

# “Protection and Investment of Trust Assets”

## Chippewas of Georgina Island First Nation Coldwater Narrows Trust

### *Membership Update*

*April 21, 2015*



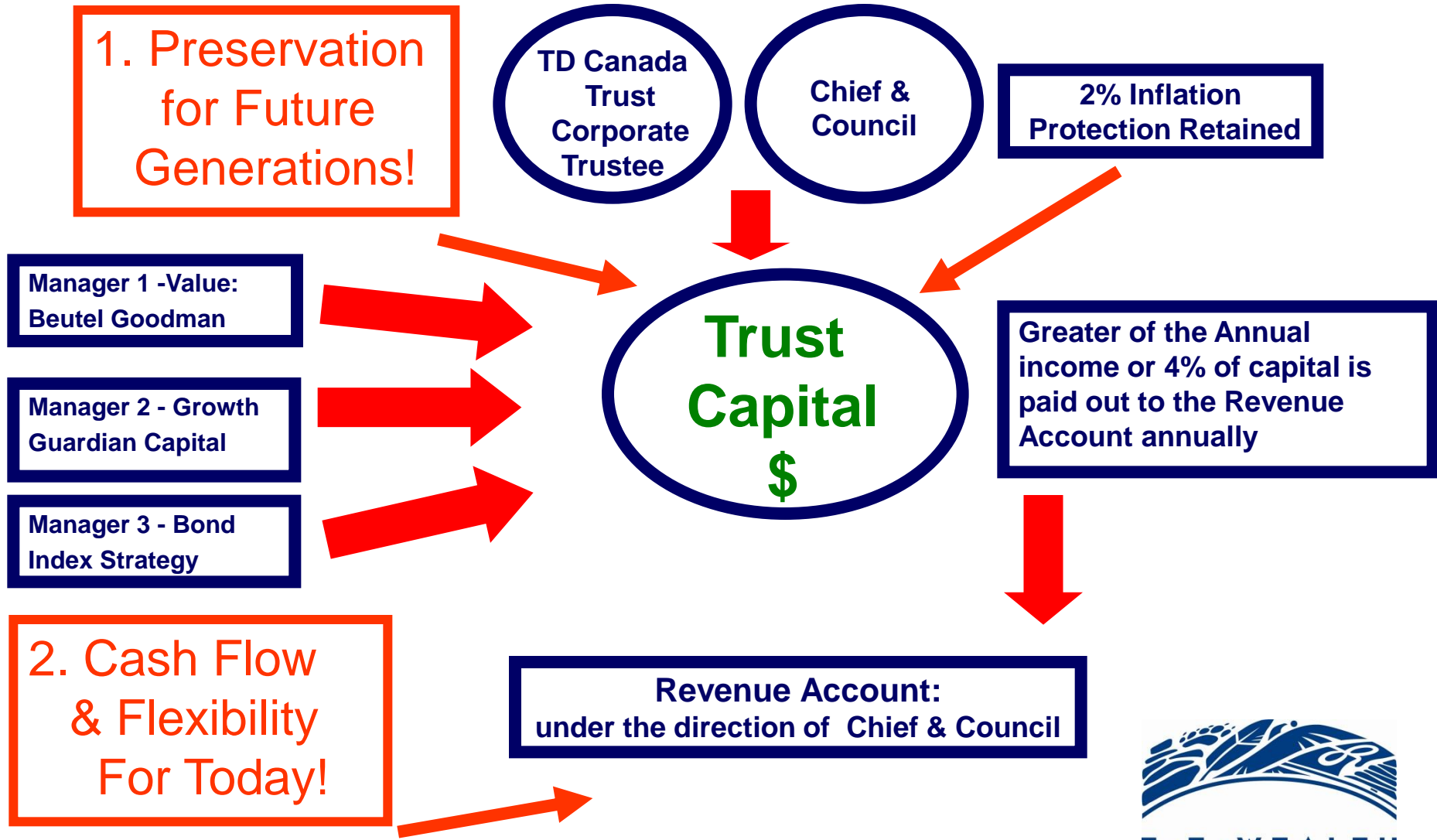
**Ismo Heikkila**  
National Director  
Aboriginal Services  
TE Wealth  
Direct 416.640.8574



