FINAL AGREEMENT ON LONG-TERM REFORM OF THE FIRST NATIONS CHILD AND FAMILY SERVICES PROGRAM IN ONTARIO

This Final Settlement Agreement made on this ____ day of _____, 20242025.

AS BETWEEN:

ASSEMBLY OF FIRST NATIONS

-and -

CHIEFS OF ONTARIO

- and -

NISHNAWBE ASKI NATION

- and -

ATTORNEY GENERAL OF CANADA

(representing the Minister of Indigenous Services Canada)

FINAL SETTLEMENT AGREEMENT ON LONG-TERM REFORM OF THE FIRST NATIONS CHILD AND FAMILY SERVICES PROGRAM IN ONTARIO

"While we cannot turn back time to undo the harm and abuse that Indigenous youth and children have experienced in Child Welfare, we can use our hindsight to prevent harm and abuse from happening to another generation of Indigenous youth and children."

Youth in Care Advisors

"The way forward is going to be different from the one we had up until this moment. It rests a lot with parents and grandparents and that is why it is important... to mitigate kids being taken away and placing them in other foreign situations or challenging situations."

Chief Robert Joseph, testimony before the Canadian Human Rights Tribunal, 2014.

PREAMBLE

RECOGNIZING the harms experienced by First Nations citizens in the Indian Residential School system, the Indian Day Schools, and the Sixties Scoop, which had a profound adverse effect on their identities, well-being, health, and, in particular, has damaged their traditional child rearing practices and parenting skills, intergenerationally;

AND RECOGNIZING the findings of the Canadian Human Rights Tribunal (the "**Tribunal**") in *First Nations Child and Family Caring Society of Canada et al. v. Attorney General of Canada (for the Minister of Indian and Northern Affairs Canada),* 2016 CHRT 2 ("**2016 CHRT 2**") that Canada's underfunding of the First Nations Child and Family Services ("**FNCFS**") Program perpetuated the historical disadvantage suffered by First Nation people as a result of the Indian Residential School system; and the Tribunal finding in *First Nations Child and Family Caring Society of Canada et al. v. Attorney General of Canada (for the Minister of Indian and Northern Affairs Canada),* 2019 CHRT 39, that unnecessarily removing a child from their family and community is a serious harm causing great suffering to that child, family and the raumatic and causes great pain and suffering to them;

WHEREAS Canada designed and implemented the First Nations Child and Family Services ("**FNCFS**") Program in 1989 to fund the provision of child welfare services to First Nations children, youth, and families ordinarily resident on reserve and in Yukon;

AND WHEREAS in 2016 CHRT 2, the Tribunal found that the FNCFS Program's funding model was discriminatory, and in *First Nations Child and Family Caring Society of Canada et al. v. Attorney General of Canada (for the Minister of Indian and Northern Affairs Canada)*, 2016 CHRT 16, ordered Canada to reform its discriminatory policies, procedures, and agreements and to prevent the future recurrence of discrimination. The Tribunal also found that Canada's implementation of the 1965 Agreement was discriminatory and ordered Canada to reform the 1965 Agreement in 2016 CHRT 2;

AND WHEREAS in 2016 CHRT 2, the Tribunal found that Canada's provision of the FNCFS Program and implementation of the 1965 Agreement were discriminatory with respect to remote First Nation communities. -In *First Nations Child and Family Caring Society of Canada et al. v. Attorney General of Canada (for the Minister of Indian and Northern Affairs Canada),* 2017 CHRT 7, the Tribunal adopted the terms agreed to by Nishnawbe Aski Nation and Canada for the development of a remoteness quotient that can be used to address deficiencies in remoteness funding;

AND WHEREAS in 1965, Canada and Ontario entered into *The Memorandum of Agreement Respecting Welfare Programs for Indians of 1965* (the "**1965 Agreement**") for the provision of child and family services to be extended to First Nations people on reserve in Ontario;

AND WHEREAS the Parties<u>research was</u> commissioned <u>research</u> on funding models and performance measurement frameworks to construct and design the necessary evidence-informed long-term reforms for the FNCFS Program for the purposes of addressing the Tribunal's findings;

AND WHEREAS in July 2024, Canada, the Assembly of First Nations, the Chiefs of Ontario ("**COO**") and Nishnawbe Aski Nation ("**NAN**") reached a draft Final Agreement on Long-Term Reform of the FNCFS Program that would have instituted national reforms to the FNCFS Program;

AND WHEREAS the NAN Chiefs-in-Assembly ratified the draft Final Agreement on Long-Term Reform of the FNCFS Program on October 9, 2024;

AND WHEREAS the Ontario Chiefs-in-Assembly ratified the draft Final Agreement on Long-Term Reform of the FNCFS Program on October 10, 2024;

AND WHEREAS the First Nations-in-Assembly of the Assembly of First Nations rejected the draft Final Agreement on Long-Term Reform of the FNCFS Program on October 17, 2024;

AND WHEREAS Canada, COO and NAN subsequently agreed to negotiate an agreement to reform the FNCFS Program in Ontario;

AND WHEREAS the reforms aim to advance the holistic well-being of First Nations children and families in <u>Ontario</u>, as well as their connection to their lands, cultures, languages, and communities;

AND WHEREAS the reforms are informed by First Nations-led research, are culturally appropriate, and emphasize prevention, substantive equality, and the best interests and needs of First Nations children, youth, young adults, and families. The reforms are designed to take into account the unique circumstances of each First Nation, including their historical, cultural, and geographical needs and circumstances;

AND WHEREAS the reforms include the monitoring of well-being and the consideration of the many contextual factors that affect children, families, and communities, such as income, poverty, poor and inadequate housing, racism including systemic racism, and other structural drivers that increase the likelihood of contact with child protection services;

AND WHEREAS while the reforms are formulated to be flexible to ensure that discrimination shall not recur, and to address the humanitarian crisis of the overrepresentation of First Nations children in care, prevention funding is not intended to be re-allocated by FNCFS Agencies to cover costs related to protection services, except for least disruptive measures;

AND WHEREAS the accountability structure built into the <u>Reformed</u> FNCFS Program is intended to ensure FNCFS Agencies are accountable to the First Nations governments and communities they serve, while fostering positive First Nation-FNCFS Agency relationships;

AND WHEREAS the Parties agree that this Final <u>Settlement</u> Agreement is a comprehensive settlement and a record of the necessary steps and actions, as well as the embodiment of the Parties' best efforts, to eliminate the discrimination found by the Tribunal in relation to the FNCFS Program <u>in Ontario</u> and prevent its recurrence;

AND WHEREAS Canada has committed to fund the Reformed FNCFS Program for a period of ten (10) fiscal years commencing April 1, 2024, and ending March 31, 2034;

NOW THEREFORE, in consideration of the mutual covenants set out herein, the Parties have entered into this Final Settlement Agreement as follows:

PART I – PURPOSE

1. The Parties enter into this Final <u>Settlement</u> Agreement to reflect their agreement to long-term reform of the FNCFS Program in <u>Ontario</u>, which is intended to eliminate the discrimination in <u>Ontario</u> identified by the Tribunal in *First Nations Child and Family Caring Society of Canada et al. v. Attorney General of Canada (for the Minister of Indian and Northern Affairs Canada),* 2016 CHRT 2 and all subsequent rulings by the Tribunal and to prevent its recurrence. This Final <u>Settlement</u> Agreement details the reforms to be made by Canada.

PART II – PRINCIPLES

- 2. The principles guiding the Reformed FNCFS Program to be implemented by way of this Final Settlement Agreement shall include:
 - (a) the cultural safety and well-being of First Nations children, youth, young adults, and families;
 - (b) substantive equality;
 - (c) addressing the needs of First Nations children, youth, young adults, and families;
 - (d) the best interests of children;
 - (e) prioritizing keeping children in the home;
 - (f) holistic and culturally-informed programming, having regard for the current realities of distinct First Nations, including historical and contemporary disadvantage and contextual differences, including remoteness;
 - (g) recognition of Indigenous legal traditions and principles, if applicable;
 - (h) addressing the Structural Drivers that place First Nations children, youth, and families at higher risk of involvement with the child welfare system;
 - (i) respect for the inherent right of self-government, which is recognized and affirmed by section 35 of the *Constitution Act, 1982*, and which includes jurisdiction, in relation to child and family services;

- (j) respect for the right to self-determination of Indigenous peoples, which is a right recognized and affirmed in the United Nations Declaration on the Rights of Indigenous Peoples (the "Declaration");
- (k) that the United Nations Declaration on the Rights of Indigenous Peoples Act, S.C. 2021, c. 14 affirms the Declaration as a universal international human rights instrument with application in Canadian law and also provides a framework for the Government of Canada's implementation of the Declaration;
- the rights in the *Declaration*, including the rights of children and youth, and the *United Nations Convention on the Rights of the Child*, including the right to be free from discrimination;
- (m) accountability of FNCFS Service Providers and provincial and Yukon governments<u>the Government of Ontario</u> to the First Nation governments they serve-; and
- (n) guidance from First Nations-led and/or endorsed evidence.

