

**Mistawasis Specific Claim Trust**  
**Financial Statements**  
*December 31, 2021*

**Mistawasis Specific Claim Trust**  
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*For the year ended December 31, 2021*

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## Management's Responsibility

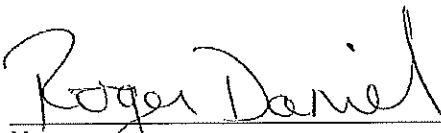
To the Members of Mistawasis Nêhiyawak:

Management is responsible for the preparation of the accompanying financial statements, including responsibility for significant accounting judgments and estimates in accordance with the Mistawasis Specific Claim Trust Agreement's operating provisions. This responsibility includes selecting appropriate accounting principles and methods, and making decisions affecting the measurement of transactions in which objective judgment is required.

In discharging its responsibilities for the integrity of the financial statements, management designs and maintains the necessary accounting systems and related internal controls to provide reasonable assurance that transactions are authorized, assets are safeguarded and financial records are properly maintained to provide reliable information for the preparation of financial statements.

The Trustees are responsible for overseeing management in the performance of its financial reporting responsibility, and for approving the financial statements. The Trustees fulfil these responsibilities by reviewing the financial information prepared by management and by discussing relevant matters with management and the external auditor. The Trustees are also responsible for appointing the Trust's external auditor.

MNP LLP, an independent firm of Chartered Professional Accountants, is appointed by the Trustees to audit the financial statements and report directly to the Members of Mistawasis Nêhiyawak; their report follows. The external auditor has full and free access to, and meets periodically and separately with, both the Trustees and management to discuss their audit findings.

  
Management

## Independent Auditor's Report

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To the Members of Mistawasis Nêhiyawak:

### Opinion

We have audited the financial statements of Mistawasis Specific Claim Trust (the "Trust"), which comprise the statement of financial position as at December 31, 2021, and the statements of operations and changes in operating net assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements for the year ended December 31, 2021 are prepared, in all material respects, in accordance with the Mistawasis Specific Claim Trust Agreement's operating provisions for the management of the Trust.

### Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Emphasis of Matter - Basis of Accounting and Restriction on Distribution and Use

We draw attention to Note 1 of the financial statements, which describes the basis of accounting. The financial statements are prepared by management solely for the information and use of the Members of Mistawasis Nêhiyawak in accordance with the Mistawasis Specific Claim Trust Agreement's operating provisions. As a result, the financial statements may not be suitable for another purpose. Our report is intended solely for the Members of Mistawasis Nêhiyawak, and should not be distributed to, or used by, parties other than the Members of Mistawasis Nêhiyawak. Our report is not modified in respect of this matter.

### Emphasis of Matter – Amendment of Mistawasis Specific Claim Trust

We draw attention to Note 10 to the financial statements, which advises that subsequent to year-end Members of Mistawasis Nêhiyawak approved amendments to the Mistawasis Specific Claim Trust Agreement, which will be known as the Mistawasis Legacy Trust Agreement. As part of these amendments, settlement proceeds from the Mistawasis Nêhiyawak Treaty Land Entitlement Settlement Agreement will be contributed by Mistawasis Nêhiyawak to the Mistawasis Legacy Trust, and will be administered in accordance with the Mistawasis Legacy Trust Agreement. Our report is not modified in respect of this matter.

### Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation of the financial statements in accordance with the Mistawasis Specific Claim Trust Agreement's operating provisions for the management of the Trust; this includes determining that this financial reporting framework is acceptable for the preparation of the financial statements in the circumstances, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Trust or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Trust's financial reporting process.

### Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

## Independent Auditor's Report (continued from previous page)

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Trust's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Trust's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Trust to cease to continue as a going concern.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Saskatoon, Saskatchewan  
March 31, 2022

*MNP LLP*  
Chartered Professional Accountants

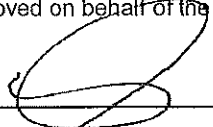
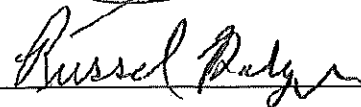
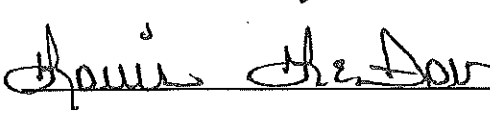
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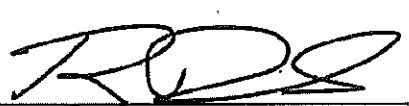
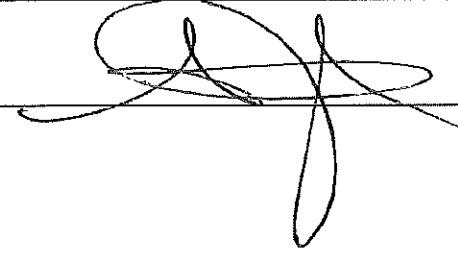
**Mistawasis Specific Claim Trust**  
**Statement of Financial Position**