# The Importance of Balancing the Needs of Today with that of Future Generations



# Why the Chippewas of Georgina Island First Nation Coldwater Narrows Trust Makes Sense!



# Determining the Trust Return Requirements to Meet Objectives

## Trust Objectives

- ❖ 4.00% To meet the Annual Payment
- ❖ 2.00% To meet estimated inflation
- ❖ 0.75% To pay estimated Trust expenses

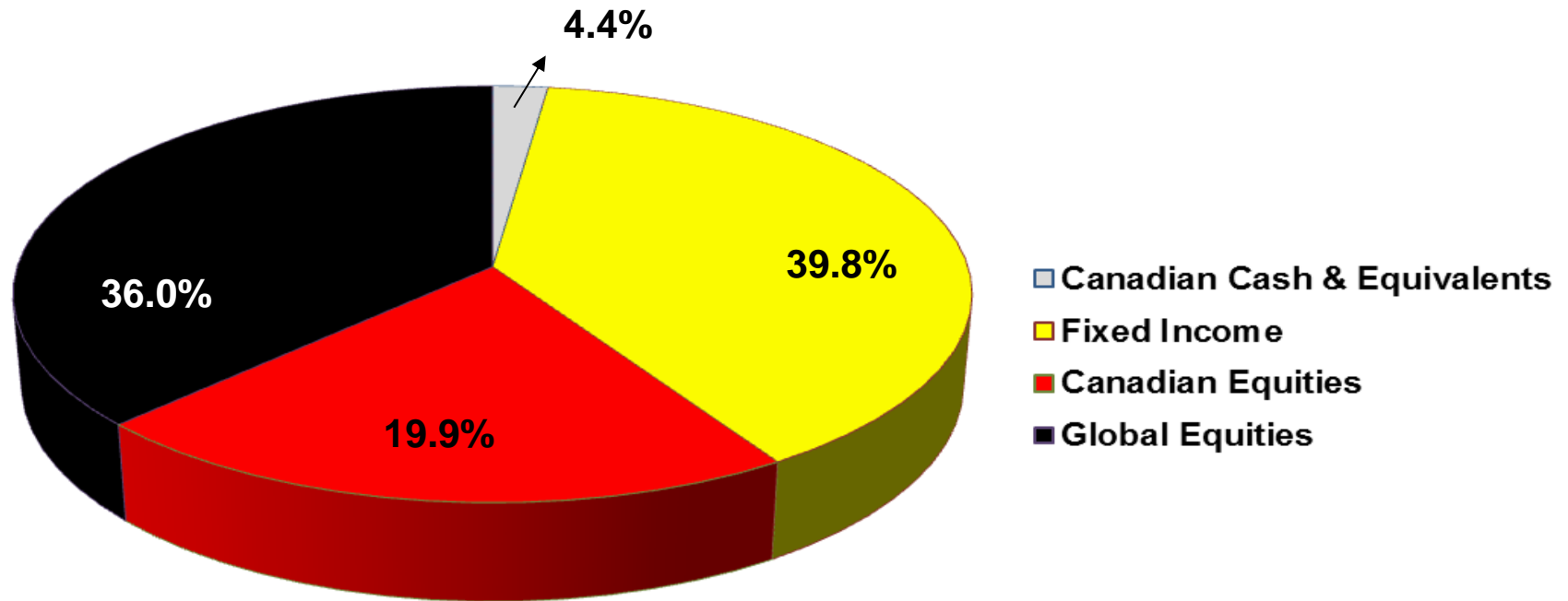
**6.75%** **Estimated Required Return on Investment to meet Trust Objectives**

# Establishing An Investment Strategy to Meet Objectives

## Typical Challenges...There are Many!

- Low interest rate environment means lower income yields
- Low interest rates can also lead to Inflation risk
- Equity markets can experience significant volatility
- Developing an asset mix (e.g. combination of stocks and bonds) that is appropriate in protecting the invested capital yet provides sufficient growth and income to support the Community and Trust objectives