PART III - DEFINITIONS

- 3. Unless the context necessitates a different interpretation, all terms of this Final Agreement are to be interpreted as applying only in Ontario and only to First Nations and FNCFS Service Providers in Ontario.
- 3.4. The following definitions apply to this Final Settlement Agreement:
 - (a) **"1965 Agreement**" means *The Memorandum of Agreement Respecting Welfare Programs for Indians* entered into between Ontario and Canada, as amended.
 - (b) **"Adjudication Panel**" means a panel of three (3) Adjudicators appointed by the Dispute Resolution Tribunal President for the purpose of adjudicating a Dispute.
 - (c) "Adjudicator" means an adjudicator selected by the Dispute Resolution Tribunal President and appointed to the Roster of Adjudicators, who serve as adjudicators of all Disputes.

- (d)(b)" adjusted for inflation" has the meaning as set out in paragraph 35.
- (e) **"Administrative Team"** means an administrative team consisting of employees of ISC and established by ISC in consultation with the President to support the operation of the Transitional Dispute Resolution Tribunal before the enabling Legislation is brought into force.
- (f) **"Administrative Tribunals Support Service of Canada**" is the portion of the federal public administration established by the *Administrative Tribunals Support Service of Canada Act.*
- (g) "AFN" means the Assembly of First Nations.
- (c) "ADRIC Arbitration Rules" means the Arbitration Rules of the ADR Institute of Canada in force at the time of a Notice to Arbitrate being served.
- (h)(d)"Agreement-in-Principle" means the Agreement-in-Principle on Long-Term Reform of the First Nations Child and Family Services Program and Jordan's Principle executed between the AFN,<u>Assembly of First</u> <u>Nations, the First Nations Child and Family</u> Caring Society of Canada, Canada, COO and NAN dated December 31, 2021.
- (e) "Answer to Notice" means, in a Dispute, a notice delivered by a respondent in a Dispute which sets out the information required by the ADRIC Arbitration Rules.
- (f) "Appeal Tribunal" means a panel of three Arbitrators appointed consensually or by the process set out in this Final Agreement whose role it is to adjudicate appeals from a decision of an Arbitral Tribunal.
- (g) "Arbitral Tribunal" means a single Arbitrator appointed consensually or by the process set out in this Final Agreement whose role it is to adjudicate a Dispute.
- (h) "Arbitrator" means a person selected by the Parties and appointed to the Roster of Arbitrators to serve on Arbitral Tribunals or Appeal Tribunals.

- (i) "Baseline Funding" means the funding component described in paragraphsparagraph 18 and 17.
- "Canada" means His Majesty the King in Right of Canada, as represented by the Minister of Indigenous Services.
- (k) "Caring Society" means the First Nations Child and Family Caring Society of Canada.
- (I)(k) "child" means a First Nations person who, under applicable provincial the Child, Youth and Family Services Act, 2017, SO, 2017 c. <u>14</u> or territorial lawsuccessor legislation, is under the age at which an individual ceases to be a child.
- (m)(I) "Claimant" means a First Nation or an FNCFS Service Provider that commences a Claimant Dispute.
- (n)(m) "Claimant Dispute" has the meaning as set out in paragraphs 200 and 201.
- (o) "Claimant Dispute Decision" means any decision of an Adjudicator or Adjudication Panel on the substance of a Claimant Dispute submitted to it.
- (p) "Claimant Dispute Notice" means the formal, written notice to commence a Claimant Dispute as described at paragraph 329.
- (q) "Claimant Dispute Resolution Process" has the meaning given to such term in Part XIX (D).
- (n) "Complaint" means the Tribunal complaint bearing file number T1340/7008.
- (r)(o) "COO" means the Chiefs of Ontario.
- (s)(p) "Cultural Officer" means the person employed by the Administrative Tribunals Support Service of Canada who is charged with making recommendationsgiving advice to the President, an Adjudicator, or an Adjudication PanelArbitral Tribunal related to aspects of a Claimant Dispute <u>Resolution</u> Process for Claimant Disputes, with the goal of facilitating the resolution of the Claimant Dispute in a manner that is

culturally appropriate, accessible, and in accordance with this Final Settlement Agreement.

- (t)(q) "days" means calendar days.
- (u)(r) "Departmental Results Framework" means the framework for each federal government department which tracks expected results and indicators related to departmental core responsibilities.
- (v)(s) "Departmental Results Report" means the annual report that provides detail on results achieved against each federal government department's plans, priorities, and expected results.
- (w)(t) "Directive on Transfer Payments" means a directive of Canada which establishes mandatory operational requirements for the management of federal transfer payments and transfer payment programs.
- (x)(u) "**Dispute**" means a Parties' Dispute or a Claimant Dispute.
- (v) "Dispute Award" means an award rendered by an Arbitral Tribunal or an Appeal Tribunal, as the context requires.
- (y)(w) "Dispute Resolution Process" means the process set out at PART XIX – DISPUTE RESOLUTION PROCESS by which Parties' Dispute Resolution Process or the Disputes and Claimant Dispute Resolution Process, as the case may be Disputes are adjudicated.
- (z) "Dispute Resolution Tribunal" is the entity consisting of the President and Adjudicators as assigned individually or in panels to hear disputes, referred to in paragraphs 240 and 241.
- (aa) "Dispute Resolution Tribunal Rules of Procedure" or "Rules of Procedure" means the rules to be established by the President further to paragraph 281 for the Dispute Resolution Tribunal.
- (bb) "Eminent First Nations Person" means the person appointed by the Parties to assist in the interim dispute resolution process.
- (cc) "enabling Legislation" means legislation to be enacted by Parliament to establish and enable the Dispute Resolution Tribunal and all supporting mechanisms.

- (dd) "Expert Advisory Committee" means the committee described in PART XVII – REFORM OF ISC AND SUCCESSOR DEPARTMENTS.
- (x) <u>"Final Settlement"Effective Date" means the latest of the following</u> dates should they occur:
 - (i) sixty days after the date upon which the Tribunal issues an order or orders that it is ending its remedial jurisdiction over the Complaint and all associated proceedings in Ontario save for those proceedings related to Jordan's Principle, and that the terms of this Final Agreement supersede and replace all orders of the Tribunal related to the discrimination found by the Tribunal concerning the FNCFS Program in Ontario and the 1965 Agreement; but
 - (ii) where a judicial review application is commenced in the Federal Court seeking to overturn such order or orders and a stay of the order or orders is sought pending the determination of that review, a date thirty-one days after such stay application is denied; or
 - (iii) in the event a stay is granted, a date thirty-one days after the judicial review application is dismissed.
- (ee)(y) "Final Agreement" means this Final Agreement on Long-Term Reform of the First Nations Child and Family Services Program in Ontario.
- (ff)(z) "First Nation" means a "band" as defined in subsection 2(1) of the Indian Act, RSC, 1985, C I-5, as amended, located in Ontario, and which is delivering services and receives funding under the Reformed FNCFS Program.
- (gg)(aa) "First Nations Information Governance Centre" means the national not-for-profit corporation working in the field of First Nations data sovereignty.
- (hh)(bb) "First Nation Representatives" (sometimes referred to as Band Representatives in Ontario) are advocates for First Nations in

matters relating to the delivery of services to their citizens by a child welfare agency, as further described in paragraph 25.

- (ii)(cc) "First Nation Representative Services" (sometimes referred to as Band Representative Services in Ontario) means the services delivered by a First Nation Representative, which have been funded by the FNCFS Program in Ontario since 2018 and in all provinces and Yukon since 2022.
- (jj)(dd) "fiscal year" means Canada's fiscal year, being a 12-month period beginning on April 1 of one (1) year and ending on March 31 of the following year.
- (kk)(ee) "FNCFS" means First Nations child and family services.
- (III)(<u>ff</u>)"FNCFS Agency" means an agency established by and affiliated with one or more First Nations and delegated or authorized pursuant to provincial or other authorities to provide legislated child welfare services.
- (mm)(gg) "FNCFS Funding Mechanism" means the manner in which ISC shall provide <u>First Nations and</u> FNCFS Service Providers with multiyear funding, as further described in Part V (E).
- (nn)(hh) "FNCFS Program" means the <u>national</u> First Nations Child and Family Services Program, provided by the Minister <u>of Indigenous</u> <u>Services</u> as authorized by the *Department of Indigenous Services Act*, <u>SCS.C.</u> 2019, c. 29, <u>s. 336</u>, or any successor legislation, and which provides funding for and direction in the delivery of child and family services to support the safety and well-being of First Nations children, youth, and families ordinarily resident <u>ofon</u> a reserve, or any successor federal program or policy.
- (oo)(ii) "FNCFS Service Provider" means an FNCFS Agency, or an entity authorized by a First Nation to deliver services and to receive funding under the Reformed FNCFS Program. –For clarity, provincial and Yukon governments are the Government of Ontario is not an FNCFS Service ProvidersProvider.

