E) how the information provided under subparagraphs (A) to (D) compares to the information reported for those subparagraphs in the previous economic development plan for that operating limited partnership;
- (v) the plan of each operating limited partnership for the following five years on how it intends to
- (A) fulfill its business mandate,
  - (B) increase its revenues and profitability,
  - (C) increase the number of Yuulu?il?ath citizens employed by that operating limited partnership and increase the full time equivalent of those positions, and
  - (D) increase the number of contracting and training opportunities provided by that operating limited partnership to other Yuulu?il?ath businesses, businesses owned or operated by Yuulu?il?ath citizens and to Yuulu?il?ath citizens;
- (vi) a brief overview of each new business opportunity currently being researched, or which should be researched, by the economic development officer; and
- (vii) a communications plan on how the economic development committee will inform Yuulu?il?ath citizens on the current status of economic development for the Yuulu?il?ath government and its Yuulu?il?ath businesses and the strategic plan for economic development for the following five years.
- (c) Before approving an economic development plan under subsection (a), the Legislature must
- (i) present the draft of the economic development plan to Yuulu?il?ath citizens at a Hitacu Assembly for their review and comment, and
  - (ii) give full and fair consideration to any comments provided by Yuulu?il?ath citizens in relation to the draft economic development plan.

- (d) The economic development committee will annually, by resolution, update the economic development plan by adding to it a brief overview of each business opportunity for which a concept study has been approved by the Legislature in accordance with section 3.2(f).
- (e) The economic development officer must have a copy of the most current economic development plan available for viewing by Yuulu?il?ath citizens at the economic development office.

### Concept study

- 3.2**
- (a) The economic development committee may, by resolution and subject to the availability of adequate resources authorized under the annual budget for the applicable fiscal year, direct the economic development officer to prepare a concept study for a new business opportunity.
  - (b) A concept study must include the following for the new business opportunity:
    - (i) a brief description of the purpose of the business, the goods or services to be offered and the potential location of the business;
    - (ii) a brief overview of the market for the goods or services to be offered, including target consumers and competitors;
    - (iii) an estimate of the financial resources and capital required to establish and sustain the business for the first five years and potential financing strategies to acquire those financial resources or potential sources for the capital required, including, where applicable, potential business partners;
    - (iv) an overview of the possible risks facing the business and possible action that could be taken to mitigate those risks; and
    - (v) an overview of employment and training opportunities for Yuulu?il?ath citizens.
  - (c) A direction under subsection (a) may include a requirement for the economic development officer to consult with one or more operating boards when preparing the concept study.
  - (d) The economic development committee must review a concept study prepared in accordance with subsections (a) and (b) and, if acceptable, may refer a concept study to the Executive with a recommendation that the concept study be recommended by the Executive to the Legislature for its approval.

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- (e) If a concept study is referred to the Executive under subsection (d), the Executive may review that concept study and, if acceptable, recommend that concept study to the Legislature for its approval.
- (f) If a concept study is recommended by the Executive to the Legislature under subsection (e), the Legislature may consider that concept study and, if acceptable and by resolution, approve the new business opportunity described in that concept study to be included in the economic development plan and, if approved by the Legislature in accordance with this subsection, that new business opportunity is deemed to be included in the economic development plan as of the date of that resolution.

### **Business plan**

- 3.3**
- (a) If a concept study for a new business opportunity has been approved by the Legislature and the new business opportunity included in the economic development plan in accordance with section 3.2(f), the economic development committee may, by resolution and subject to the availability of adequate resources authorized under the annual budget for the applicable fiscal year, direct the economic development officer to prepare a comprehensive business plan for that new business opportunity.
  - (b) A business plan must include the following for the new business opportunity:
    - (i) a detailed description of the purpose of the business, the specific goods or services to be offered and the location of the business;
    - (ii) a comprehensive analysis of the market for the goods or services to be offered, including target consumers, competitors and estimated market share;
    - (iii) the financial resources and capital required to establish and sustain the business for the first five years and the financing strategies to acquire those financial resources or sources for the capital required including, where applicable, the business partners that have expressed interest in participating in the business and the capital they will contribute;
    - (iv) an estimate of the profit or loss of the business for the first five years, including projected financial statements and estimates of return on investment;
    - (v) an assessment of the possible risks facing the business and what action should be taken to mitigate those risks;
    - (vi) an overview of the expected employment and training objectives for Yuulu?il?ath citizens in the business for the first five years;

