In 2012, HDI received two applications from a company called Veresen, for two proposed projects in our treaty territory. The first application was received in May 2012 for the St. Columban project which is a 33 mw wind project in the County of Huron; and in October 2012 we received the second application for the GVWF2-Phase 3 40 mw Wind Project which is in Dufferin County. After going through the initial review of the archaeology and environmental impacts of these projects, HDI began the engagement process with Veresen.

As part of our standard process, HDI sought a 50% equity position in the projects. From April 2013 through to June 2013, HDI had several emails, phone calls as well as meetings with representatives of Veresen & the consulting firm McLeod Wood.
Circle Wampum & Condolences

The Condolence and Installation Ceremony, whereby a new chief is appointed to succeed a deceased chief, is an eight to ten hour process beginning with a breakfast in the morning and ends with a social in the evening, symbolizing a celebration of the installation of a new chief. In this ceremony, one side of the house, consists of the Four Younger Brothers (the Cayuga, Oneida, Tuscarora, and Tutelo), who may condole or be consoled by the other side of the house, which consists of the Three Older Brothers (the Mohawk, Onondaga, and Seneca). The condolers express bereavement as they “wipe the eyes,” “unplug the ears,” and “clear the obstructions of grief from the throat” of the mourning nations, clans, lineage, and families. This process is done to uplift the minds of all of the Nations in our Confederacy.

The Iroquois Confederacy has fifty hereditary chiefs: Nine Mohawk, Nine Oneida, Ten Cayuga, Fourteen Onondaga, and Eight Seneca. Each position, and its corresponding name, is restricted to a lineal descendant in the female line of a particular clan. A clan mother, therefore, nominates a chief from within her own lineage. That nomination is first referred to the nation and then to the Grand Council of Chiefs, which has to approve the selection, along with the condoling side of the house.

This past spring, there was a condolence for the Younger Brothers who installed a new chief Roger Silversmith, under the title Deyohowe:to, Snipe Clan of the Cayuga Nation.
who was assisting Veresen with the engagement process. HDI also enlisted the services of an Energy Finance Company to assist in negotiating a possible equity position. Our discussions continued for several months, and in August 2013, Veresen advised it was not seeking partnership on the St. Columban Project, and so from September 2013 through to September 2014, HDI continued pursuing an equity position in the GVWF-2 Project.

At the September 6, 2014 Haudenosaunee Confederacy Chiefs Council, after providing an update to council, HDI was authorized to continue to take all of the necessary steps to acquire an equity position in the GVWF-2 Project. Given we did not have a council in October 2014, HDI continued to hold internal meetings attended by various Chiefs & Clanmothers discussing the GVWF2 project and what was required to obtain a percentage of ownership. Because HDI is not a corporation nor is it registered in any Ontario or Canadian process, we required a vehicle that was recognized by Ontario and its REA process, and able to represent the HCCC in the business ventures such as what the HCCC was now pursuing.

The idea of a numbered company was looked upon as being similar to the role of a translator or runner for the HCCC. Historically the Haudenosaunee have always had the assistance of translators only in the past, the translator was often appointed by and acting on behalf of the British Crown, such as the Indian Agents who sat amongst our council in the late 1800’s early 1900’s which resulted in actions such as the purported ‘Surrenders’ of 1840/1841. The Haudenosaunee needed a translator/vehicle that would be Haudenosaunee driven and controlled by the HCCC similar to the direction provided to Joseph Brant by the HCCC in setting up the Block Leases along the Haldimand Tract in the 1830’s. So on September 17, 2014 HDI hired the legal firm Gardner Roberts to assist us in setting up a numbered company, aka “NewCo” (the Corporation), which was required to hold the equity position on behalf of the Haudenosaunee, but not compromise the principles or values of the Haudenosaunee by doing so. In mid October we secured the finances for the investment and from October 20th-31st, 2014, HDI proceeded with all of the necessary paper work to secure the equity position on the GVWF2 Project, pending ratification from our Council in November.

On November 1, 2014, the Chiefs Council sanctioned the agreement with Veresen and the process by which the Haudenosaunee would hold its investment.