- (pp)(jj) "Index of Remoteness" means the Statistics Canada Index of Remoteness that quantifies a community's remoteness according to:
 (1) the proximity to all population centers within a given radius that permits daily accessibility; and (2) the population size of each population center, used as a proxy of service availability.
- (qq)(kk) "Indian Registration System" means the system maintained by Canada that contains the list of persons registered as Indians under the Indian Act, RSC, 1985, C I-5, as amended.
- (rr)(II) "Initial Five-Year Funding Period" means the period of five (5 four (4) fiscal years, beginning on April 1, 20242025 and ending on March 31, 2029.
- (ss)(mm) "Initial Program Assessment" means the process outlined in PART XV REFORMED FNCFS PROGRAM ASSESSMENTS.
- (nn) "Interim Dispute Resolution Process" means the process set out in PART XVIII – INTERIM DISPUTE RESOLUTION <u>PROCESS</u> for the resolution of Party Disputes between the execution of this Agreement and the Effective Date.
- (tt)(oo) "ISC" means Indigenous Services Canada and any successor department thereto.
- (pp) "least disruptive measures" (sometimes referred to as least intrusive means measures or that flow from a child maltreatment assessment or investigation and are critical to safety planning for children and families involved with child and family enhancement services) means and include:
 - (i) <u>targeted</u> actions or services <u>mandated in provincial</u><u>that meet the</u> <u>threshold of risk for involvement with an FNCFS Agency. These</u> <u>actions</u> or <u>Yukon legislation that services</u> seek to prevent the <u>separation of separating</u> children <u>or youth</u> from their families or <u>reunify children with their support reunification of</u> families<u>-and</u> <u>ensure that</u>, <u>while ensuring</u> supports are in place to<u>that</u> mitigate <u>the</u> risk of child maltreatment or harm-; <u>and</u>

- (ii) supports to children, youth and families who have been identified by an FNCFS Agency as being at risk, and are undergoing an assessment of child maltreatment or harm.
- (uu)(qq) "Measuring to Thrive Framework" means the set of indicators developed by the Institute of Fiscal Studies and Democracy ("IFSD") that is intended to capture child, family, and community well-being in First Nations, and introduced by the IFSD in *Funding First Nations child and family services (FNCFS): A performance budget approach to wellbeing* dated July 2020.
- (vv)(rr) "NAN" means Nishnawbe Aski Nation.
- (ww)(ss) "NAN-Canada Remoteness Quotient Table" means the body jointly constituted by NAN and Canada to address remoteness issues, including developing a First Nations-sighted, evidence-based, statistical method to estimate the increased costs associated with remoteness in the funding and provision of child and family services to First Nations.
- (xx) "NARC" means the National Assembly of Remote Communities, as established and structured by regional organizations, including NAN, that represent and serve remote communities and that have executed the NARC Mission Statement.
- (yy) "NARC-Canada Remoteness Table" means a body to be jointly constituted by NARC and Canada to address remoteness issues, including accounting for the increased costs associated with remoteness, at a national level.
- (zz) "National Secretariat" means the National First Nations Child and Family Services Secretariat, being the First Nations-led, apolitical, notfor-profit corporation established by the Parties for the purpose of data collection, synthesis, and best practice development.
- (aaa)(tt) "Non-Agency First Nation" means a First Nation not affiliated with an FNCFS Agency.

- (bbb)(uu) "Participating PartiesNotice to Arbitrate" means the partiesform used to commence a Parties' Dispute and which contains the information required by the ADRIC Arbitration Rules.
- (vv) <u>"Parties"Ontario FNCFS Data Secretariat</u>" means the AFN, <u>entity</u> established to support data collection and synthesis, as described further in PART X – <u>ONTARIO FNCFS DATA SECRETARIAT</u>.
- (ww) "Ontario Reform Implementation Committee" means the committee that will oversee the implementation of the Reformed FNCFS Program in Ontario, as further described in PART XIV – GOVERNANCE OF THE REFORMED FNCFS PROGRAM.
- (ccc)(xx) <u>"Parties" means</u> Canada, COO, and NAN.
- (ddd)(yy) "Parties' Dispute" has the meaning as set out in paragraphs 197 and 198.
- (eee)"**Parties' Dispute Decision**" means any decision of an Adjudication Panel on the substance of a Parties' Dispute.
- (fff) "Parties' Dispute Notice" means the formal, written notice to commence a Parties' Dispute as described in paragraphs 286 and 288.
- (ggg)**Parties' Dispute Resolution Process**" has the meaning given to such term in Part XIX (C).
- (hhh)"**President**" means the Dispute Resolution Tribunal President, being the person appointed by the Governor in Council who has supervision over and direction of the work of the Transitional Dispute Resolution Tribunal and Dispute Resolution Tribunal.
- (iii)(zz) "Program Assessment(s)" means the process outlined in PART XV – REFORMED FNCFS PROGRAM ASSESSMENTS and includes the Initial Program Assessment and Second Program Assessment.
- (jjj)(aaa) "Program Assessment Organization" means the organization(s) selected by the AFNCOO to conduct the Program Assessments by way of separate requests for proposals pursuant to paragraph 142.

- (kkk)(bbb) "Program Assessment Reports" means the reports outlined in Part XV (A).
- (III) "Reform Implementation Committee" means the committee composed of representatives from the Parties to oversee the implementation of the Reformed FNCFS Program, as further described in Part XIV (A).
- (mmm)(ccc) "Program Assessment Opinions" has the meaning given to such term in paragraphparagraphs 160 and 161 and includes the "Initial Program Assessment Opinion" and the "Second Program Assessment Opinion".
- (nnn)(ddd) "Reformed FNCFS Funding Approach" means the multi-year funding structure in Ontario which is intended to eliminate the discrimination found by the Tribunal and prevent its recurrence, by addressing the needs of First Nations children, youth, families and communities, as further described in PART V – THE REFORMED FNCFS FUNDING APPROACH: INITIAL FUNDING PERIOD and PART VI –_THE REFORMED FNCFS FUNDING APPROACH: SECOND FUNDING PERIOD.
- (<u>ooo)(eee)</u> "**Reformed FNCFS Program**" means the FNCFS Program in <u>Ontario</u> on and after the implementation of the Reformed FNCFS Funding Approach.
- (ppp)"**Regional Secretariats**" means the entities established to support the work of the National Secretariat, as described further in paragraph 117.
- (qqq)"**Registrar**" means the Dispute Resolution Tribunal Registrar or the Chief Administrator of the Administrative Tribunals Support Service of Canada, when the enabling Legislation is in force and if it so provides.
- (rrrr)(fff) "Remoteness" means a variable factor measured on a continuum and describes the lived circumstances of First Nations communities for whom issues of access (by road network, by ice road only, by air only, or otherwise), geography and context exacerbate challenges faced by all First Nations, including by increasing the costs associated with child and family services. Remoteness is generally

associated with geographic distance from, and access to, service centres (often defined on the basis of population size and density), which affects the costs of shipping goods as well as costs related to personnel, including travel, and living costs.

- (sss)(ggg) "Roster of Adjudicators<u>Arbitrators</u>" means the roster of Adjudicators<u>Arbitrators</u> established and maintained by the President<u>Parties</u> who are available to adjudicate<u>arbitrate</u> Disputes.
- (ttt)(hhh) "RQAF" means the Remoteness Quotient Adjustment Factor methodology, being the result of a statistical regression model, as developed at the NAN-Canada Remoteness Quotient Table, which estimates the amount of additional funding required to account for the increased costs incurred by a particular First Nation or FNCFS Service Provider due to remoteness.
- (uuu)(iii) "Second Five-Year Funding Period" means the period of five
 (5) fiscal years following the Initial Five-Year Funding Period, beginning on April 1, 2029 and ending on March 31, 2034.
- (vvv)(jjj) "Service Provider Funding Adjustment Request" means a request made by a First Nation or FNCFS Service Provider to ISC pursuant to paragraphs 167 and 168.
- (www) "small agency costs" means costs reimbursed pursuant to First Nations Child and Family Caring Society of Canada et al. v. Attorney General of Canada (for the Minister of Indian and Northern Affairs Canada), 2018 CHRT 4 to small FNCFS Agencies, which are defined as FNCFS Agencies that serve a total on-reserve population aged 0 to 18 years of less than 1,000.
- (xxx)(kkk) "Structural Drivers" means factors that are largely out of a caregiver's control which contribute to the over-representation of First Nations children and youth in the child welfare system, including poverty, poor housing, racism including systemic racism and intergenerational trauma.

- (yyy)(III) <u>"</u>"Systemic Review Committee" means the subcommittee of the <u>Ontario</u> Reform Implementation Committee formed pursuant to paragraph 130.
- (zzz)(mmm) "Technical Advisory Committee" means the subcommittee of the <u>Ontario</u> Reform Implementation Committee formed pursuant to paragraph 134.
- (aaaa)(nnn) "Term" means the period beginning on April 1, 20242025, and ending on March 31, 2034.
- (bbbb)(ooo) "Terms and Conditions" means the terms and conditions of the Reformed FNCFS Program, commonly known as the First Nations Child and Family Services Terms and Conditions.
- (cccc) **"Transitional Dispute Resolution Tribunal**" means the entity that shall hear Disputes before the enabling Legislation comes into in force.

(dddd)(ppp) "Tribunal" means the Canadian Human Rights Tribunal.