- (vii) a description of the corporate structure and governance structure for the business;
  - (viii) a description of any other requirements to implement the business such as the purchase, leasing, surveying, registration or rezoning of land or other approvals required from the Yuulu?il?ath government or other applicable government; and
  - (ix) an assessment of the business as compared to other new business opportunities identified in the economic development plan in terms of likely return on investment, risks and sustainability.
- (c) A direction under subsection (a) may include a requirement for the economic development officer to consult with one or more operating boards when preparing the business plan.
- (d) The economic development committee must review a business plan prepared in accordance with subsections (a) and (b) and, if acceptable, may refer that business plan to the Executive for consideration under section 3.6 with its recommendation that the new business opportunity described in that business plan
- (i) be implemented and owned or operated by an existing or new operating limited partnership on behalf of the Yuulu?il?ath government and what the business mandate for that operating limited partnership and its operating general partner should be,
  - (ii) be left to be developed and owned or operated by a Yuulu?il?ath citizen and, if applicable, which Yuulu?il?ath citizen should be offered the opportunity, or
  - (iii) not be implemented or pursued.

### **Finance committee consultation**

**3.4** (a) The Executive must, before

- (i) recommending an economic development plan to the Legislature,
- (ii) recommending a concept study to the Legislature, or
- (iii) approving a business plan,

refer the matter to the finance committee for its review and give full and fair consideration to any comments or recommendations provided by the finance committee in relation to any financial implications of the economic development

plan, concept study or business plan, as applicable, for the Yuulu?il?ath government.

- (b) The finance committee may engage independent consultants, technical experts or other persons to advise the committee for its review under subsection (a).

### **Business mandates**

- 3.5**
- (a) The business mandate for each Yuulu?il?ath business named in Column 1 of the table in Schedule 1 is set out in Column 3 of the table in Schedule 1 next to its name and registration number.
  - (b) A Yuulu?il?ath business must only engage in activities that
    - (i) reasonably fall within its business mandate or that are necessarily ancillary or incidental to that business mandate,
    - (ii) are contemplated in its annual plan or are necessarily ancillary or incidental to the activities contemplated in that annual plan,
    - (iii) are strictly in compliance with the governance and fiscal agreement, and
    - (iv) are substantially in compliance with all applicable laws.

### **New Yuulu?il?ath businesses**

- 3.6**
- (a) If a business plan is referred to the Executive under section 3.3(d), the Executive may review that business plan and, if acceptable and by Order, direct that the new business opportunity described in that business plan
    - (i) be implemented and owned or operated by an existing or new operating limited partnership on behalf of the Yuulu?il?ath government and what the business mandate for that operating limited partnership and its operating general partner will be,
    - (ii) be left to be developed and owned or operated by a Yuulu?il?ath citizen and, if applicable, which Yuulu?il?ath citizen should be offered the opportunity, or
    - (iii) not be implemented or pursued.
  - (b) If the Executive directs under subsection (a)(i) that the new business opportunity described in that business plan be implemented and owned or operated by a new operating limited partnership on behalf of the Yuulu?il?ath government, that Order is deemed to amend the table in Schedule 1 by

- (i) adding to the table in Schedule 1 an additional row with
  - (A) the name of the new operating limited partnership, as soon as it has been registered, in Column 1 of that new row,
  - (B) the registration number of the new operating limited partnership, as soon as it has been registered, in Column 2 of that new row, and
  - (C) the business mandate of the new operating limited partnership in Column 3 of that new row, and
- (ii) adding to the table in Schedule 1 a second additional row with
  - (A) the name of the new operating general partner, as soon as it has been registered, in Column 1 of that new row,
  - (B) the registration or incorporation number of the new operating general partner, as soon as it has been registered, in Column 2 of that new row, and
  - (C) the business mandate of the new operating general partner in Column 3 of that new row.
- (c) If the Executive directs under subsection (a) that the new business opportunity described in that business plan be implemented and owned or operated by an existing operating limited partnership on behalf of the Yuulu?il?ath government, that Order is deemed to amend the table in Schedule 1 by adding a brief description of the nature of the new business opportunity to the existing business mandate of that operating limited partnership in Column 3 next to the name and registration number of that operating limited partnership.

