



# SAMSON CREE NATION

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## **Chief and Council Message Regarding** **Samson Cree Nation Settlement Agreement Referendum 2022**

Starting in the 1940s the Government of Canada, as the trust-like fiduciary of Samson Cree Nation, issued leases on Samson Cree Nation's non-renewable oil and gas interests that formed part of Samson Cree Nation's Reserve Nos. 137 and 137A as well as the Pigeon Lake Reserve No. 138A which was set aside for Samson Cree Nation and the other Maskwacis Nations. Canada's obligations to Samson Cree Nation included collecting royalties on the oil and gas produced from our Reserve lands. A royalty is a portion of the oil and gas that was produced and is paid to the owner of the oil and gas. Canada set the value of the royalty on behalf of Samson Cree Nation. It was always Canada that had the sole obligation to make sure that the production of these resources provided the greatest possible benefits to Samson Cree Nation, that all the royalties were properly calculated and collected, and that the royalties that Canada collected were managed properly on behalf of Samson Cree Nation.

Samson Cree Nation had little meaningful input in determining: how the oil and gas was produced; how much was produced; the calculation of the selling price; how the royalty was calculated and monitored; and, how the royalty money was managed after it was collected. It was Canada that exercised control over our oil and gas to the benefit and detriment of Samson Cree Nation.

Over time, Samson Cree Nation's leadership began questioning how Canada managed this special resource. Once the oil and gas was produced and sold this resource and its benefits were lost forever so it was critical for Canada to fulfill its obligations to Samson Cree Nation because any losses caused by Canada's mismanagement could not be undone. Because of leadership's concerns, Federal Court Action T-2022-89 was started in September of 1989 with Samson Cree Nation alleging that Canada breached its trust-like fiduciary obligations to Samson Cree Nation: in the management of the oil and gas resources and royalties; the management of the trust funds; and, the funding of programs and services. After Samson Cree Nation filed its claim against Canada, many other oil and gas producing First Nation's also began to file similar claims against Canada.

In addition to this claim, Samson Cree Nation advanced several additional claims against Canada, the Government of Alberta and specific oil and gas producers in relation to oil and gas production on Samson Cree Nation's Reserve Lands. Samson Cree Nation also started claims against Canada and Alberta with respect to Samson Cree Nation's Aboriginal and Treaty rights and title. Sadly, Samson Cree Nation's trustee, Canada, and one of the oil and gas producers, Chevron, also filed claims directly against Samson Cree Nation when Chevron overpaid a royalty, even though it was Canada that collected and managed the Chevron royalties. In addition, Canada has also filed a claim against

Samson Cree Nation suggesting any errors by Canada in its management of royalties between the four Maskwacis Nations should be the responsibility of Samson Cree Nation.

Samson Cree Nation has been advancing its claims against Canada, as well as defending itself against the claims of Canada and Chevron both inside and outside of court. As part of this process Samson Cree Nation has engaged in settlement discussions with Canada, starting in 1998, with the most recent discussions taking place over the course of this past year. Chief and Council now have an agreement in principle with Canada to settle all of Samson Cree Nation's on reserve oil and gas claims, and any remaining issues in Federal Court Action No. T-2022-89, for the full and final amount of \$134 million. In addition, Canada has agreed to abandon any claims against Samson Cree Nation or the Kisoniyaminaw Trust Fund with respect to Chevron's overpayment of royalties and Canada has agreed to abandon its claim against Samson Cree Nation with respect to how Canada divided the collected royalties between the Maskwacis Nations. Most important, Canada has agreed that Samson Cree Nation may continue its claims for Aboriginal and Treaty rights and title, other than in relation to Samson Cree Nation's on reserve oil and gas rights. The importance of this cannot be understated. In all previous settlement discussions, Canada's conditions included a requirement that Samson Cree Nation abandon and relinquish any existing or future Aboriginal and Treaty rights and title claims. This agreement in principle preserves Samson Cree Nation's claims.

Before the agreement in principle can be finalized, Chief and Council is asking whether the members of Samson Cree Nation:

**Agree to the terms and conditions of the proposed settlement agreement that will settle and release Canada against the claims in Federal Court Action No. T-2022-89 and all related claims for the sum of \$134 million and that Chief and Council is authorized and directed to take all actions and to sign all documents that are necessary to give effect to the settlement agreement between Samson Cree Nation and Canada?**

The participation of Samson Cree Nation's members in this important vote is vital because a simple majority of those eligible voting members who do come out to vote will determine whether Chief and Council will finalize or not finalize the agreement in principle.

To help the members of Samson Cree Nation make this important decision we have prepared an information package that will provide more information about Federal Court Action No. T-2022-89, the related law suits, the settlement agreement, and other frequently asked questions. As well, we ask you to see the Notice of Referendum for the dates, times, and locations of both in person and virtual information sessions where members of Chief and Council and Samson Cree Nation's lawyers will be available to answer any questions.