PART IV – FUNDING COMMITMENT

- 4.5. Canada shall provide funding in the <u>total</u> amount of \$47.8238.5 billion for the Reformed FNCFS Program <u>in Ontario</u> for a period of <u>tennine</u> fiscal years commencing April 1, 20242025, and ending March 31, 2034, and for the housing commitment set out in <u>Part IX.PART IX HOUSING FUNDING</u>.
- 6. The Parties agree that the funding under this Final Agreement is conditional on the Effective Date occurring within fiscal year 2025-2026. If the Effective Date does not occur within fiscal year 2025-2026, the provisions of this Final Agreement shall be modified as described in Appendix 12.
- A. Initial Five-Year Funding Period (April 1, 20242025, to March 31, 2029)
- 5.7. Of the total amount set out in paragraph 5, Canada shall provide \$24.4773.9 billion to support the implementation of the Reformed FNCFS Program in Ontario for the Initial Five-Year Funding Period and the housing commitment set out in Part IX.PART IX HOUSING FUNDING.

- 6.8. Canada shall not decrease the total funding commitment under the Reformed FNCFS Funding Approach within the Initial Five-Year Funding Period, except as set out in Appendix 12.
- 7.9. The Parties agree that Canada's obligation to fund the Reformed FNCFS Program <u>in Ontario</u> during the Initial <u>Five-Year</u> Funding Period shall be limited to the maximum amount set out in paragraph 7, except for the following obligations where that amount is insufficient to:
 - (a) fund approved Service Provider Funding Adjustment Requests, or any Dispute <u>DecisionsAwards</u> in relation thereto, subject to judicial review and any appeals thereof;
 - (b) adjust funding for inflation and population, where such adjustment is specified in Part V-(A);
 - (c) fund certain activities at their actual costs <u>until March 31, 2025</u>, as specified in <u>subparagraphsparagraphs</u> 54(a), 54(e), 54(f) and 54(g);
 - (d) fund the reasonable start-up costs of new FNCFS Agencies, as specified at paragraph 65;
 - (e) fund First Nations that become eligible under the Reformed FNCFS Program; and
 - (f) reimburse provincial and Yukon governmentsthe Government of Ontario for child and family services expenditures under federalprovincial and federal-Yukon agreements the 1965 Agreement.
- 8.10. The amount identified in paragraph 7 consists of funding to support:
 - the Reformed FNCFS Funding Approach in Ontario, including in the transition yearsyear of fiscal years 2024-2025 and year 2025-2026;
 - (b) the <u>NationalOntario FNCFS Data</u> Secretariat<u>and the Regional</u> Secretariats;
 - (c) the participation of the members of the <u>Ontario</u> Reform Implementation Committee;
 - (d)(c) and of the Technical Advisory Committee;
 - (e) the monitor of ISC reform;

- (f)(d) the Ontario Remoteness Secretariat;
- (g) the National Assembly of Remote Communities;
- (h)(e) the NAN-Canada Remoteness Quotient Table;
- (i)(f) the establishment, operation, and administration of the Dispute Resolution Process and other costs as provided for in this Final Settlement Agreement for the Dispute Resolution Process, including, but not limited to, costs related to translation and duty counsel; and
- (j) research conducted or funded by ISC to advance the purposes and principles of this Final Settlement Agreement, including research related to the cultural humility of ISC employees;
- (k) internal legal costs incurred by ISC in the administration of the FNCFS Program; and
- (<u>l</u>)(<u>g</u>) the housing commitment set out in Part IX.PART IX HOUSING FUNDING.

B. Second Five-Year Funding Period (April 1, 2029, to March 31, 2034)

- 9.11. For the Second Five-Year Funding Period, Canada shall provide annual funding for the Reformed FNCFS Program in an amount not less than the funding provided in the fiscal year 2028-2029, subject to any upward adjustments adopted further to the Initial Program Assessment.
- 10.12. Canada agrees that additional investments over and above the funding commitment in paragraph 11 may be required in order to maintain long-term reform of the Reformed FNCFS Program as outlined in this Final Settlement Agreement, informed by measures including but not limited to, the program assessment process, Service Provider Funding Adjustment Requests, and future First Nations-authorized research.

C. Terms Applicable to Both Funding Periods

11.13. Canada shall not apply any amount identified in paragraphs 7 or 11 to its own departmental expenses of any kind, except for the departmental expenses identified in paragraphs 8(i), (j) and (k).10(f). Departmental expenses include but are not limited to expenses for human resources, administrative costs, internal costs, or other services retained or procured by Canada not expressly provided for in this Final Settlement Agreement.

12.14. For greater clarity, such departmental expenses include expenses for:

- (a) <u>SecretariatAdministrative</u> support for the <u>Ontario</u> Reform Implementation Committee;
- (b) Development and implementation of the cultural humility training described under PART XVII – CULTURAL HUMILITY TRAINING AND REFORM OF ISC AND SUCCESSOR DEPARTMENTS;
- (b)(c) The contract for a Program Assessment Organization(s); and
- (c) The Expert Advisory Committee and the independent expert thirdparty evaluation, described in paragraphs 204 to 215;

(d) Cultural humility training, described in paragraph 219; and

(e)(d) Legal fees of the AFN, COO, and NAN claimed under paragraph 295.

- <u>13.15.</u> Canada shall not reallocate any of the amounts identified in paragraphs 7 or
 11 to any purposes beyond those provided for under the terms of this Final Settlement Agreement, except as provided for expressly herein.
- 14.16. ISC shall seek authority to place the funding committed for the Initial Five-Year Funding Period and Second Five-Year Funding Period in one or more special purpose allotments. Each fiscal year, ISC may seek authority to have any such funding that remains unexpended by ISC at the end of the fiscal year carried forward into the following fiscal year, subject to Parliamentary appropriation. For greater clarity, ISC may seek to have any funding for any initiativesinitiative that remains unexpended at the end of the Initial Five-Year Funding Period to be carried forward into the Second Five-Year Funding Period.

PART V – THE REFORMED FNCFS FUNDING APPROACH: INITIAL FIVE-YEAR FUNDING PERIOD

A. Methodology

- 15.17. The Reformed FNCFS Funding Approach for the Initial Five-Year Funding Period beginning on April 1, 20242025, and ending on March 31, 2029, shall consist of:
 - (a) Baseline Funding;
 - (b) Top-up funding, defined as a percentage of Baseline Funding, for:
 - i. Information technology,
 - ii. Results,
 - iii. Emergency;
 - (c) Household supports funding;
 - (d) Prevention funding;
 - (e) First Nation Representative Services funding;
 - (f) FNCFS capital funding;
 - (g) Post-majority support services funding; and
 - (h) Remoteness adjustment funding.

Baseline Funding

<u>16.18.</u> Baseline Funding, except in Ontario, shall be the sum of:

- (a) Operations and maintenance expenditures reimbursed to provincial and Yukon governments under applicable federal-provincial and federal-Yukon agreements for the purpose of providing child and family services to Non-Agency First Nations; and
- (b) In fiscal year 2025-2026, expenditures by FNCFS Agencies for operations and maintenance in fiscal year 2022-2023, including actual expenditures for intake and investigations, legal fees, building repairs, and child service purchase. In subsequent years, Baseline Funding for FNCFS Agencies shall be upwardly adjusted for inflation and population growth and shall not be reduced.

17. In Ontario, Baseline Funding shall be the sum of:

(a) Operations and maintenance expenditures reimbursed to the Government of Ontario by Canada under the 1965 Agreement for the

applicable fiscal year, funding for which <u>expenditures</u> is provided to FNCFS Agencies by the Government of Ontario; and

- (b) An additional amount provided directly to FNCFS Agencies by ISC equal to:
 - In fiscal year 2025-2026-2027, actual expenditures that were funded directly by ISC and incurred by FNCFS Agencies in Ontario for intake and investigation, legal fees, and building repairs for fiscal year 2022-2023; or, adjusted for inflation and population growth between March 31, 2023 and March 31, 2026;
 - (ii) In subsequent fiscal years subsequent to fiscal year 2026-2027, the amount in (i) upwardly adjusted for inflation and population growth, and not reduced.

Top-up Funding for Information Technology, Results, and Emergency

- 18.19. Funding for information technology shall be equal to 6% of annual Baseline Funding. This funding shall support information technology needs related to the implementation of the Reformed FNCFS Program. This funding shall be upwardly adjusted in the manner set out in paragraph 33 and Appendix 4210 to account for the increased costs of delivering services in remote communities.
- 19.20. Funding for results shall be equal to 5% of annual Baseline Funding. This funding shall support the implementation of the performance measurement framework and related indicators as outlined in paragraph 79 and Appendix 22 and in paragraph 114, most notably for capturing and reporting data related to First Nations well-being. This funding shall be upwardly adjusted in the manner set out in paragraph 33 and Appendix 4210 to account for the increased costs of delivering services in remote communities.
- 20.21. Funding for emergency shall be equal to 2% of annual Baseline Funding. This funding shall support responses to unanticipated circumstances affecting or related to the provision of the Reformed FNCFS Program. This funding shall be upwardly adjusted in the manner set out in paragraph 33

and Appendix 4210 to account for the increased costs of delivering services in remote communities.