### **Implementation of business plans**

- 3.7**
- (a) The applicable operating limited partnership must, to the greatest extent possible, implement the new business opportunity directed by the Executive under section 3.6(a) to be owned or operated by that operating limited partnership in accordance with the business plan for that new business opportunity.
  - (b) The annual plan for each operating limited partnership must include a description of any anticipated material deviations in its business operations from the applicable business plan for the period covered by that annual plan.
  - (c) The reporting requirements referred to in section 4.2(i) must also include a requirement that each operating limited partnership report to the holdings limited partnership on any material deviations in its operations from the applicable business plan for the period covered by the report.

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## PART 4 - GOVERNANCE AND FISCAL AGREEMENT

### Executive authority

- 4.1** (a) Subject to section 4.2, the Executive must, by regulation, enter into a governance and fiscal agreement on behalf of the Yuulu?il?ath government, as represented by the Yuulu?il?ath government, with the holdings limited partnership, as represented by the holdings general partner, and each operating limited partnership, as represented by each applicable operating general partner.
- (b) Any amendment to the governance and fiscal agreement requiring the approval of the Yuulu?il?ath government may be approved by the Executive, by Order.

### Terms of agreement

- 4.2** The governance and fiscal agreement must contain terms addressing the following matters:
- (a) the process by which new operating limited partnerships are added as a party to, and bound by the terms of, the governance and fiscal agreement;
  - (b) the composition of, criteria for appointment and term of each member of each operating board;
  - (c) the circumstances under which a member of an operating board can be removed from office;
  - (d) directives issued by the Executive under Part 5;
  - (e) major decisions of Yuulu?il?ath businesses that cannot be made without the approval of the Executive;
  - (f) major decisions of the operating limited partnerships that cannot be made without the approval of the holdings board;
  - (g) annual planning requirements for Yuulu?il?ath businesses;
  - (h) reporting requirements that require the holdings limited partnership to report to the Executive on its financial and operational circumstances no less than quarterly;
  - (i) reporting requirements that require each operating limited partnership to report to the holdings limited partnership on its financial and operational circumstances no less than monthly; and

- (j) operational policies and procedures and director, officer and committee terms of reference that must be developed, adopted and implemented by each operating board.

## PART 5 - DIRECTIVES

### Directives by Executive

- 5.1** The Executive may, subject to section 5.5, issue a directive to a Yuulu?il?ath business respecting the following matters that relate to that Yuulu?il?ath business if the Executive is of the opinion that it is in the best interest of the Yuulu?il?ath to do so:
- (a) a major decision, as that term is defined in the governance and fiscal agreement, of the holdings limited partnership or the holdings general partner that is stated in that agreement to require approval of the Executive;
  - (b) a major decision, as that term is defined in the governance and fiscal agreement, of an operating limited partnership or an operating general partner that is stated in that agreement to require approval of the Executive; or
  - (c) any other responsibilities of the Executive set out in this Act, the constating documents of the holdings limited partnership or the holdings general partner or any applicable law as it relates to a Yuulu?il?ath business.

### Consultation

- 5.2** Before a directive is issued under section 5.1, the Executive must refer the matter to, and give full and fair consideration to any recommendation from, the economic development committee with respect to the content and effect of the directive.

### Tabling directives

- 5.3** The Executive must cause a copy of a directive issued under section 5.1 to be laid before the Legislature at the first meeting of the Legislature after the directive is issued.

### Notification of implementation

- 5.4** Upon implementing a directive issued in accordance with this Part and completing all actions required to be taken by that directive, the holdings general partner or operating general partner, as applicable, must notify the Executive in writing that the directive has been implemented.

### Restriction

- 5.5** No directive may be issued under section 5.1 that is
- (a) intended, or is likely, to interfere with an operational decision, as those terms are defined and qualified in section 7.1(a), or

- (b) contrary to the annual plan or business mandate of the holdings limited partnership or operating limited partnership, as applicable.

### **Implementation**

- 5.6** The holdings board or applicable operating board must ensure that a directive issued in accordance with this Part is implemented in a prompt and efficient manner and, if in so doing, the holdings board or applicable operating board acts in accordance with section 6.2, no member of the holdings board or applicable operating board is liable for any consequences arising from implementing that directive.

### **Best interests**

- 5.7** Compliance by the holdings board or applicable operating board with a directive issued in accordance with this Part is deemed for all purposes to be in the best interests of the holdings limited partnership and the holdings general partner or the applicable operating limited partnership and the applicable operating general partner.