What is its main function?
The purpose of the Corporation is to:

"The Corporation shall only carry on activities which provide a benefit to people of the Haudenosaunee. For the purpose of this provision, benefit shall include, but not be limited to:"

i. the preservation, furtherance and enhancement of the culture, language and ceremonies of the Haudenosaunee;

ii. the promotion and protection of the education, health and over-all well-being of the Haudenosaunee;

iii. the 8 points of jurisdiction

1. the Great Law and its Laws
2. Our Treaties
3. Installation of Chiefs
4. Maintenance of our Ceremonies
5. Our Land
6. International Relationships
7. Membership
8. Justice and Law

How is it structured?
We then set up what we called a ‘PERPETUAL CARE AND MAINTENANCE DEED’, which binds the HCCC and HDI to specific terms and process, and creates clear lines of authority and purpose for the Shares and the Benefits for the Haudenosaunee.

The Perpetual Care and Maintenance Deed states that:

A. The Haudenosaunee hold traditional and treaty rights, including rights under the Treaty of Albany 1701 over lands upon which the Grand Valley 2 Limited Partnership (GV2LP) is constructing a wind energy project. (the “Project”)

B. Haudenosaunee Development Institute (the “Caretaker”) is an independent organization created by the HCCC to represent HCCC’s interest in the development of lands within areas of Haudenosaunee jurisdiction, including but not limited to, the Project.

C. Pursuant to the mandate described above, the Caretaker is the registered sole shareholder of 50 common shares (the "Shares") in the capital of the numbered company (the "Corporation"), a corporation created for sole purpose of investing in the Project.

So basically, the Corporation is designed to operate the same way that the HDI does, taking its direction from the HCCC. The numbered company or NewCo is the only entity that is incorporated, and it becomes the runner or vehicle by which the HDI, at the direction of the HCCC, can make investments and do business in the corporate world, “on the other side of the wampum”, without having the HDI or HCCC jumping in to the boat.
It's that time of year again for HDI’s annual financial report. While we are obligated to provide the audit to the chiefs council first, we haven’t had the opportunity to do so, so until we do, we have prepared an overview of the land lease agreements to show the financial flow as a pre-release to the community in order to help you understand how the Confederacy’s agreements work.

As reported to council in our monthly reports and stated in our news letter, the lease agreements negotiated by the confederacy are based on a 20 year life span. So if for example we negotiate an agreement worth $2.5 million dollars, that number is divided by 20 to show the annual payment that will come to the haudenosaunee, which in this case would be $125,000. It DOES NOT mean that we have $2.5 million dollars in the bank.

The lease money does not begin to flow until after the project has reached its “commercial operation date” (“COD”), in other words, when it’s up and running. So even though the confederacy has a plan in place, the land lease funds will remain in the secured account.

The land acquisition fund is set up in similar fashion with the exclusive purpose of acquiring lands. The first land purchase was a small 50 acre parcel on pauline johnson road purchased through the recently formed numbered corporation and the lands have now been registered in the Haudenosaunee land registry under the whiskniyonwenstake. The money for the purchase of the land was taken from the HDI administration fund as we are still waiting for the land acquisition funds to flow.

The chart shows the land lease fund and the land acquisition fund that has been negotiated for a number of company’s. The first column shows the name of the company. The company’s are listed as a letter company to ensure we are respecting the confidentiality of the companies we have reached agreements with. You will also note a couple of the projects have “OCC” letters beside the project. That means the finances for the land lease for that particular project will be directed to the Oneida Chiefs Council as the project is located in direct vicinity to their territory and their council provided HDI the authority to negotiate on their behalf. Two of the Oneida chiefs were also appointed by the HCCC as part of the delegation to assist in the negotiations.

The second (continued on page 6)
Administration
Revenues & Wages
& Travel Expense

This chart shows the last two fiscal years revenues and expenses from the monitoring program and administration office. This chart does not include expenses such as rent, office supplies, utilities etc., expense information available in the audit that has been awaiting Haudenosaunee Confederacy Chiefs’ Council approval.

We have provided this chart in answer to the questions & concerns that have been raised regarding HDI finances. We have also included travel costs associated with our monitoring program that can require monitors to spend as much as a week away from home.

In comparison to the 2013-2014 fiscal, you will see a decrease in the archaeology monitoring costs and an increase in the environmental costs in the 2014-2015 fiscal. This is due to the fact that archaeology is the first step in any of the development projects and the greater expense is at the beginning of each project. Environmental monitoring normally kicks in once archaeology is completed and the project begins to build roads which require monitoring of the general landscape, waterways and habitat.

All of the monitoring expenses, including wages, benefits and travel and accommodations are paid out by HDI through our administration program, and billed to the respective project/developer so at the end of the day, all those costs are recouped along with an administration fee which helps to build the HDI administration revenues.