Household Supports Funding

21.22. Funding for household supports shall be \$25.5.3 million in fiscal year 2024-2025-2026, subject to paragraph 54(c). In subsequent years, funding for household supports shall be \$5.3 million, adjusted for inflation in subsequent years. This funding shall support First Nations in meeting the basic needs of families, particularly those needs that, if left unmet, could lead to children being placed in care. This funding shall be upwardly adjusted in the manner set out in paragraph 33 and Appendix 4210 to account for the increased costs of delivering services in remote communities.

Prevention Funding

- 22.23. Total funding for prevention services in fiscal year 2024-2025-2026 shall be calculated by multiplying the amount of \$2,603.55655.62 by the total population of all First Nations in Ontario eligible to receive funding under the Reformed FNCFS Program, according to the approach for determining population as set out in paragraph 36, plus the amount necessary to provide to each First Nation a minimum of \$75,000. These amounts shall be adjusted for inflation in subsequent years. This funding shall be upwardly adjusted in the manner set out in paragraph 33 and Appendix 1210 to account for the increased costs of delivering services in remote communities, subject to the transition provisions for fiscal year 2024-2025-2026 set out in subparagraphparagraph 54(h).
- <u>23.24.</u> The prevention funding attributable to an individual First Nation shall be calculated by multiplying its population as set out in paragraph 36 by the per capita amount for the applicable fiscal year.

First Nation Representative Services Funding

24.25. First Nation Representatives are advocates for First Nations in matters relating to the delivery of services to their citizens by a child welfare agency. The roles and responsibilities of First Nation Representatives are defined by the First Nation, considering the unique needs of its citizens and the duties

of such representatives as provided for in applicable provincial, territorial, and federal child welfare legislation. First Nations Representative Services funding is intended to:

- (a) support the cultural needs of First Nations children, youth, and families;
- support connecting First Nations children, youth, and families with the lands, languages, cultures, practices, customs, traditions, ceremonies and knowledge of their First Nation and helping families access supports;
- (c) support repatriation of children to their communities; and
- (d) ensure that the rights of First Nations children and youth and the rights of First Nations are respected in the child and family services system.
- 25. For First Nations except those in Ontario, total funding for First Nation Representative Services in fiscal year 2024-2025 shall be calculated by multiplying the amount of \$294.72 by the total population of all First Nations eligible to receive funding under the Reformed FNCFS Program, according to the approach for determining population as set out in paragraph 35, then adding to that product the amount necessary to provide to each First Nation a minimum of \$75,000. This amount shall be adjusted for inflation in subsequent years. This funding shall be upwardly adjusted in the manner set out in paragraph 32 and Appendix 12 to account for the increased costs of delivering services in remote communities, subject to the transition provisions for fiscal year 2024-2025 set out in subparagraph 52(h)(i).
- 26. In fiscal year 2025-2026, for First Nations in Ontario-2027, ISC shall provide funding such that each First Nation is funded for First Nation Representative Services at its highest annual amount of First Nation Representative Services funding received over fourfive fiscal years, from fiscal year 2019-2020 to fiscal year 2022-2023, 2024, adjusted for inflation and population growth between March 31 of the applicable fiscal year and March 31, 2026. In subsequent years of the Initial Five-Year Funding Period, ISC shall provide funding for First Nation Representative Services to each First Nation in

Ontario equal to funding in the preceding year, adjusted for inflation and population growth. This funding shall be upwardly adjusted in the manner set out in paragraph 33 and Appendix 4210 to account for the increased costs of delivering services in remote communities.

FNCFS Capital Funding

27. In the Initial Five-Year Funding Period, ISC shall provide up to \$264.1.92 billion_million to First Nations and FNCFS Service Providers in Ontario for capital assets that support the delivery of the Reformed FNCFS Program's funded services and activities. ISC shall make such funding available to support needs assessments and feasibility studies, the purchase and construction of capital assets, the repair and renovation of existing buildings, and the lifecycle costs of owned assets.

Post-Majority Support Services Funding

- 28. In the Initial Five-Year Funding Period, ISC shall provide \$795134.8 million for post-majority support services to support First Nations youth aging out of care and young adults formerly in care in the transition to adulthood and independence.
- <u>29.</u> Eligible recipients of these services are those First Nations youth aging out of care and young adults formerly in care who-:
 - (a) were ordinarily resident on reserve or in <u>YukonOntario</u> at the time they were taken into care, regardless of where they <u>have beenwere</u> placed in care, or those who;
 - (b) are now ordinarily resident on reserve in Ontario; or in Yukon or
 - (c) are taking active steps to reside on reserve or in Yukon, Ontario.
- 29.30. Recipients are eligible up to their 26th birthday or to the applicable age asif defined in provincial or Yukonthe Child, Youth and Family Services Act, 2017, SO, 2017 c. 14 or successor legislation, whichever is greater.
- <u>30.31.</u> Canada shall not:

- (a) require First Nations to confirm that an eligible youth or young adult has sought funding or support from other sources before providing post-majority support services to the youth or young adult; or
- (b) prohibit First Nations from providing funding <u>or support</u> to an eligible youth or young adult in relation to a particular activity because that youth or young adult is receiving other funding or support in relation to that activity, provided that the sum of the funding provided by the First Nation and the other funding or support is no more than 100% of the activity's total cost.
- 31.32. The amount of \$795.8 million in paragraph 28 includes an amount for inflation and shall not be further adjusted for inflation. However, <u>starting on the</u> <u>Effective Date</u>, this amount shall be upwardly adjusted in the manner set out in paragraph 33 and Appendix 1210 to account for the increased costs of delivering services in remote communities, <u>subject to the transition</u> <u>provisions for fiscal year 2024-2025 set out in subparagraph 52(h)(iii).</u>

Remoteness Adjustment Funding

32.33. Where a First Nation's 2021 Index of Remoteness score is 0.40 or greater, ISC shall upwardly adjust the funding of the First Nation and/or its affiliated FNCFS Agency for those components of the Reformed FNCFS Funding Approach that are to be adjusted for remoteness. ISC shall use the RQAF to make that adjustment. The calculation for the adjustment is detailed in Appendix 4210.

Insurance Premiums for First Nations and FNCFS Service Providers

<u>33.34.</u> In addition to other eligible expenses, insurance premiums for First Nations and FNCFS Service Providers shall be an eligible expense for funding provided under the Reformed FNCFS Funding Approach.

Inflation

34.35. The components of the Reformed FNCFS Funding Approach which are to be adjusted for inflation shall be upwardly adjusted in November of each year, in accordance with the "All-items Consumer Price Index (CPI)" measured over the twelve-month period ending September 30 of that year.

For clarity, the inflation adjustment for a component in any fiscal year shall be made based on the previous fiscal year's funding for that component, including prior inflation adjustments. In no event shall any such adjustment be less than zero.

Population

- 35.36. For the components of the Reformed FNCFS Funding Approach which under this Final Settlement Agreement are to be adjusted for population or to be calculated on a per capita basis, the population of a First Nation shall be the First Nation's population on-reserve, or on Crown land, or in Yukon and shall be drawn from the Indian Registration System, as of September 30th30 of the <u>fiscal</u> year preceding the <u>fiscal</u> year in respect to which the population adjustment will apply.
- 37. Where a component of the Reformed FNCFS Funding Approach is to be adjusted for population but is not calculated on a per capita basis, funding shall be adjusted annually by an amount proportional to the previous fiscal year's change in the First Nation's or the FNCFS Agency's population. For clarity, the previous fiscal year's change in population will be measured over a one-year period to September 30 of the fiscal year preceding the fiscal year in respect to which the population adjustment will apply.
- <u>36.38.</u> For the purpose of an FNCFS Agency, population shall be the sum of the populations of the First Nations <u>in Ontario</u> to which it is affiliated.
- 37.39. Where the total population for the entire Reformed FNCFS Program in Ontario is to be determined, the population shall be the sum of the populations of the First Nations in Ontario eligible to receive funding under the Reformed FNCFS Program.
- <u>38.40.</u> The approach to calculating population described herein may vary where a First Nation has a self-government agreement or a modern treaty.

B. Allocation

<u>39.41.</u> ISC shall allocate funding under the Reformed FNCFS Funding Approach between First Nations and FNCFS Agencies in a manner that respects

the inherent and constitutional rights of First Nations in relation to child and family services.

- 40.42. The Parties intend the allocations set out in this section to encourage collaboration between First Nations and FNCFS Agencies, recognizing that child and family services is a space in which both First Nations and FNCFS Agencies are active and to which each brings unique strengths. Funding shall be provided with a view to First Nations and FNCFS Agencies working together to promote the holistic well-being of children and families.
- 41.<u>43.</u> Allocations to First Nations may be used to support First Nations in developing and delivering programs and services to children, youth, and families, in accordance with the terms of this Final Settlement Agreement.
- 42.44. Under the Reformed FNCFS Funding Approach, ISC shall provide funding to First Nations and FNCFS Service ProvidersAgencies in accordance with the following:
 - (a) <u>Baseline funding:</u> <u>ISC shall allocateFNCFS Agencies will receive</u> Baseline Funding <u>pursuant</u> to <u>FNCFS Agencies.paragraph</u> 18(b). Notwithstanding <u>subparagraphs 16(b)paragraphs</u> 18(b)(i) and 18(b)(ii), an FNCFS Agency's Baseline Funding may be reduced where a First Nation has chosen to transition away from its affiliated FNCFS Agency further to paragraph 64.