## PART 6 - DIRECTORS AND OFFICERS

### Definitions

6.1 In this Part, unless the context requires otherwise,

“board” means an operating board or the holdings board, as applicable;

“director” means a member of a board;

“officer” means an officer of the holdings general partner or an operating general partner, as applicable.

### Duty of care of directors and officers

6.2 Every director and every officer, in exercising his or her powers or performing his or her duties of that position, must

- (a) act honestly and in good faith with a view to the best interests of the applicable Yuulu?il?ath business, and
- (b) exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.

### Duty to comply

6.3 Every director and every officer must comply with this Act, the regulations and the constating documents of the applicable Yuulu?il?ath business or any subsidiary of that Yuulu?il?ath business and any directive issued to that Yuulu?il?ath business by the Executive in accordance with Part 5.

### Reliance on statements

6.4 A director or officer is not liable for a breach of his or her duty under section 6.2 or 6.3 if he or she relies in good faith on

- (a) financial statements of the applicable Yuulu?il?ath business represented to him or her by an officer of that Yuulu?il?ath business or in a written report of the auditor of that Yuulu?il?ath business as fairly reflecting the financial condition of that Yuulu?il?ath business, or
- (b) a report of a lawyer, accountant, engineer, appraiser or other person whose position or profession lends credibility to the statement that person has made.

### Disclosure of interest in contract

6.5 A director or officer who

- (a) is a party to a contract or proposed contract with the applicable Yuulu?il?ath business, or
- (b) is a director or an officer of, or has an interest in, any person who is a party to a contract or proposed contract with that business,

must disclose in writing to that Yuulu?il?ath business, or request to have entered in the minutes of a meeting of the board of that Yuulu?il?ath business, the nature and extent of his or her interest in the contract or proposed contract.

### **Time for disclosure**

- 6.6** (a) The disclosure required by section 6.5 must be made,
- (i) in the case of a director, including a director who is also an officer,
    - (A) at the meeting of the board of the applicable Yuulu?il?ath business at which the contract is first considered,
    - (B) if the director was not then interested in the contract, at the first meeting of the board of that Yuulu?il?ath business after he or she becomes interested in the contract,
    - (C) if the director becomes interested after the contract is made, at the first meeting of the board of that Yuulu?il?ath business after he or she becomes interested in the contract, or
    - (D) if the director was interested in the contract before becoming a director, at the first meeting of the board of that Yuulu?il?ath business after he or she becomes a director, or
  - (ii) in the case of an officer who is not a director,
    - (A) immediately after he or she becomes aware that the contract or proposed contract is to be considered or has been considered at a meeting of the board of the applicable Yuulu?il?ath business,
    - (B) if the officer becomes interested after the contract is made, immediately after he or she becomes interested in the contract, or
    - (C) if the officer was interested in the contract before becoming an officer, immediately after he or she becomes an officer of that Yuulu?il?ath business.
- (b) If a contract or proposed contract is one that, in the ordinary course of business for the applicable Yuulu?il?ath business carrying out its business mandate, would

not require approval by the board of that Yuulu?il?ath business, a director or officer

- (i) must disclose in writing to that Yuulu?il?ath business, or
- (ii) request to have entered in the minutes of a meeting of the board of that Yuulu?il?ath business,

the nature and extent of his or her interest in a contract or proposed contract immediately after the director or officer becomes aware of the contract or proposed contract.

### **Continuing disclosure**

- 6.7** For the purposes of this Part, a general notice to a board by a director or officer declaring that he or she is a director or officer of, or has an interest in, a person and is to be regarded as interested in any contract made with that person, is a sufficient declaration of interest in relation to any contract made with that person.

### **Obligation to assist auditor**

- 6.8** (a) On the demand of an auditor of a Yuulu?il?ath business, a present or former director, officer, employee or agent of that Yuulu?il?ath business must provide

- (i) information and explanations, and
- (ii) access to records, documents, books, accounts and vouchers of the Yuulu?il?ath business or any of its subsidiaries

that the auditor reasonably considers necessary or advisable, and that the director, officer, employee or agent is reasonably able to provide to enable the auditor to prepare any report required under this Act, the governance and fiscal agreement or by the holdings board or an operating board.