*As at December 31, 2021*

	2021		2020	
	Trust Account	Authorized Expense Account	Total	Total
<b>ASSETS</b>				
<b>Current</b>				
Cash	600,043	146,085	746,128	107,945
Accounts receivable	59,663	-	59,663	52,496
Due from Specific Claim Band Account (Note 2)	-	-	-	199,850
Investments (Note 3)	13,233,910	-	13,233,910	12,988,903
	13,893,616	146,085	14,039,701	13,349,194
Land (Note 4)	3,172,633	-	3,172,633	3,172,633
	17,066,249	146,085	17,212,334	16,521,827
<b>LIABILITIES</b>				
<b>Current</b>				
Accounts payable and accrued liabilities	1,253	32,767	34,020	31,753
Due to Specific Claim Band Account (Note 2)	595,188	-	595,188	-
	596,441	32,767	629,208	31,753
Amendment to the Mistawasis Specific Claim Trust (Note 10)				
<b>NET ASSETS</b>				
Externally restricted - Capital (Note 5)	16,469,808	-	16,469,808	16,413,882
Externally restricted - Operating (Note 7)	-	113,318	113,318	76,192
	16,469,808	113,318	16,583,126	16,490,074
	17,066,249	146,085	17,212,334	16,521,827

Approved on behalf of the Trust:

  
 \_\_\_\_\_ Trustee  
  
 \_\_\_\_\_ Trustee  
  
 \_\_\_\_\_ Trustee

  
 \_\_\_\_\_ Trustee  
  
 \_\_\_\_\_ Trustee

*The accompanying notes are an integral part of these financial statements*

**Mistawasis Specific Claim Trust**  
**Statement of Operations and Changes in Operating Net Assets**

*For the year ended December 31, 2021*

	2021		2020	
	Trust Account	Authorized Expense Account	Total	Total
<b>Revenues</b>				
Investment income	549,541	-	549,541	501,925
Rental and other property	70,114	-	70,114	69,564
<b>Total revenues</b>	<b>619,655</b>	<b>-</b>	<b>619,655</b>	<b>571,489</b>
<b>Authorized Expenses</b>				
Administration professional development	-	-	-	500
Administration salaries and benefits	-	74,898	74,898	71,539
Administration travel	-	3,814	3,814	4,514
Audit	-	15,425	15,425	24,450
Consulting and accounting fees	-	16,498	16,498	21,323
Insurance	-	-	-	7,860
Internet and telephone	-	6,048	6,048	6,372
Land acquisition and holding costs	-	68,128	68,128	88,639
Legal	-	362	362	2,598
Management fees	-	74,315	74,315	59,002
Office supplies, repairs and other	-	15,524	15,524	23,549
Selection committee	-	17,013	17,013	-
Trustees and Elders per diem and travel	-	37,069	37,069	28,075
Trustees professional development	-	5,426	5,426	33,225
<b>Total Authorized Expenses</b>	<b>-</b>	<b>334,520</b>	<b>334,520</b>	<b>371,646</b>
Excess (deficiency) of revenues over Authorized Expenses	619,655	(334,520)	285,135	199,843
Externally restricted net assets - operating, beginning of year	-	76,192	76,192	132,380
Transfer of Authorized Expense account surplus	76,192	(76,192)	-	-
Transfer to Specific Claim Band Account	(695,847)	-	(695,847)	(703,869)
Transfer from Specific Claim Band Account (budget)	-	447,838	447,838	447,838
Externally restricted net assets - operating, end of year	-	113,318	113,318	76,192