Subject to possible reforms to federal-provincial and federal-Yukon agreementsthe 1965 Agreement following the work outlined in Part V (A), ISC shall also allocatethe Government of Ontario will receive Baseline Funding pursuant to provincial and Yukon governments to support their delivery or funding of child and family services to Non-Agency First Nations.paragraph 18(a).

- (b) <u>Top-up funding:</u>
 - (i) ISC shall allocate all information technology funding to First Nations.
 - (ii) ISC shall allocate all results funding to First Nations.

- (iii) ISC shall allocate 50% of the emergency funding to First Nations and 50% to FNCFS Agencies. For Non-Agency First Nations, the allocation of emergency funding is described in subparagraph 79(b).
- (iv) For First Nations outside of Ontario that are affiliated with an FNCFS Agency, ISC shall allocatedetermine information technology, results, and emergency funding proportionally among the First Nations affiliated within fiscal year 2025-2026 as follows:
 - a. For each FNCFS Agency, estimate the share of its operations and maintenance funding provided by the Government of Ontario for fiscal year 2025-2026 that FNCFS Agency based on their ISC will reimburse to the Government of Ontario under the 1965 Agreement;
 - a.b. Add to (a) the actuals funding for intake and investigations, legal fees, and building repairs that the FNCFS Agency received directly from ISC in fiscal year 2022-2023, adjusted for inflation and population. ISC shall: growth between March 31, 2023 and March 31, 2026;
 - Applying the percentages in paragraphs 19, 20, and 21 to the FNCFS Agency's Baseline Funding,(b), determine the amounts of information technology, results, and emergency funding; and
 - <u>c.</u> On a population-weighted basis, divide all of the information technology and results funding and 50% of the emergency funding for information technology, results, and emergency associated with the FNCFS Agency; and
 - d. On a population-weighted basis, divide all of the information technology and results funding and 50% of the emergency funding in (c) among the First Nations affiliated with the FNCFS Agency, and allocate the remaining 50% of the emergency funding to the FNCFS Agency.

- b. in (a.) among the<u>In</u> subsequent years, the information technology, results, and emergency funding of First Nations affiliated with the FNCFS Agency.
- (iv)(v) For First Nations in Ontario that are affiliated with an FNCFS Agency, the calculation of information technology, results, and emergency funding is described in paragraphs 77 to 78. and the emergency funding of FNCFS Agencies shall be upwardly adjusted for inflation and population growth, and where applicable, remoteness, and shall not be reduced.
- (vi) For Non-Agency First Nations, <u>ISC shall determine</u> the calculation of information technology, results, and emergency funding is described in paragraphin fiscal year 2025-2026 as follows:
 - a. Identify total operations and maintenance funding provided by the Government of Ontario for fiscal year 2025-2026 to child and family services agencies in Ontario that are not FNCFS Agencies, and estimate the share of that funding that ISC will reimburse to the Government of Ontario under the 1965 Agreement;
 - a.<u>b.</u> Applying the percentages in paragraphs 19, 20 and 80.21 to (a), determine the total funding for information technology, results, and emergency for Non-Agency First Nations in Ontario; and
 - c. Allocate (b) proportionally among Non-Agency First Nations in Ontario according to the population of those First Nations.
- (vii) In subsequent years, the information technology, results, and emergency funding of Non-Agency First Nations shall be upwardly adjusted for inflation and population growth, and where applicable, remoteness, and shall not be reduced.
- (c) <u>Household supports funding:</u> ISC shall allocate all funding for household supports to First Nations, calculating the amount of an individual First Nation's funding by taking the following steps:

- (i) Multiply the individual First Nation's population, as outlined in paragraph 36, by the percentage of its population below the Low-Income Measure-After Tax (LIM-AT), such percentage being drawn from 2021 Census data. For First Nations that are missing Census data, ISC shall impute the percentage from a nearby First Nation for whom data is available;
- (ii) Divide (i) by the total population <u>below the LIM-AT</u> of all First Nations <u>in Ontario</u> eligible to receive funding under the Reformed FNCFS Program <u>below the LIM-AT</u>;
- (iii) Multiply (ii) by the total annual funding for household supports.
- (d) <u>Prevention funding:</u>
 - (i) As of April 1, 2026, outside of Ontario, ISC shall allocate all prevention funding to First Nations. FNCFS Agencies shall draw from their Baseline Funding to conduct least disruptive measures as required under provincial legislation. However, a First Nation may decide to have its affiliated FNCFS Agency receive a portion or all of the prevention funding attributable to the First Nation. A First Nation shall provide written notice to ISC advising of such a decision by the December 1st prior to the fiscal year to which the prevention funding is applicable. Once written notice is provided by the First Nation, the direction contained therein persists until further notice is given.
 - (i) In Ontario, as of April 1, 2026As of the Effective Date, a First Nation may give written notice directing ISC on the manner in which ISC shall allocate the prevention funding attributable to the First Nation. A First Nation may elect to receive all of the prevention funding attributable to it or may direct that any or all of its funding be directed to its affiliated FNCFS Agency. Written
 - (ii) October 1, 2026 will be the earliest date on which ISC will implement a First Nation's direction. A First Nation's direction shall be implemented on October 1, 2026 if the Effective Date has occurred by April 1, 2026 and ISC has received a First

Nation's written notice by April 1, 2026. A First Nation's direction implemented on October 1, 2026 will apply to prevention funding for the second half of fiscal year 2026-2027 and will not apply to prevention funding for the first half of that year.

- (iii) Except where it has implemented a First Nation's direction on October 1, 2026, ISC will implement such direction only on April 1st of a fiscal year. A First Nation must provide written notice to ISC advising of such a direction must be provided by the First Nation-by the September 30th30 prior to the first fiscal year to which its direction is applicable. For clarity, a First Nation may give written notice only once the Effective Date has occurred. Once written notice is provided by the First Nation, the direction contained therein persists until further notice is given.
- (iii)(iv) In Ontario, until<u>Until</u> and unless a First Nation provides written notice as described in (ii),(i), the approach to allocating prevention funding among First Nations and FNCFS Agencies for fiscal year 2025-2026 as set out in paragraph 57 shall continue to apply.
- (iv)(v) For Non-Agency First Nations, the allocation of prevention funding is described in subparagraphparagraph 63(a).
- (e) FNCFS capital funding:
 - (i) ISC shall administer the capital funding committedset out in this Final Settlement Agreementparagraph 27 to support the delivery of the Reformed FNCFS Program's funded services and activities based on proposals for projects, as detailed in <u>Appendix 11</u>. First Nations and FNCFS Service Providers will be eligible to seek capital funding for projects. Such projects will be identified in a First Nation Infrastructure Investment Plan (FNIIP), an FNCFS Agency's child and community well-being plan as set out at paragraph 434,109, or another planning document specified by ISC.

- (ii) ISC will assess, rank, and fund proposals based on such factors as the link between the proposed project and the Reformed FNCFS Program's funded services and activities and the availability of existing ISC-funded capital assets for use by the First Nation or FNCFS Service Provider.
- (iii) ISC shall also administer the capital funding committed in this Final Settlement Agreement to fund First Nations and FNCFS Service Providers for ongoing FNCFS capital projects which have been approved under the 2021 CHRT 41 process and set out in paragraph 27 for the operation and maintenance of ISCfunded capital assets that support the delivery of the Reformed FNCFS Program's funded services and activities. ISC shall provide operation and maintenance funding for the Initial Five-Year-Funding Period and according to a formula that considers the number of FNCFS capital assets to be maintained, the types of those assets, and differences in costs to maintain capital assets due to geographic location. ISC shall fund 100% of the operation and maintenance costs produced by the formula.
- (iv) ISC, with the advice of the <u>Ontario</u> Reform Implementation Committee, shall develop guidance documents to support First Nations and FNCFS Service Providers in seeking capital funding.
- (f) <u>Post-majority support services funding:</u>
 - (i) ISC shall allocate all funding for post-majority support services to First Nations, save for the funding noted in subparagraph 42(f)(ii). ISC shall calculate the amount of a specific First Nation's funding by taking the following steps:
 - a. Multiply 80% by the post-majority segment of the First Nation's population, <u>where the First Nation's population is</u> determined as set out in paragraph <u>35.36</u>. The postmajority segment is the segment between the age at which a youth can voluntarily exit care and the age at which a

young adult's eligibility for post-majority support services ends;

- b. Estimate the number of individuals eligible for post-majority support services for the First Nation and nationallyin <u>Ontario</u>, and divide the First Nation's estimate by the <u>nationalOntario's</u> estimate. The estimates are projections based on children in care data recorded in ISC's Information Management System / Data Management System;
- c. Multiply (a) by 1 + (b);
- d. Divide (c) by the sum of (c) for all First Nations in Ontario eligible to receive funding under the Reformed FNCFS Program;
- e. Multiply \$75,000, adjusted for inflation, by the number of First Nations in Ontario eligible to receive funding under the Reformed FNCFS Program, and subtract that amount from the total annual funding available for post-majority support services;
- f. Multiply (d) by the difference in (e);
- g. Add \$75,000, adjusted for inflation, to (f).
- (ii) Canada provided \$1.shall provide \$3.375 million in fiscal year 2024-2025to COO over the Term of this Final Agreement to fund a call linean initiative intended to support eligible First Nations youth and young adults in accessing information on postmajority support services. Canada shall provide an additional \$6.5 million in the Initial Five-Year Funding Period to fund any similar initiative(s) co-developed by the Parties.
- (iii) ISC may seek authority to have any funding for such initiativesan initiative that remains unexpended at the end of the Initial Five-Year Funding Period to be carried forward into the Second Five-Year Funding Period. The Ontario Reform Implementation Committee shall consider any such funding carried forward into

the Second Five-Year Funding Period in its Initial Program Assessment Opinion.

