

**SPECIAL AGREEMENT
ESTABLISHING THE TERMS OF APPLICATION
OF THE ABORIGINAL INITIATIVES FUND**

Between

THE GOVERNMENT OF QUÉBEC
As represented by the Minister responsible for
Canadian Intergovernmental Affairs, Aboriginal Affairs,
Francophones within Canada, the Reform of Democratic Institutions and
Access to Information,
(Hereinafter referred to as “Québec”)

And

THE MOHAWKS OF KAHNAWÀ:KE
As represented by the Grand Chief Michael A. Delisle Jr,
mandated by the Mohawk Council of Kahnawà:ke
(Hereinafter referred to as the “Council”)

WHEREAS Québec announced the creation of the Aboriginal Initiatives Fund (“AIF”) at the First Nations Socioeconomic Forum on October 26, 2006;

WHEREAS the AIF includes, among other things, a budget that aims to support economic development and community infrastructure projects;

WHEREAS Québec and Kahnawà:ke (hereinafter the “Parties”) have signed a Statement of Understanding and Mutual Respect and a Framework Agreement which provides for the negotiation of sectoral agreements in a number of areas, including economic development;

WHEREAS, pursuant to this Framework Agreement, the Parties concluded a sectoral Economic Development Agreement in 1999;

WHEREAS economic development and job creation are essential elements for the progress of Kahnawà:ke, the well-being of its population and the ability of Kahnawà:ke to take charge of its future;

WHEREAS the Parties wish to combine their efforts to stimulate economic development, job creation, and actively support Kahnawà:ke-initiated ventures; further, the Parties recognize the need to cooperate and pool their efforts to achieve the purpose of this Agreement;

AND WHEREAS the Parties favour the establishment of joint ventures between themselves when required,

PURPOSE AND SCOPE OF THE AGREEMENT

1. The purpose of this Special Agreement Establishing the Terms of the Application of the Aboriginal Initiatives Fund (hereinafter the “Agreement”) is to establish the general commitments of the Parties in order to promote the economic development of Kahnawà:ke and the creation and consolidation of jobs for the members of the Mohawk Community of Kahnawà:ke, through Kahnawà:ke’s participation in the AIF.
2. Kahnawà:ke’s participation in the AIF shall not limit access to other economic development initiatives and will not modify or derogate from the Economic Development Agreement between Québec and Kahnawà:ke signed on March 30th, 1999 and attached to the present Agreement as Schedule “A”.
3. This Agreement is not a treaty within the meaning of section 35 of the Constitution Act, 1982 and must in no way be construed as having the effect of an abrogation, a derogation, a negation or a recognition of an Aboriginal right, a treaty right or any other right.
4. The preamble and the schedule form an integral part of this Agreement.
5. By way of the AIF, Québec makes available to the Council a \$4.68 million budget over 5 years intended to fund economic development projects. Moreover, by way of the AIF, and subject to the availability of funds, Québec gives access to a maximum \$1 million budget over 5 years intended for community infrastructure projects according to the needs and priorities expressed by the Council.
6. To access the “community infrastructure” budget of the AIF, the Council must sign notably this Agreement.

APPLICATION FRAMEWORK

7. The Parties will ensure that the authorization of projects will be dealt with promptly and in accordance with the statutes, regulations and standards applicable on the Mohawk Territory of Kahnawà:ke. For this purpose the *Secrétariat aux affaires autochtones* will ensure, when required, the necessary inter-ministerial coordination and cooperation. Projects shall become “authorized projects” when they meet the criteria outlined in the “Eligibility of Projects” section of the present Agreement.
8. The projects will have to be funded on a priority basis by way of the existing programs of the federal government and those of Québec departments and agencies, from their respective appropriations. The budgets of the AIF will only be used to fund projects for which there is no program that can meet the specific requirements of these projects and, as the case may be, projects that will require financial assistance over and above what existing programs can offer.

PARTNERSHIP AND COOPERATION

9. The Parties will develop a timetable for the progressive implementation of the provisions of this Agreement and, if necessary, the setting of transitional mechanisms.
10. The Parties will develop a report of socio-economic information pertaining to Kahnawà:ke to be provided by the Council to Québec for the purpose of evaluating the effectiveness of the AIF.

ELIGIBILITY OF PROJECTS

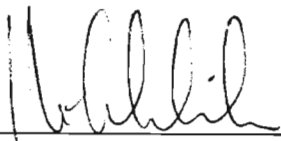
11. The Council will submit economic development and community infrastructure projects deemed to be a priority and which can be funded under the budget identified in Section 5 of the present Agreement. Each project will be accompanied with a detailed description of the proposed economic development or community infrastructure project and be supported by a Council Executive Directive (“MCED”).
12. In order for a project to be funded by Québec, an application will have to comply with the rules of application of the “economic development” budget of the AIF, attached to the present Agreement as Schedule “B”. Moreover, all projects will have to comply with the statutes, regulations and standards applicable in the Mohawk Territory of Kahnawà:ke when said projects are located within the Mohawk Territory of Kahnawà:ke.
13. As for the community infrastructure projects submitted by the Council, they shall comply with the specific rules of application governing access to the “community infrastructure” budget of the AIF, attached to the present Agreement as Schedule “C”. Moreover, all projects will have to comply with the statutes, regulations and standards applicable in the Mohawk Territory of Kahnawà:ke.
14. The Parties agree that each of the authorized projects will be subject to a Funding Agreement between the Council and Québec. In such instances where a promoter or entrepreneur is the recipient of the funds, the Council and Québec shall conclude a tri-partite Funding Agreement with said promoter or entrepreneur.
15. The Funding Agreement referred to in Section 14 of the present Agreement will define the activities of the project, the conditions for the payment of the contribution, the commitments of the parties and shall provide for a reporting process.

GENERAL PROVISIONS

16. This Agreement shall take effect on the date of its signing by the two Parties and shall remain in effect for a period of five (5) years, subject to the provisions of this Agreement.

17. The Parties may, by common accord expressed in writing, amend this Agreement or enter into complimentary Agreements through an exchange of letters to develop terms for the application of the present Agreement that are not provided for herein.
18. Should a court of competent jurisdiction declare any provision of this Agreement null or invalid, the Parties agree to use their best efforts to remedy, as soon as possible, this nullity or invalidity so that the objectives sought by this Agreement are attained.
19. In case of non-compliance with the clauses of this Agreement by either party, this Agreement may be cancelled upon expiration of sixty (60) days following the date of transmission, by either party, of a written notice of cancellation, unless the Parties agree to different provisions prior to said term.
20. Before such written notice is given, the Parties shall use their best efforts to resolve the issue of non-compliance. Furthermore, should this Agreement be terminated, all approved projects (projects for which Funding Agreements have already been concluded, as per Sections 14 and 15) that do not pertain to the issue of non-compliance shall continue to be funded as per the specific Funding Agreement related to said projects.

IN WITNESS WHEREOF the Parties have signed this 23th day of October, 2008.



Michael Ahrirrhon Delisle Jr.
Grand Chief
Mohawk Council of Kahnawà:ke



Benoît Pelletier
Minister responsible for Canadian
Intergovernmental Affairs, Aboriginal
Affairs, Francophones within Canada,
the Reform of Democratic Institutions
and Access to Information