

MAA-NULTH FIRST NATIONS FINAL AGREEMENT

LAND TRANSFER

MEMORANDUM OF UNDERSTANDING

HUU-AY-AHT FIRST NATIONS and
BRITISH COLUMBIA



THIS UNDERSTANDING (the “Understanding”) made the 9th day of April, 2009.

BETWEEN:

HUU-AY-AHT FIRST NATIONS

AND:

**HER MAJESTY THE QUEEN IN RIGHT OF THE PROVINCE OF
BRITISH COLUMBIA**
 (“British Columbia”)

The Maa-nulth First Nations, British Columbia and Canada have successfully concluded the negotiation of the Maa-nulth First Nations Final Agreement (the “Final Agreement”) under the British Columbia Treaty Commission process. Huu-ay-aht First Nations is a Maa-nulth First Nation and a party to the Final Agreement.

Huu-ay-aht First Nations and British Columbia have ratified the Final Agreement in accordance with Chapter 28 Ratification of the Final Agreement. All of the parties have now signed the Final Agreement. Canada is proceeding to table its federal settlement legislation in order to fulfill its ratification requirements and be in a position to give effect to the treaty.

The parties are actively engaged in developing detailed Final Agreement implementation and closing plans that will ensure the parties are ready for the effective date – the date when the Final Agreement takes effect, has force of law and the Maa-nulth First Nations begin to exercise their rights under the Final Agreement. However, the parties recognize that it may take 18 to 24 months to prepare all the legal documents and Maa-nulth First Nation laws required to be in place to give effect to the Final Agreement.

At the provincial level, British Columbia and the First Nations Leadership Council, representing the Assembly of First Nations – BC Region, First Nations Summit and the Union of BC Indian Chiefs, have entered into a New Relationship. In the spirit of the New Relationship, British Columbia and two First Nations have recently signed the first incremental treaty agreements in the province. These agreements provide treaty-related benefits to these First Nations, including the transfer of ownership of a key land parcel, in advance of the treaty’s effective date.

In the same vein as an incremental treaty agreement, subject to British Columbia obtaining an appropriation for any required land survey costs, British Columbia is prepared to negotiate a land transfer agreement (the “Transfer Agreement”) with Huu-ay-aht First Nations for an important land parcel. This parcel, which is approximately 31.5 hectares of provincial Crown land on the north shore of Grappler Inlet and is identified for illustrative purposes as “Candidate Parcel for Pre-Treaty Transfer” on Schedule 1 to this Memorandum of Understanding (the “Grappler Inlet Parcel”), will become the Maa-nulth First Nations Lands of Huu-ay-aht First Nations on the effective date of the Final Agreement. This waterfront parcel is adjacent to the picturesque community of Bamfield and has significant development potential. If concluded, the Transfer

Agreement would allow Huu-ay-aht First Nations to advance any development plans with partners and financial institutions ahead of the effective date of the Final Agreement.


British Columbia and Huu-ay-aht First Nations agree that if a Transfer Agreement is entered into it will include the following provisions:

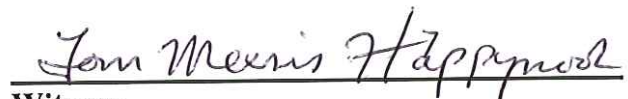
- a. the Province's commitment to transfer a determinable fee simple estate, excluding subsurface resources, in the Grappler Inlet Parcel to a duly incorporated company under the *Business Corporations Act* (British Columbia) (the 'Designated Company') as soon as practicable after the Transfer Agreement is signed by the parties and any required land surveys are completed;
- b. the Designated Company will be owned and controlled by Huu-ay-aht First Nations;
- c. the transfer of the Grappler Inlet Parcel will be subject to identified encumbrances and exceptions and the condition that the parcel not be sold or transferred prior to the effective date of the Final Agreement;
- d. existing provincial laws, including applicable zoning, land use, land development and property tax laws will apply to the Grappler Inlet Parcel;
- e. the Grappler Inlet Parcel will be transferred "as is" with respect to its environmental condition;
- f. the Grappler Inlet Parcel will become Maa-nulth First Nation Lands of Huu-ay-aht First Nations on the effective date of the Final Agreement; immediately before the effective date of the Final Agreement the fee simple estate of the Designated Company in the Grappler Inlet Parcel will terminate; and
- g. the Province will take responsibility for identified closing costs, including:
 - the cost of any survey required;
 - any other costs or fees associated with the preparation of Crown grants or any other land title office documents; and
 - property transfer tax.

The Parties acknowledge that this Memorandum of Understanding is not intended to create any legally binding obligation on either party, or to recognize, affirm, deny, limit or amend any aboriginal rights or titles of Huu-ay-aht First Nations.

THIS UNDERSTANDING HAS BEEN EXECUTED AND DELIVERED as of the day and year first above written.


**Signed on behalf of
Huu-ay-aht First Nations by
Chief Councillor**




Chief Robert Dennis

Witness

**Signed on behalf of Her Majesty the Queen
in Right of the Province of British Columbia
by the Minister of Aboriginal Relations and
Reconciliation**



Honourable Michael de Jong

Witness

Schedule 1

Map for Illustrative Purposes of the Grappler Inlet Parcel