HDI administration fees are generated mainly from the administration fee charged to developers along with some training contracts through GREAT.

HDI welcomes your calls and questions and thanks all of our clan families for your continued support.

Hazel E. Hill
Executive Director

<table>
<thead>
<tr>
<th>INCOME</th>
<th>2013/2014</th>
<th>2014/2015</th>
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<tbody>
<tr>
<td>Archaeology</td>
<td>1,029,416</td>
<td>811,415</td>
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<tr>
<td>Environmental</td>
<td>536,309</td>
<td>846,524</td>
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<tr>
<td>Burtch Restoration</td>
<td>296,813</td>
<td>0</td>
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<tr>
<td>Administration</td>
<td>283,204</td>
<td>662,275</td>
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<tr>
<td>Other (GREAT Sponsored)</td>
<td>49,836</td>
<td>62,501</td>
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<tr>
<td><strong>Total Income</strong></td>
<td><strong>2,195,578</strong></td>
<td><strong>2,382,715</strong></td>
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<table>
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<tr>
<th>WAGES &amp; BENEFITS</th>
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<tbody>
<tr>
<td>Archaeology Monitors</td>
<td>523,142.00</td>
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<td>Environmental Monitors</td>
<td>251,694.00</td>
<td>441,713.00</td>
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<tr>
<td>Burtch</td>
<td>211,558.00</td>
<td>10,369</td>
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<td>HDI Administration</td>
<td>21,454.00</td>
<td>82,266.00</td>
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<tr>
<td>Professional Fees / Consultants</td>
<td>311,375</td>
<td>235,926</td>
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<tr>
<td>( Incl. Director &amp; other</td>
<td></td>
<td></td>
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<tr>
<td>Consultants)</td>
<td></td>
<td></td>
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<tr>
<td>Legal Fees</td>
<td>65,680</td>
<td>175,000.00</td>
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<tr>
<td>( City of Brantford Litigation</td>
<td></td>
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<tr>
<td><strong>Total Wages &amp; Benefits</strong></td>
<td><strong>1,384,903.00</strong></td>
<td><strong>1,407,411.00</strong></td>
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<tr>
<th>TRAVEL</th>
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<tbody>
<tr>
<td>Archaeology Monitors</td>
<td>156,479.00</td>
<td>143,171.00</td>
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<tr>
<td>Burtch Restoration</td>
<td>1,992</td>
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<tr>
<td>Environmental Monitors</td>
<td>116,972.00</td>
<td>210,909.00</td>
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<tr>
<td>Other</td>
<td>3,592.00</td>
<td>6,463.00</td>
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<tr>
<td><strong>Total Travel Expense</strong></td>
<td><strong>279,035.00</strong></td>
<td><strong>360,543.00</strong></td>
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| Total Wages & Travel            | $1,663,938.00 | $1,767,954 |

www.haudenosauneeconfederacy.com
The Joint Stewardship Board (JSB) is an agreement between the Haudenosaunee Confederacy Chiefs Council and the City of Hamilton for shared responsibilities and environmental guardianship of the Red Hill Valley. The board is comprised of three representatives each from the Confederacy and City council who are committed to working together on restoring and protecting the valley for the future generations. Our relationship is grounded upon mutual Respect, Trust and Friendship—as represented by the Fire of the Valley wampum and the JSB logo.

The board has continued a number of initiatives, led by coordinator Dr. Sheri Longboat, that build upon past achievements and support future activities. Valley access and education is a priority and there are a number of advancements in this area. First are the Meeting Places. Four architectural landscape features are proposed for the valley that represent the Bear, Turtle, Nest and Eel. The Bear was completed late in 2014, and this year, an interpretive plaque has been installed that explains the design and connections to Onkwehonwe history and tradition. The Turtle is the second scheduled meeting place, and it will be located at the end of the Red Hill Trail near the QEW bridge crossing. Detailed designs for the Turtle are 60% complete and will be finalized by the fall. Turtle construction is slated for 2016. A printable Trail Map showing the Bear and Turtle location is available on our website.