- (g) <u>First Nation Representative Services funding</u>: ISC shall allocate all funding for First Nation Representative Services to First Nations.
- (h) <u>Remoteness adjustment funding</u>: ISC shall allocate remoteness adjustment funding proportionately among First Nations and FNCFS Agencies in accordance with the allocation of the funding to which the remoteness adjustment applies.

C. First Nations planning

- 43.45. No later than June 30, 2025 six months following the Effective Date, First Nations shall be required to provide ISC with a multi-year plan regarding the implementation of services it is funded for under the Reformed FNCFS Funding Approach, with the exception of FNCFS capital. A template plan for this purpose is attached at Appendix 4.
- 44.<u>46.</u> First Nations shall provide such a plan for the period ending March 31, 2029 and shall provide annual updates, as necessary.

D. Discussions on <u>sub-</u>regional modifications

45.47. The Parties acknowledge that a First Nation or a regional or sub-regional organization may seek to discuss with Canada modifications to the Reformed FNCFS Program and the allocations thereunder, but Canada shall not be obligated to provide any additional funding to that First Nation or regional or sub-regional organization beyond what is provided by the Reformed FNCFS Funding Approach.

E. FNCFS Funding Mechanism

46.48. ISC shall transfer funding to First Nations and FNCFS Service Providers through the FNCFS Funding Mechanism where First Nations or FNCFS Service Providers qualify for use of the FNCFS Funding Mechanism. Where a First Nation or FNCFS Service Provider does not qualify for the FNCFS Funding Mechanism, ISC shall transfer funding through the most flexible funding mechanism <u>available</u> under the Directive on Transfer Payments for

which it is eligible. ISC shall work with the affected First Nation or FNCFS Service Provider to assist them in qualifying for the FNCFS Funding Mechanism.

- 47.49. Any risk assessment required to ensure a First Nation or FNCFS Service Provider qualifies for the FNCFS Funding Mechanism shall be completed in a manner that reflects the principles of this Final Settlement Agreement, emphasizes the First <u>Nations'Nation's</u> or FNCFS Service <u>Providers'Provider's</u> participation, as well as and limits administrative and procedural barriers to the First <u>NationsNation</u> or FNCFS Service <u>ProvidersProvider in</u> transitioning to the FNCFS Funding Mechanism.
- 48.50. The FNCFS Funding Mechanism will enable First Nations and FNCFS Service Providers to re-allocate funds across components of the Reformed FNCFS Program, and to carry forward unexpended funds for use in the following fiscal year, provided that that fiscal year is within the term of the First Nation's or FNCFS Service Provider's funding agreement. If necessary to expend unexpended funds and upon the acceptance of the First Nation's or FNCFS Service Provider's funding plan, ISC shall extend the term of the First Nation's or FNCFS Service Provider's funding agreement. For those First Nation's or FNCFS Service Provider's funding agreement. For those First Nations and FNCFS Service Provider's funding agreement. For those First Nations and FNCFS Service Providers with unexpended funding from fiscal year 2024-2025-2026 or prior fiscal years, Canada shall amend their funding agreements to allow for the expenditure of unexpended funding in fiscal year 2025-2026-2027 and future fiscal years.
- 49.51. Notwithstanding paragraph 50, FNCFS Agencies shall not be permitted to re-allocate funds from prevention funding to protection, except to fund least disruptive measures.
- 50.52. In its funding agreements with First Nations and FNCFS Service Providers, ISC shall enable the transfer of funding provided pursuant to this Final Settlement Agreement between First Nations and their affiliated FNCFS Service Providers, in a manner compliant with the Directive on Transfer Payments. Such transfers shall be for the purpose of supporting activities funded under this Final Settlement Agreement. For greater clarity, ISC's funding agreements with FNCFS Agencies shall enable FNCFS Agencies to

transfer funds to First Nations for the purpose of advancing the housing objectives in paragraph 83.

51.53. Any transfer of funding by a First Nation or FNCFS Service Provider pursuant to paragraph 5052 of this section shall be subject to such First Nation or FNCFS Service Provider notifying ISC in writing and in advance of the intended transfer.

F. Transition to the Reformed FNCFS Funding Approach

April 1, 20242025 to March 31, 20252026

- 52.54. For fiscal year 2024-2025-2026, ISC implemented the Reformed FNCFS Funding Approach as follows:
 - (a) Operations and maintenance funding:
 - (i) At the beginning of the fiscal year, FNCFS Agencies received a funding allocation based on the fiscal year 2022-2023 Public Accounts.
 - (ii)(i) FNCFS Agencies, except for in Ontario, continue to have access to actuals for intake and investigations, legal fees, building repairs, and child service purchase for fiscal year 2024-2025. In Ontario, FNCFS Agencies continue to have access to actuals for intake and investigations, legal fees, and building repairs for fiscal year 2024-2025-2026.
 - (iii)(ii) The deadline for the submission of all claims related to fiscal year <u>2024-2025-2026</u> operations and maintenance expenditures is September 20, <u>20252026</u>.
 - (iii) Commencing on April 1, 2026, FNCFS Agencies' access to the reimbursement of their actual costs for intake and investigations, legal fees and building repairs shall cease. ISC shall instead provide Baseline Funding, calculated as set out in paragraph 18(b)(i).
 - (b) <u>Top-up funding for information technology, results, and emergency:</u> <u>This funding was not included in First Nations' or FNCFS Agencies'</u> <u>initial allocations at the beginning of the</u>For fiscal year 2024-2025.

Top-up funding shall be added to First Nations' and FNCFS Agencies' funding agreements in or around November 2024-2025-2026, ISC will allocate this funding following the adjustment described in (a).Effective Date. Funding will be prorated to the number of days between the Effective Date and March 31, 2026.

- (c) <u>Household supports funding:</u> This funding was not included in First Nations' initial allocations at the beginning of the fiscal year 2024-2025. Household supports funding shall be added to First Nations' funding agreements in or around November 2024For fiscal year 2025-2026, ISC will allocate this funding following the Effective Date. Funding will be prorated to the number of days between the Effective Date and March 31, 2026.
- (d) <u>Prevention funding</u>: ISCFor fiscal year 2025-2026, ISC has allocated prevention funding in accordance with thean approach determined prior to the coming into effect of this Final Settlement Agreement.
- (e) First Nation Representative Services funding:
 - (i) For First Nations except those in Ontario, ISC has funded First Nation Representative Services in accordance with paragraph 25.
 - (ii) For First Nations in OntarioFor fiscal year 2025-2026, ISC has allocated funding for First Nation Representative Services in accordance with an approach determined prior to the coming into effect of this Final Settlement Agreement. Where a First Nation in Ontario has expended 75% of First Nation Representative Services funding received for 2024-2025-2026 and submitted a plan for expenditure of the remaining 25%, it may access funding at actual costs until March 31, 20252026. The deadline for the submission of all claims related to 2024-2025-2026 First Nation Representative Services expenditures is September 20, 20252026.
 - (ii) Commencing on April 1, 2026, First Nations shall no longer have access to reimbursement of their actual costs for First Nation

Representative Services. ISC shall instead provide funding for First Nation Representative Services in the manner set out in paragraph 26.