- (b) On demand of the auditor of a Yuulu?il?ath business, a director of the Yuulu?il?ath business must
- (i) obtain from a present or former director, officer, employee or agent of any subsidiary of a Yuulu?il?ath business the information and explanations the auditor reasonably considers necessary or advisable, and that the present or former director, officer, employee or agent of the subsidiary of the Yuulu?il?ath business is reasonably able to provide to enable the auditor to prepare any report required under this Act, the governance and fiscal agreement or by the holdings board or an operating board, and



- (ii) provide the auditor with the information and explanations obtained under paragraph (i).
- (c) An auditor of a Yuulu?il?ath business may reasonably rely on any report of any other auditor of a Yuulu?il?ath business.

### **Obligation to indemnify**

**6.9** The Yuulu?il?ath government must, in accordance with the regulations and subject to the extent of indemnification permitted by the laws governing the applicable Yuulu?il?ath business, indemnify a present or former director or officer, and his or her heirs and legal representatives, against all costs, charges and expenses, including an amount paid to settle any action or satisfy any judgment, that are reasonably incurred by him or her in respect of any civil, criminal, administrative or investigative action or proceeding to which he or she is a party by reason of being or having been a director or officer if he or she

- (a) acted honestly and in good faith with a view to the best interests of the applicable Yuulu?il?ath business, and
- (b) in the case of any criminal or administrative action or proceeding that is enforced by a monetary penalty, believed on reasonable grounds that the director's or officer's conduct was lawful.

### **Payable out of economic development account**

**6.10** Despite section 7.4 of the Financial Administration Act, any amount payable in respect of an indemnification under this Part may be paid out of the community enterprise account if that account has been created in accordance with section 5.2(b) of the Financial Administration Act.

### **Regulations**

**6.11** The Executive may make regulations under this Part

- (a) in relation to indemnification and advances under this Part, including terms and conditions governing them,
- (b) defining, for the purposes of this Part, the meaning of any word or expression used in it that is not defined in this Act,
- (c) prescribing circumstances in which a director or officer is presumed not to have fulfilled his or her duties to a Yuulu?il?ath business, and
- (d) in relation to the determination of the amounts to be paid as indemnification or advances under this Part.

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## PART 7 - PROHIBITIONS

### Definitions

**7.1 (a)** In this Part

“interfere with” means to interfere with or attempt to influence, either directly or indirectly, by promises, threats or by any other means, including the following:

- (i) to offer to pay, give, lend or procure an inducement, or give a reward or other benefit, to or for any person to have an operational decision made, not made, or be made in a certain manner; or
- (ii) to intimidate, impede, attempt to persuade, punish or attempt to compel by threats, abduction, duress or fraudulent means an operational decision to be made, not made, or be made in a certain manner;

“operational decision” means a day-to-day management or administrative decision typically made by management of a trade or business engaged in primarily for the purposes of profit including the following:

- (i) the hiring, promotion, demotion, remuneration, discipline or termination of employment of personnel;
- (ii) the assignment of duties or powers to personnel;
- (iii) the acquisition of products or services in an amount that does not exceed the limits set out in the governance and fiscal agreement for the acquisition of products or services by a Yuulu?il?ath business;
- (iv) the acquisition of capital assets in an amount that does not exceed the limits set out in the governance and fiscal agreement for the acquisition of capital assets by a Yuulu?il?ath business;
- (v) the disposition of capital assets or sale of products in the normal course of business in an amount that does not exceed the limits set out in the governance and fiscal agreement for the disposition of capital assets or sale of products in the normal course of business by a Yuulu?il?ath business;
- (vi) the provision of services in the normal course of business that are within the business mandate of the Yuulu?il?ath business;
- (vii) the acquisition of credit facilities or loans in an amount that does not exceed the limits set out in the governance and fiscal agreement for the acquisition of credit facilities or loans by a Yuulu?il?ath business;

(viii) the opening of accounts at a bank or credit union in accordance with the governance and fiscal agreement; and

(ix) the preparation of an annual plan;

“senior member of government” means a Yuulu?il?ath government representative, the director of operations, a Yuulu?il?ath senior manager, a member of the economic development committee and, for certainty, the asset manager and the economic development officer.