As per the Agreement Respecting the Human Heritage of the Red Hill Valley between the HCCC and City of Hamilton, the board has continued to advance developments for an Environmental Interpretive Centre (EIC) in the valley. Working with Architects Tillman, Ruth, Robinson, the schematic designs for the facility have been completed. The board is now investigating technical and regulatory considerations for the specific design and location, and constructing a capital campaigns feasibility study to generate a construction plan. For more information on the EIC or to see a short animated 3D video walk-through, visit the Joint Stewardship Board website: www.jointstewardshipboard.com

Community engagement and collaboration is a second priority area and there have been number of activities and relations built to support our objectives. The coordinator has established a relationship with community planning teams (McQuesten and Davis Creek) in Hamilton adjacent to the Red Hill valley who share goals for valley protection. The McQuesten Planning Team has approached the board to collaborate as a resource on incorporating Indigenous Plants and Food Plants in the Urban Garden (continued right)
VISION
Our vision to facilitate a deeper connection to the cultural landscape of the Red Hill Valley watershed in order to promote human and environmental well-being.

OBJECTIVES
The following objectives guide our activities:
1) Acknowledge and honor ancestral experiences,
2) Provide a link between the Haudenosaunee and Hamilton residents,
3) Enlighten the access to the Valley for all,
4) Protect and enhance the ecosystem and the environment,
5) Understand human impacts in the Red Hill Valley ecosystem,
6) Capitalize on economic opportunities without compromising the ecological integrity of the Red Hill Valley.

to be constructed in east Hamilton this fall. In addition, the board is working with Haudenosaunee medicine people to design and deliver a series of Medicine Workshops to educate on the significances of medicine plants and the importance of their protection in the valley. The community teams and several urban aboriginal groups have expressed interest in hosting workshops.

Outreach and education also includes the Six Nations community. The JSB Annual report was distributed at community events, and the JSB board coordinator with HDI monitors participated in the Annual Earth Day event at Turtle Island News. As part of the HDI Waste Diversion Program, recycling and composting education materials were designed and several hundred Recycling Handouts were distributed to community members on Earth Day.

Environmental assessment and monitoring is another priority area. Early in 2014, the board sponsored GPS training with Kayanase staff to assist in enhancing technical skills for monitoring and assessment of restoration activities. This builds upon some of Red Hill Valley restoration enhancement planting and survival assessment work that was completed for the board in the fall of 2014. This year the board has also undertaken a Medicine Plant Assessment and Recovery project for a minor construction and maintenance area within the Red Hill Valley. Through this project we are proactively designing a process to protect medicines and mitigate impacts for any future development activities in the valley. This work is also timely since later in 2015, the 5-year Integrated Environmental Monitoring Plan results for the Red Hill Valley (post-parkway construction monitoring results) will be available. The board plans to review and disseminate the monitoring results, and make recommendations for the development of a long-term monitoring plan for the Red Hill Valley; one that will incorporate medicines and other areas important for the Haudenosaunee. All of this work will align with Joint Stewardship Strategic Planning that is also scheduled for later in 2015. News on these and other activities will be provided in future updates. Stay tuned also for the 2015 Annual Report to Community that will be available in December. For more information contact Board Coordinator, Sheri Longboat, Tel: 519-445-2355, or Email: slongboat@jointstewardshipboard.com

Financial flow
(continued from page 3) column is the total annual land lease amount for that particular project. The annual lease amount is based on the size of the project.

The third column is the land acquisition amount for that project. Only the larger projects have a land acquisition added in to the engagement agreement as part of the justification for taking up a larger area of the treaty territory. If you total the land lease and land acquisition, the total engagement agreements negotiated to date, pending the, HCC’s approval of the company ‘p’ project, is at $1,361,900.

The fourth column shows the approximate date the project reached its cod. It also notes which companies are still under construction and which are going through the archaeology study which is noted by ‘pre-construction’.

The next two columns show the amounts rec’d by greti for the hccc in that particular fiscal year for the projects which are now complete.

So in the 2013/2014 fiscal we were in receipt of a total of $220,000 in land lease funds and if you compare this number with the audit on our website, you will see that same amount under a ‘restricted’ account.

In 2014/2015 we received an additional $389,750 in land lease funds and when added to the funds received last year, brings the total land lease funds to $609,750 which have been received by GRETI on the HCCC behalf. And again, you will see that amount accounted for in the restricted account of the audit once it has been released.

The land acquisition fund is another form of land lease whereby the developer is providing funds to purchase land for the hccc, thereby clearing off third party interest, and returning the lands to Haudenosaunee title. The land acquisition fund has received only a small payment to date as projects ‘j’ and ‘k’ are divided into quarterly payments split between two partnering companies and we only received that portion from one of the partners and are waiting for receipt from the other.