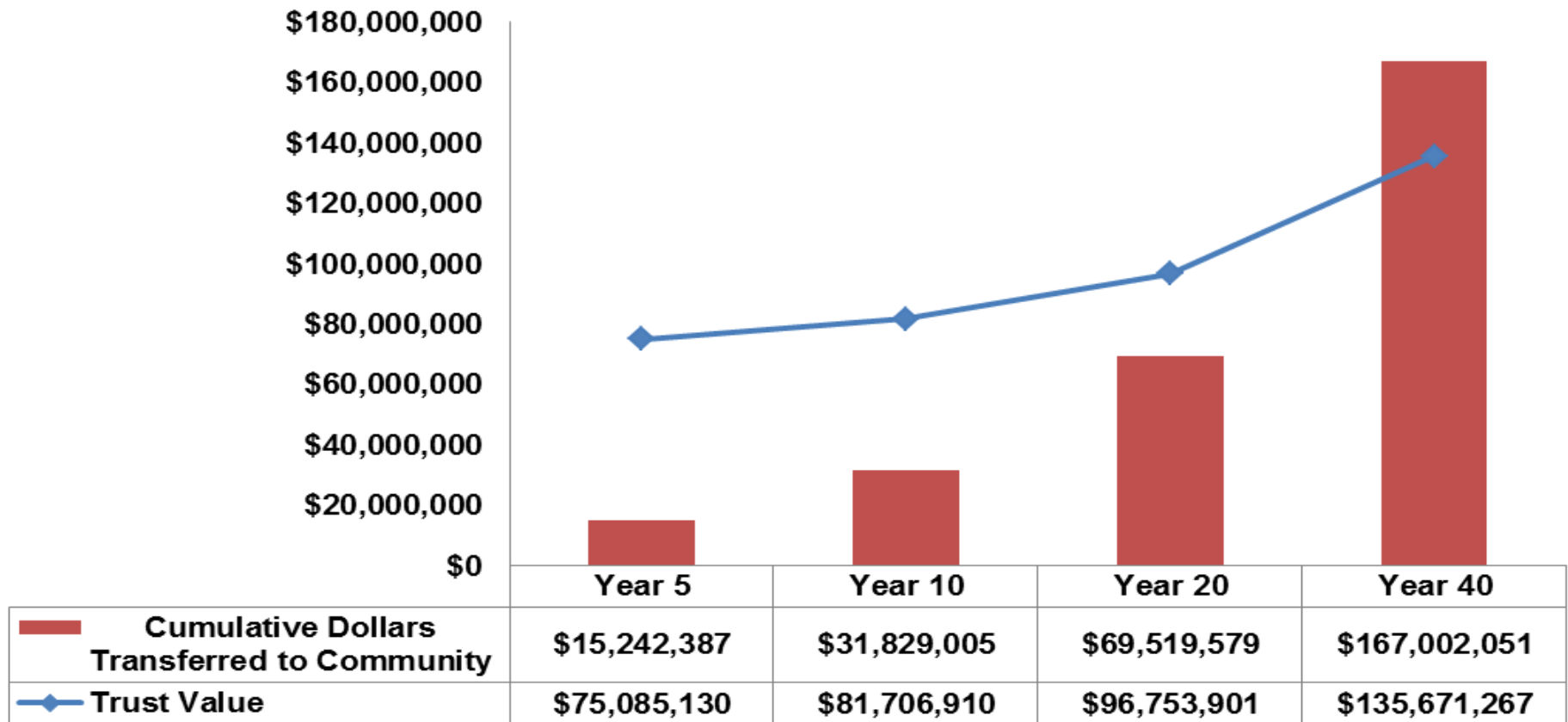
# Asset Mix as at December 31, 2014



	Cash & Equivalents	Fixed Income	Canadian Equities	Global Equities
<i>Actual</i>	4.4%	39.8%	19.9%	36.0%
<i>Target</i>	5.0%	40.0%	20.0%	35.0%

# Projected Growth and Distributions of Trust Capital

(This is a sample only and is no guarantee of future performance)