*The accompanying notes are an integral part of these financial statements*

**Mistawasis Specific Claim Trust**  
**Statement of Cash Flows**

*For the year ended December 31, 2021*

	2021	2020		
	Trust Account	Authorized Expense Account	Total	Total
<b>Cash provided by (used in) the following activities:</b>				
<b>Operating:</b>				
Excess (deficiency) of revenues over Authorized Expenses	619,655	(334,520)	285,135	199,843
Realized loss (gain) on investments	3,561	-	3,561	3,561
	623,216	(334,520)	288,696	203,404
Increase in accounts receivable	(7,167)	-	(7,167)	(15,209)
Decrease in deposit on Land purchase	-	-	-	15,000
Due from (to) Specific Claim Band Account (net)	795,038	-	795,038	(307,475)
Increase in accounts payable and accrued liabilities	1,253	1,014	2,267	21,984
	1,412,340	(333,506)	1,078,834	(82,296)
<b>Investing:</b>				
Land purchases	-	-	-	(298,510)
Change in investments - net	(248,568)	-	(248,568)	44,041
	(248,568)	-	(248,568)	(254,469)
<b>Capital:</b>				
Transfer to Specific Claim Band Account	(695,847)	-	(695,847)	(703,869)
Transfer of Authorized Expense account surplus	76,192	(76,192)	-	-
Transfer from Specific Claim Band Account	202,899	447,838	650,737	601,824
Increase in Minimum Amount	53,027	-	53,027	63,002
Specific Claim Development - New High School	(200,000)	-	(200,000)	(100,000)
	(563,729)	371,646	(192,083)	(139,043)
<b>Increase (decrease) in cash</b>	<b>600,043</b>	<b>38,140</b>	<b>638,183</b>	<b>(475,808)</b>
<b>Cash, beginning of year</b>	<b>-</b>	<b>107,945</b>	<b>107,945</b>	<b>583,753</b>
<b>Cash, end of year</b>	<b>600,043</b>	<b>146,085</b>	<b>746,128</b>	<b>107,945</b>

*The accompanying notes are an integral part of these financial statements*



**Mistawasis Specific Claim Trust**  
**Notes to the Financial Statements**  
*For the year ended December 31, 2021*

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The Mistawasis Specific Claim Trust (the "Trust") was established on June 12, 2001 for the purpose of managing funds received under a Settlement Agreement dated February 9, 2001 between Mistawasis Nêhiyawak and the Government of Canada. Pursuant to the Settlement Agreement the Trust is required to purchase Land on behalf of Mistawasis Nêhiyawak to a minimum of 18,155 acres within 25 years from the execution of the Trust Agreement. Such assets acquired are held in the name of Mistawasis Land Holdings Inc. until such time as formal approvals are obtained, and the properties are transferred to Her Majesty the Queen in Right of Canada in trust for Mistawasis Nêhiyawak and set aside as Reserve Land. Until the Land has been converted to Reserve Land, the Trustees are responsible to collect lease revenue and pay related expenses.

*COVID-19*

The Trust's operations have been impacted by COVID-19 by increased volatility in global financial markets and the market values of the Trust's investments. The Trust has an investment management policy to mitigate risk associated with financial market volatility. The Trust expects this impact to continue until the pandemic is over.

**1. Significant Accounting Policies**

These financial statements have been prepared in accordance with the significant accounting policies set out below to conform with the Mistawasis Specific Claim Trust Agreement's operating provisions (the "Trust Agreement").

***Basis of presentation***

The Mistawasis Specific Claim Trust has been organized into two components. Each of these components was assigned responsibilities for particular aspects of the functions for which the Trustees are responsible. In order to ensure observance of responsibilities placed on Trustees and ease of understanding of the requirements for each component, the accounts are maintained on a fund accounting basis. Accordingly, resources are classified for accounting and reporting purposes into the following funds:

*Trust Account* – relates to the capital funds received pursuant to the Settlement Agreement. The Trust Account records the income earned on the Trust Property, which primarily includes income from investments and Land leases, and transfers. Land transferred to the Government of Canada as Reserve Lands is removed from Land and charged to Capital.

*Authorized Expense Account* – relates to the operating assets, liabilities, transfers, revenues and expenses of the Trust.

***Capital transactions***

Certain transactions are recorded as a direct reduction of externally restricted net assets - capital rather than being recorded as an expenditure with an offsetting transfer from externally restricted net assets.

***Capital assets***

Pursuant to the Trust Agreement, there is no provision for the purchase of capital assets other than as an Authorized Expense. Therefore, all capital asset purchases are recorded as expenditures of the Authorized Expense Account.

Land is recorded at cost when purchased. When title is converted to Reserve Status, the cost of the Land is deducted from externally restricted net assets – capital and from Land.

***Investments***

Investments are recorded at cost. No provisions are made for any decline in value of the investments. Gains and losses are only recognized when realized.

***Revenue recognition***

Investment income is recognized when received. Capital gains and losses are recognized upon disposal of the investment.