(b) For certainty, “interfere with” and “operational decision” does not include

(i) a decision or the making of a decision,

(ii) advice or the giving of advice,

(iii) approve or giving approval,

(iv) not approve or withholding approval, or

(v) a recommendation or the making of a recommendation

that forms part of, or is necessarily ancillary or incidental to, any duty or power of a senior member of government given under this Act, any other Yuulu?il?ath enactment or the governance and fiscal agreement provided that duty is performed or power is exercised in good faith and for a purpose other than to interfere with an operational decision.

### **Separation of politics and business**

**7.2** A senior member of government must not interfere with

(a) an operational decision of a Yuulu?il?ath business, or

(b) a decision of an officer, manager or employee of a Yuulu?il?ath business made within the scope of his or her authority in the normal course of business.

### **Prohibited and permitted businesses**

**7.3** (a) Except as otherwise provided in this Act or the regulations, a Yuulu?il?ath institution must not

(i) carry on a business as a proprietor or trustee,

(ii) acquire any interest in a partnership as a general partner, or

- (iii) act in the capacity of trustee in respect of any property used or held in the course of carrying on a business.
- (b) If approved by the Executive by Order, a Yuulu?il?ath institution may engage in a business that
  - (i) is necessarily ancillary or incidental to the provision of programs, services or other functions of government,
  - (ii) is not a trade or business engaged in primarily for the purposes of profit and, in the opinion of the Executive at any particular or future time, cannot result in any material liability or otherwise expose the property or resources of the Yuulu?il?ath government to any material risk, or
  - (iii) derives income solely because of granting a lease or licence in, or in respect of,
    - (A) an interest in, or licence in relation to, Yuulu?il?ath lands or resources on or under Yuulu?il?ath lands,
    - (B) any right of the Yuulu?il?ath First Nation referred to in the Chapter 10 Fisheries of the Maa-nulth Treaty, or
    - (C) any other property of the Yuulu?il?ath government.

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## PART 8 - GENERAL PROVISIONS

### Regulations

**8.1** The Executive may make regulations which it considers necessary or advisable for the purposes of this Act.

### Offences

- 8.2**
- (a) A Yuulu?i?ath business that contravenes section 3.5(b) commits an offence and is liable, on summary conviction, to a fine not exceeding \$10,000.
  - (b) A director or officer of a Yuulu?i?ath business that knowingly authorizes an action of a Yuulu?i?ath business that contravenes section 3.5(b) commits an offence and is liable, on summary conviction, to a fine not exceeding \$1,000.
  - (c) An individual who contravenes section 6.2, 6.3, 6.5, 6.8 or 7.2 commits an offence and is liable, on summary conviction, to a fine not exceeding \$1,000.

### Transition

**8.3** Each limited partnership and corporation listed in Column 1 of the table in Schedule 1 as of the date this Act comes into force continues as a Yuulu?i?ath business for purposes of this Act and has the business mandate set out in Column 3 of the table in Schedule 1 next to its name and registration number.

### Amendments

- 8.4**
- (a) This Act may only be amended
    - (i) after the Legislature has consulted with the economic development committee and the operating boards in accordance with section 8.5(a), and
    - (ii) by an affirmative vote of at least two-thirds of the members of the Legislature present and voting.
  - (b) Despite subsection (a) and subject to section 8.5(b), the Executive may, by Order, amend the content of Schedule 1 by adding or deleting information the Executive considers necessary or advisable to more accurately identify a Yuulu?i?ath business or reflect its business mandate.

### Consultation on proposed amendments

- 8.5**
- (a) The Legislature must, before enacting an amendment to this Act,
    - (i) refer the proposed amendments to the economic development committee and the operating boards for their review, and

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- (ii) give full and fair consideration to any comments or recommendations provided by the economic development committee and the operating boards in relation to the proposed amendments.
- (b) The Executive must, before making an Order under section 8.4(b),
  - (i) refer the proposed amendments to the economic development committee and the applicable operating board for their review, and
  - (ii) give full and fair consideration to any comments or recommendations provided by the economic development committee and the applicable operating board in relation to the proposed amendments.