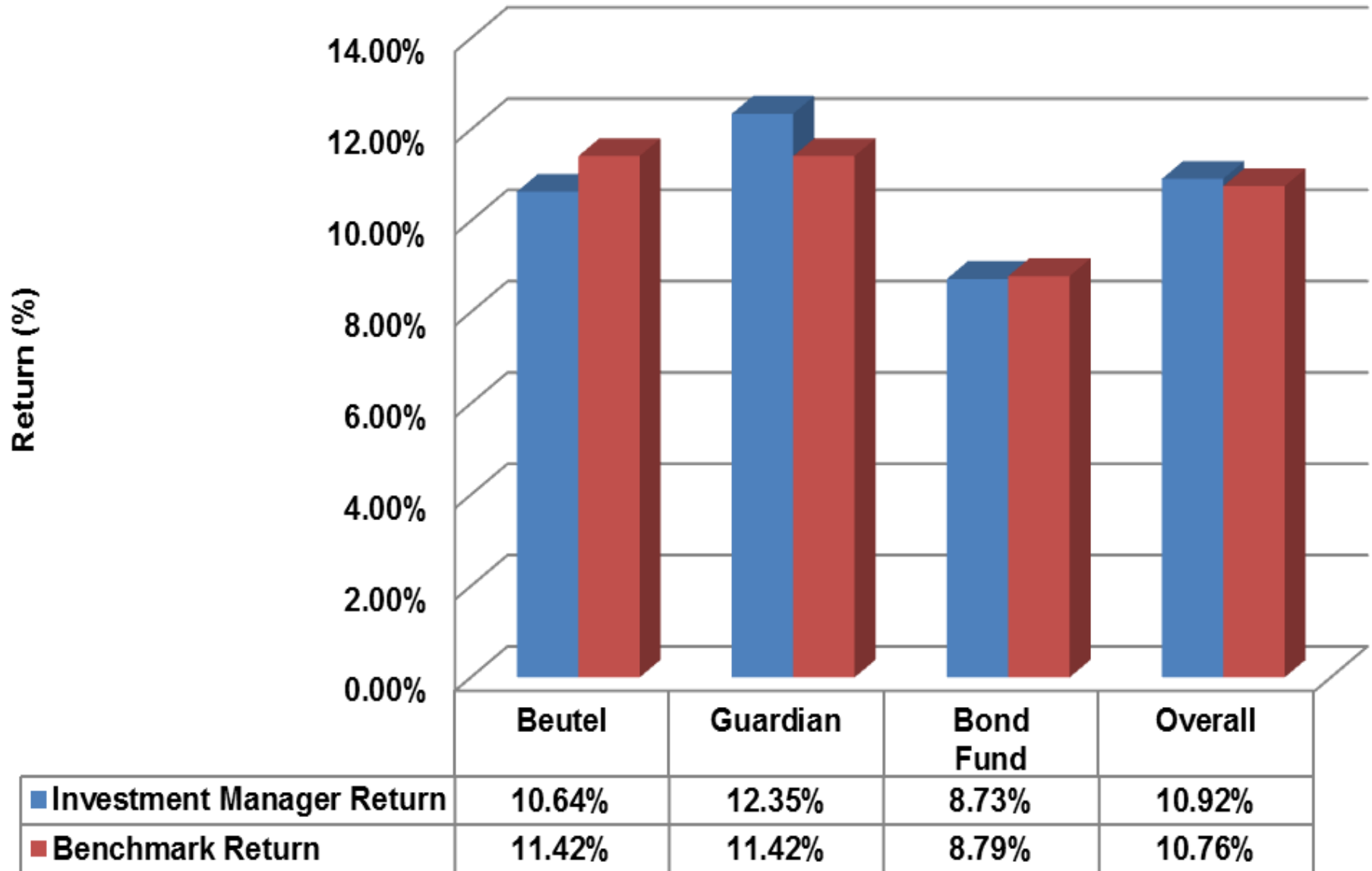


- Initial investment of \$69MM
- Return assumptions: 6.75% target return with 4.0% of capital withdrawn and 0.75% operating expenses drawn annually with 2% retained in the Trust to maintain purchasing power against inflation
- The red bar chart values are cumulative and assume that 4.0% of Trust property would be transferred to Chippewas of Georgina Island annually



SO HOW IS THE TRUST DOING  
SO FAR  
IN MEETING ITS OBJECTIVES?