Land lease revenue is recognized as earned based on the signed lease agreements.

***Use of estimates***

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenditures during the reporting period.

These estimates and assumptions are reviewed periodically and, as adjustments become necessary, they are reported in excess (deficiency) of revenues over Authorized Expenses in the periods in which they become known.

**Mistawasis Specific Claim Trust**  
**Notes to the Financial Statements**  
*For the year ended December 31, 2021*

**2. Due from (to) Specific Claim Band Account**

Pursuant to the Trust Agreement, Revenues Realized shall be transferred to an account established and controlled by Mistawasis Nêhiyawak. This amount is calculated as the revenues earned from the Trust Property, including land rental operations, interest, dividends and realized capital gains less the aggregate of capital losses.

The amount due from (to) Specific Claim Band Account is the net of the payable resulting from Revenue Realized, plus the prior year Authorized Expense Account Surplus.

**3. Investments**

	2021		2020	
	Cost	Market Value	Cost	Market Value
Canadian Bonds – Pooled Funds	2,803,673	2,867,375	2,785,853	3,007,891
Canadian Bonds – Corporate – Pooled Funds	3,910,995	3,860,255	3,836,093	3,912,825
Canadian Bonds – High Yield – Pooled Funds	1,727,572	1,603,883	1,713,977	1,597,914
Canadian Equity Funds	2,343,133	2,862,527	2,326,221	2,283,492
US Equity Funds	668,022	1,146,936	628,430	951,280
International Equity Funds	1,780,515	1,959,567	1,698,329	1,745,524
	<b>13,233,910</b>	<b>14,300,543</b>	<b>12,988,903</b>	<b>13,498,926</b>

**4. Land**

Land consists of purchased Land held in the Trust Account Fund until it is converted to Reserve Status. The Trust Agreement requires that a minimum of 18,155 acres of Land be acquired by the Trustees and placed into Reserve Status within 25 years of the commencement of the Trust. As of December 31, the following Land was held in the Trust Account Fund:

	Acres	2021	2020
Smith	144.5	183,758	183,758
Fox	713.8	249,273	249,273
Hereweghe	1,791.3	843,800	843,800
Derkachenko	880.0	483,300	483,300
Steffan	157.0	94,750	94,750
Stochmanski	620.0	255,000	255,000
McIntosh	147.0	90,000	90,000
Greier-Chin	145.0	65,000	65,000
Yasieniuk	637.3	451,808	451,808
Lowenburg	150.0	157,434	157,434
Trento	15.0	15,000	15,000
Gislason	43.0	200,000	200,000
Crown Land	378.1	83,510	83,510
	<b>5,822.0</b>	<b>3,172,633</b>	<b>3,172,633</b>

As of December 31, 2021, a further 7,277 (2020 – 7,277) acres had been acquired and converted to Reserve Status.

**Mistawasis Specific Claim Trust**  
**Notes to the Financial Statements**  
*For the year ended December 31, 2021*

**5. Externally Restricted Net Assets - Capital**

The Trust Account Capital consists of monies received from the Government of Canada, plus any other monies that may be invested by or on behalf of the Beneficiary and reduced by any amounts distributed to the Beneficiary subject to conditions in the Trust Agreement. Capital at year end consists of:

	2021	2020
Funds received pursuant to Settlement Agreement dated February 9, 2001	16,338,000	16,338,000
Negotiation Costs	(1,000,000)	(1,000,000)
Community Centre	(700,000)	(700,000)
Per Capita Distribution	(2,000,000)	(2,000,000)
Land – Reserve Status	(2,068,880)	(2,068,880)
Specific Claim Development	(550,792)	(550,792)
Specific Claim Development – New High School	(500,000)	(300,000)
Minimum Amount (Note 6)	1,367,527	1,314,500
Contributions from Mistawasis Nêhiyawak	5,583,953	5,381,054
	<b>16,469,808</b>	<b>16,413,882</b>

The Trust's mandate for managing capital is to receive, hold and use the Trust Property for the benefit of the Mistawasis Nêhiyawak and its Members on a collective basis. The Trust monitors capital in accordance with the Trust Agreement, which requires the following:

Minimum Amount

The Trust is required to maintain a Minimum Amount (Note 6).

Investments

The Trust Property must be invested and held in accordance with the investment policy set out with the Trust's Investment Manager. The Trust Agreement requires the Trust to maintain an Investment Management Agreement with an Investment Manager.