### **Repeal**

**8.6** The Economic Development Act, YFNS 21/2011 is repealed.

### **Commencement**

**8.7** This Act comes into force on the date it is enacted.



**SCHEDULE 1 – YUULU?IL?ATH BUSINESSES**

Column 1 Yuulu?il?ath Business	Column 2 Registration No.	Column 3 Business Mandate
YFN Capital Assets Inc.	BC1058138	Acting as the general partner in YFN Capital Assets Limited Partnership
YFN Capital Assets Limited Partnership	LP0853562	Holding valuable capital assets required for the operation of other Yuulu?il?ath operating limited partnerships and to lease or rent those assets to other Yuulu?il?ath operating limited partnerships for use in their operations.
YFN Holdings Limited Partnership	LP571851	Holding business interests of the Yuulu?il?ath government.
YFN Holdings Inc.	BC0918764	Acting as the general partner in YFN Holdings Limited Partnership.
YFN Management Services Limited Partnership	LP600706	Engage in providing management, administrative, financial, record keeping, accounting and advisory services to the other operating limited partnerships.
YFN Management Services Inc.	BC0965512	Acting as the general partner in YFN Management Services Limited Partnership.
YFN Resorts and Accommodation Limited Partnership	452512-07	Engage in the business of tourist accommodations, guest services and amenities.
YFN Resorts and Accommodation Inc.	BC0838795	Acting as the general partner in YFN Resorts and Accommodation Limited Partnership.
YFN Fisheries Ventures Limited Partnership	527658-1011	Engage in fish harvesting, monitoring and habitat management activities including both commercial harvest and the right to harvest fish under the Maanulth Treaty.
YFN Fisheries Ventures Inc.	BC0871435	Acting as the general partner in YFN Fisheries Ventures Limited Partnership.

Column 1 Yuulu?il?ath Business	Column 2 Registration No.	Column 3 Business Mandate
YFN Renewable Energy Limited Partnership	495357-09	Engage in the development and operation of renewable sources of energy including hydro, solar, wind and wave energy.
YFN Renewable Energy Inc.	BC0842117	Acting as the general partner in YFN Renewable Energy Limited Partnership.
YFN Forestry Enterprises Limited Partnership	383252-04	Engage in forestry and forest resources harvesting and silviculture operations.
YFN Forestry Enterprises Inc.	BC0667866	Acting as the general partner in YFN Forestry Ventures Limited Partnership.
WYA Construction and Development Limited Partnership	LP604418	Engage in construction and development projects including residential development, road building and civil engineering.
WYA Construction and Development Inc.	BC0958631	Acting as the general partner in WYA Construction and Development Limited Partnership.
YFN Retail and Food Services Limited Partnership	LP600703	Engage in operating retail and food businesses.
YFN Retail and Food Services Inc.	BC0957580	Acting as the general partner in YFN Retail and Food Services Limited Partnership.

## LEGISLATIVE HISTORY

Economic Development Act YFNS 34/2014 enacted February 17, 2014

### Amendments

<b>Section</b>	<b>Amendment</b>	<b>In Force</b>
Schedule 1	YFNO 7/2014, s.1.2	December 22, 2014
Schedule 1	YFNO 9/2015, s.3	October 1, 2015
1.2	YFNS 82/2023, s.4.1(a)	May 10, 2023
2.2(d)	YFNS 82/2023, s.4.1(b)	May 10, 2023
2.2(f)	YFNS 82/2023, s.4.1(c)	May 10, 2023
2.2(g)	YFNS 82/2023, s.4.1(d)	May 10, 2023
2.3, 2.4, 2.5 and 2.6	YFNS 82/2023, s.4.1(e)	May 10, 2023
2.8(q)(i)	YFNS 82/2023, s.4.1(f)	May 10, 2023
3.3(b)(viii)	YFNS 82/2023, s.4.1(g)	May 10, 2023
6.3	YFNS 82/2023, s.4.1(h)	May 10, 2023
8.6	YFNS 82/2023, s.4.1(i)	May 10, 2023
8.6	YFNS 82/2023, s.4.1(j)	May 10, 2023
Schedule 1	YFNO 53/2024	July 21, 2021

### **Amending Acts:**

YFNS 82/2023            Committee Structure Amendment Act enacted March 13, 2023

### **Regulations:**

YFNR 12/2012            Governance and Fiscal Agreement Regulation enacted April 12, 2012  
 YFNR 23/2013            Governance and Fiscal Agreement Amendment Regulation enacted  
 December 10, 2013

### **Orders:**

YFNO 7/2014            Law Clerk Order enacted December 22, 2014  
 YFNO 9/2015            Order of the Executive enacted October 1, 2015  
 YFNO 53/2024            Order of the Executive enacted December 10, 2024