# 1 Year Return as at December 31, 2014



# Top Equity Holdings



Weight (%)

1.2%

1.1%

1.1%

1.1%

1.0%



Weight (%)

0.7%

0.7%

0.7%

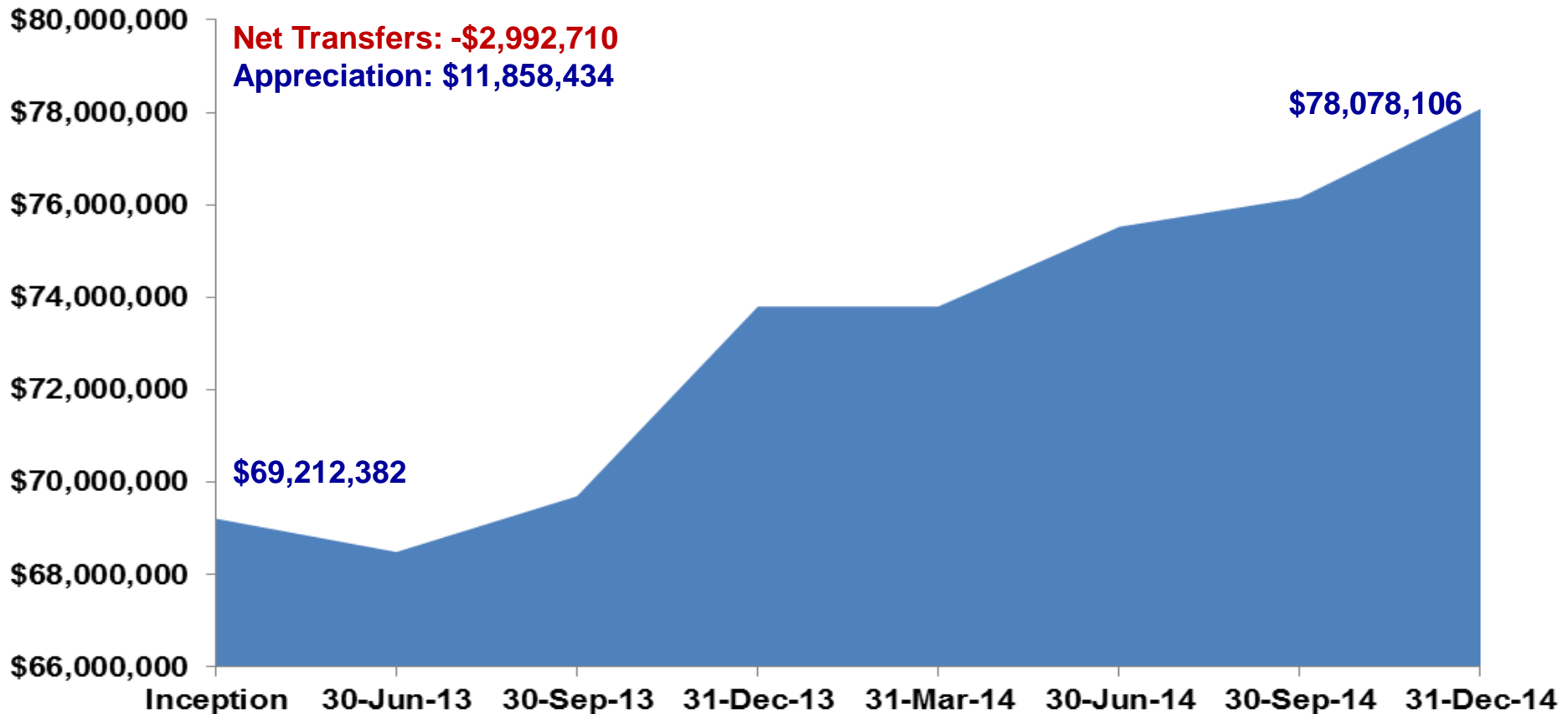
0.7%

0.7%



# Portfolio Valuation as at December 31, 2014

(Inception April 10, 2013)



**Market Value as at April 9, 2015: \$78,887,688**

**Net Transfers as at April 9, 2015: -\$6,865,574**

**Appreciation as at April 9, 2015: \$16,540,880**

\*\*Valuations may differ slightly to other financial reporting as a result of differences in accrual rates and foreign exchange conversion rates





***THANK YOU !***