Transfer to/from Specific Claim Band Account

Pursuant to the Trust Agreement, Revenues Earned must be transferred to the Specific Claim Band Account.

Pursuant to Article 9.01(e) of the Trust Agreement, unless Mistawasis Nêhiyawak is authorized otherwise by a Member Resolution, the funds transferred to the Specific Claim Band Account shall only be utilized to maintain the Minimum Amount and pay Authorized Expenses of the Trust based on a budget prepared by the Trustees and approved by the Council of Mistawasis Nêhiyawak. Any remaining funds in the Band Account must be transferred to the Trust Account within 15 days of the budget for Authorized Expenses being approved.

**Mistawasis Specific Claim Trust**  
**Notes to the Financial Statements**  
*For the year ended December 31, 2021*

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**6. Minimum Amount**

The Trust Agreement requires that a minimum of 10% of Revenue Realized from the Trust Account be returned to the Trust. The minimum subsequent yearly payments are noted below.

Original amount	<u>12,000,000</u>
Minimum payments	
2002	24,953
2003	65,000
2004	65,000
2005	65,000
2006	80,000
2007	60,047
2008	67,228
2009	71,909
2010	71,238
2011	71,594
2012	74,000
2013	67,620
2014	98,541
2015	95,869
2016	76,710
2017	56,243
2018	71,714
2019	68,832
2020	63,002
2021	<u>53,027</u>
	<u>1,367,527</u>
	<u>13,367,527</u>

**Minimum Amount Compliance**

Trust Account - Net Assets	<u>16,469,808</u>
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Excess of assets over Minimum Amount	<u>3,102,281</u>
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**7. Externally Restricted Net Assets – Operating**

The Trust Agreement specifies that any net assets held in the Authorized Expense Account can only be applied against subsequent year's Authorized Expenses or transferred to the Trust Account.

**8. Income taxes**

Based on advanced tax rulings issued by Canada Revenue Agency to similar entities, it is the Trustees' position that the Trust does not have any taxable income.

**Mistawasis Specific Claim Trust**  
**Notes to the Financial Statements**  
*For the year ended December 31, 2021*

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**9. Other Information**

The Trust as part of its operations carries various forms of financial instruments. It is management's opinion that the Trust is not exposed to significant interest, currency, credit, liquidity or other price risk arising from these financial instruments except as otherwise disclosed.

***Risk management***

The Trust developed an investment policy to manage risk. The policy seeks to lower risk by addressing diversification, credit quality and liquidity requirements of the Trust.

***Credit risk***

Financial instruments that potentially subject the Trust to concentrations of credit risk consist of accounts receivable and investments. Management does not believe the risk is significant as accounts receivable are short-term in nature and investments are in investment grade securities.

***Interest rate risk***

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in interest rates. Changes in market interest rates may have an effect on the cash flows associated with some financial assets and liabilities, known as cash flow risk, and on the fair value of other financial assets or liabilities, known as price risk. Financial instruments exposing the Trust to interest rate risk are bonds and other debt instruments. Management has attempted to minimize this risk by engaging an investment advisor to select investments with a variety of rates and maturity dates.

***Other price risk***

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or foreign currency risk), whether those changes are caused by factors specified to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The Trust's investments in publicly traded securities and bonds expose the Trust to other price risk as these investments are subject to price changes in an open market due to a variety of reasons including changes in market rates of interest, general economic indicators and restrictions on credit markets.

***Foreign currency risk***

The Trust holds investments denominated in Canadian dollars which are subject to foreign currency risk as the underlying operations are conducted in other currencies.

**10. Amendment to the Mistawasis Specific Claim Trust**

On January 21, 2022, the Members of Mistawasis Nêhiyawak voted to amend the Mistawasis Specific Claim Trust Agreement to continue operations of the Mistawasis Specific Claim Trust, renamed Mistawasis Legacy Trust and governed by the Mistawasis Legacy Trust Agreement. The existing funds held by the Mistawasis Specific Claim Trust will be carried forward under the new name, and the Trust will receive additional Entitlement Monies of \$30,596,765 from the settlement of the Mistawasis Nêhiyawak Treaty Land Entitlement Settlement Claim. This amount will be received in 2022. The beneficiary of the Mistawasis Legacy Trust is Mistawasis Nêhiyawak, including all Members.

The Trustees of the Mistawasis Legacy Trust are: George Russel Badger, Robert Daniels, Lawrence Johnston, Louis Ledoux and Anita Johnstone. The Financial Institution for Mistawasis Legacy Trust is Royal Trust Corporation of Canada.