The last column outlines the total amount which will have been received by the Haudenosaunee at the end of the 20 years lifespan of the project.

HDI would like to thank those individuals who took the time to call or come in to the office with their questions and we look forward to providing the audit report once we have had an opportunit to present it to our council.

Nia wen, Hazel E. Hill, Director.
Myth – We are abusing our sacred tobacco
Truth – We are not abusing our sacred tobacco. Our sacred tobacco is not part of this process. We continue to use and support the use of our traditional tobacco only for traditional and ceremonial purposes.

Myth – We are continuing to follow. This process will be developed by the Board and approved by HCCC. It is insulting for our Chiefs & Clanmothers to be compared with mobsters and gangsters. This is what the external governments has written about the domestic tobacco industry within our community and would like general public to believe. It is the external government that wants us to pay them, without anything back to our people, or they will shut us all down. They are the true extortionists.

Myth – There is a goon squad that will make you pay
Truth – There is no goon squad within the Rules of Conduct. There is also no component within the Rules where any Haudenosaunee licensed businesses will be forced to pay. The Six Nations Police are aware of the regulations and the Board will work with the Six Nations Police to ensure they continue to be aware of the Rules and their application. The Rules have a compliance function within to ensure that those that are licensed are in compliance with the Rules. Fee structures will be developed by the Board and approved by HCCC. Those applying for licensing are expected to follow the fee structures. External government are attempting to extort us right now, we are protecting ourselves from them.

Myth – The Rules will close down small businesses
Truth – The Rules are not intended to close down any businesses. There is nothing in the Rules that indicates small businesses will be closed.

Myth – The Rules will put our people in jail if you don’t pay
Truth – The Rules do not have a jail or incarceration component, it is has never been discussed that a jail component would ever become part of the Rules.

Myth – The Rules will have our own Haudenosaunee people thrown out of the community, we will banish our own people
Truth – There is nothing within the Rules that calls for banishment of our Haudenosaunee people.

Myth – Under the Rules, you need to be 100% Haudenosaunee
Truth – There is nothing in the Rules that indicates a percentage of Haudenosaunee lineage to apply. All aspects of proof of lineage for Haudenosaunee business people is through existing processes of the HCCC. Businesses must be wholly (100%) owned by our Haudenosaunee people.

Myth – The Rules will not benefit the collective
Truth – The Rules are designed so that the community/collective will see benefit in a formalized way with the HCCC ensuring the community sees benefit.

Myth – Tobacco industry does not currently benefit the collective
Truth – The tobacco industry within the Six Nations Grand River territory does and always has provided benefit to the collective/community. With more that 2,000 jobs that equates to more than 20% of the working population within the community. Donations to the community are in excess of $2.0 million annually.

Myth – Tobacco industry is quick money and little work
Truth – The tobacco industry is a business like any other business within the community. It takes hard work, time and effort by business people proud of the work they do. Significant reinvestments back into the industry are required annually. There is no fast money, there is lots of work.

Myth – Tobacco people are in it for themselves
Truth – The business people involved in domestic tobacco industry are just that business people. They realize the importance of family and community and show that appreciation by giving back.

Half Truths – Having an inherent right to grow, harvest and trade is enough to protect our people against federal and provincial legislation.
Truth – although having an inherent right is extremely important, all levels of external government continue to push those rights aside. It is not enough to say we have rights, it is not enough to pound the table any longer. We are currently in a position where we must come up with a way to protect those rights as we are at risk of having them all disregarded. Currently it is the domestic tobacco industry that external governments are attacking with their laws which are intended to erode and disregard our rights. As they push through with that, it will not be much longer before it is another of our businesses they attack. If we leave the door open on this just telling the government we have rights will no longer be enough.

Constructive criticism is helpful and kind and designed to help the recipient of said criticism to get better at their job or what they are doing. Constructive criticism is what happens when we are questioned on something that doesn’t make sense or fix something that is not quite right and is not delivered in a negative manner. Constructive criticism is when we are told someone doesn’t agree with us or when we may have missed something. All that have participated directly in this ongoing dialogue have offered constructive criticism in a respectful and helpful manner.

We are also aware that a some people have, from the background, made negative comments and made personal comments on those involved in what we have been doing.

We have no issue with constructive criticism; it is what has made the documents we are working on as good as they can be at this point in time knowing what we know.

For those out there that are criticizing from the sidelines, we ask that you come forward and provide constructive criticism and a solution so that we can work to make the Rules the best we can.