- (f) Capital funding:
 - (iii)(i) For fiscal year 2024-2025-2026, until the Effective Date, ISC shall continue to reimburse First Nations and FNCFS Service Providers for the actual costs of capital projects that are approved by ISC under the 2021 CHRT 41 process.
 - (ii) Commencing on the Effective Date, ISC shall no longer accept funding requests under the 2021 CHRT 41 process. ISC shall instead provide capital funding through the process described in paragraph 44(e).
 - (iii) For clarity, ISC shall continue to apply the 2021 CHRT 41 approval process to capital funding requests that are received on or before the Effective Date. Requests received shall include requests that are paused or pending approval from ISC as of the Effective Date.
 - (iv) For clarity, funding for requests that are approved after the Effective Date shall be provided from the amount in paragraph 27. Appendix 11 sets out additional details on which approval process will apply to a capital request or proposal and on the source of funding for an approved capital request or proposal.
- (g) <u>Post-majority support services funding</u>:
 - (iv)(i) For fiscal year 2025-2026, until the Effective Date, ISC shall continue to reimburse First Nations and FNCFS Service Providers for the actual costs of post-majority support services until March 31, 2025. The deadline for the submission of all claims for reimbursement of 2024-2025-2026 post-majority support services expenditures is September 20, 2025the Effective Date.
 - (ii) Commencing on the Effective Date, First Nations and FNCFS Service Providers shall no longer have access to reimbursement

of their actual costs for post-majority support services. ISC shall instead provide funding for post-majority support services in the manner set out in paragraph 44(f). For clarity, for fiscal year 2025-2026, ISC shall provide \$28.2 million in the manner set out in paragraph 44(f), minus funding for post-majority support services provided at actual costs to First Nations in Ontario in fiscal year 2025-2026 and subject to the Effective Date having occurred in fiscal year 2025-2026. ISC shall provide individual First Nations with their allocation for fiscal year 2025-2026 minus funding provided to that First Nation at actual costs for fiscal year 2025-2026.

(f)(h) Remoteness adjustment funding:

- (i) For fiscal year 2024-2025-2026, ISC has allocated remoteness adjustment funding with respect to First Nation Representative Services funding outside of Ontario and with respect to prevention funding, in accordance with the transitional approach agreed upon by the Parties prior to the coming into effect of this Final Settlement Agreement.
- (ii) In or around November 2024 Following the Effective Date, ISC shall provide remoteness adjustment funding for fiscal year 2024-2025-2026 with respect to results, information technology, emergency, and household supports funding in accordance with paragraph 33.—. Funding will be prorated to the number of days between the Effective Date and March 31, 2026.
- (iii) Due to the availability of reimbursement at actual costs for fiscal year 2024-2025, ISC shall not-provide remoteness adjustment funding for fiscal year 2025-2026 with respect to post-majority support services funding orprovided after the Effective Date and in the manner set out in paragraph 44(f). For clarity, ISC shall not provide remoteness funding with respect to post-majority support services funding reimbursed at actual costs for fiscal year 2025-2026.

(iii)(iv) Due to the availability of reimbursement at actual costs for fiscal year 2025-2026, ISC shall not provide remoteness adjustment funding with respect to First Nations Representative Services funding in Ontario for fiscal year 2024-2025-2026.

April 1, 2025-March 31, 2026

- 53. Operations and maintenance funding:
 - (a) Commencing on April 1, 2025, FNCFS Agencies' access to the reimbursement of their actual costs for intake and investigations, legal fees, building repairs, child service purchase, and small agency costs shall cease.
 - (b) Outside Ontario, ISC shall reimburse claims of FNCFS Agencies' actual costs for intake and investigations, legal fees, building repairs, child service purchase, and small agency costs incurred in fiscal year 2024-2025, submitted on or before September 20, 2025.
 - (c) In Ontario, ISC shall reimburse claims of FNCFS Agencies' actual costs for intake and investigations, legal fees, and building repairs incurred in fiscal year 2024-2025, submitted on or before September 20, 2025.
- 54. <u>Baseline funding</u>: FNCFS Agencies shall receive Baseline Funding for fiscal year 2025-2026.
- 55. <u>Top-up funding for information technology, results, and emergency</u>: Top-up funding for 2025-2026 shall be included in First Nations' and FNCFS Agencies' initial allocations at the beginning of the fiscal year. For clarity, the information technology and results allocations will be solely directed to First Nations, and the emergency allocation will be split between First Nations and FNCFS Agencies.
- 56. <u>Household supports funding:</u> Household supports funding for fiscal year 2025-2026 shall be included in First Nations' initial allocations at the beginning of the fiscal year.
- 57. <u>Prevention funding</u>:

- (a) Where a First Nation's affiliated FNCFS Agency is affiliated with more than one First Nation, ISC shall divide the prevention funding attributed to the individual First Nation's population between the individual First Nation and the FNCFS Agency by taking the following steps:
 - (i) Divide the individual First Nation's population by the sum of the populations of all First Nations affiliated to the FNCFS Agency;
 - (ii) Multiply the individual First Nation's population by the per capita amount established in paragraph 22;
 - (iii) Multiply (i) by (ii); and
 - (iv) Provide funding equal to (iii) to the FNCFS Agency and the remainder of (ii) to the individual First Nation.
- (b) Where, following the division described above, a First Nation would receive less than \$75,000 in prevention funding, ISC shall provide that First Nation with \$75,000, adjusted for inflation.
- (c) Where an FNCFS Agency is affiliated with only one First Nation, ISC shall divide the prevention funding attributed to that First Nation's population between the First Nation and the FNCFS Agency in the same proportion as such funding was divided between the First Nation and the FNCFS Agency in fiscal year 2024-2025, except where the First Nation and FNCFS Agency have agreed on a different division by December 1, 2024. For clarity, total prevention funding provided to such a First Nation and FNCFS Agency in fiscal year 2025-2026 shall not be greater than the per capita amount provided for in paragraph 22 multiplied by the First Nation's population.
- 58. First Nation Representative Services funding:
 - (a) For First Nations except those in Ontario, First Nation Representative Services funding shall be funded in accordance with paragraph 25.
 - (b) Commencing on April 1, 2025, First Nations in Ontario shall no longer have access to reimbursement of their actual costs for First Nation Representative Services. ISC shall provide First Nation

Representative Services funding to each First Nation in Ontario in an amount equal to its highest annual amount of First Nation Representative Services funding received over the following four fiscal years, from fiscal year 2019-2020 to fiscal year 2022-2023.

59. FNCFS capital funding:

- (a) Commencing on April 1, 2025, ISC shall no longer accept funding requests under the 2021 CHRT 41 process. ISC shall instead provide capital funding in the manner described in subparagraph 42(e).
- (b) For greater clarity, ISC shall continue to process capital funding requests that are received on or before March 31, 2025, and fund those requests that are approved, pursuant to 2021 CHRT 41. Requests received shall include requests that are paused or pending approval from ISC as of March 31, 2025.
- 60. <u>Post-majority support services funding:</u> Commencing on April 1, 2025, First Nations and FNCFS Service Providers shall no longer have access to reimbursement of their actual costs for post-majority support services. ISC shall instead provide post-majority support services funding in the manner outlined in subparagraph 42(f).
 - (i)(v) <u>Remoteness adjustment funding</u>: <u>Commencing on April 1</u>, <u>2025Commencing on April 1</u>, <u>2026</u>, ISC shall apply the remoteness adjustment to all funding components that are to be adjusted for remoteness in Part V (A).

From April 1, 2026, Onward

61.55. As of April 1, 2026, the transition to the Reformed FNCFS Funding Approach shall be complete.

Support for First Nations and FNCFS Service Providers in the Transition to the Reformed FNCFS Funding Approach

62.56. ISC shall support First Nations and FNCFS Service Providers in the transition to the Reformed FNCFS Funding Approach, including by informing them as soon as reasonably possible about:

- the Reformed FNCFS Funding Approach and its implementation requirements, including that of a co-developed child and community well-being plan as outlined in paragraphs 109 to 111 and theof a First Nations plan as outlined at paragraph 45;
- (b) the changes to the funding <u>agreement asagreements</u> between ISC and First Nations and FNCFS Service Providers commencing in fiscal year <u>2025-2026-2027</u>, as provided for in Appendix <u>66</u>;
- (c) new and revised external guidelines to support the implementation of the Reformed FNCFS Funding Approach, including but not limited to implementation guides and revised Terms and Conditions; and
- (d) reporting requirements commencing in fiscal year 2025-2026-2027.

G. Reform of Federal-Provincial and Federal-Yukon Funding Agreements

- 63.<u>57.</u> Canada enters into federal-provincial and federal-Yukon agreements to support the provision of child and family services to Non-Agency First Nations. For the purpose of reforming those agreements, ISC shall engage with provincial and Yukon governments providing child and family services to Non-Agency First Nations. ISC shall make best efforts to ensure that the reformed federal-provincial and federal-Yukon agreements adhere to the principles in PART II PRINCIPLES of this Final Settlement<u>1965</u> Agreement, as well as applicable federal, provincial, or Yukon legislation.
- 64. ISC shall provide opportunities for Non-Agency First Nations to be actively involved in discussions with respect to the reform of federal-provincial and federal-Yukon agreements that enable the implementation of the Reformed FNCFS Program. These discussions will support and inform the negotiation and implementation of such agreements, and ISC shall provide quarterly reports on these discussions to the Reform Implementation Committee.
- 65. ISC shall make best efforts to work collaboratively with Non-Agency First Nations and provincial and Yukon governments in seeking to co-develop governance and accountability provisions consistent with this Final Settlement Agreement within the federal-provincial and federal-Yukon agreements. Such accountability provisions shall include audits, annual reporting, and funding reviews. ISC shall also make best efforts to include

provisions relating to performance data collection, analysis, and reporting methodology to which the provincial or Yukon government shall adhere, as well as provisions to publicly disclose the amount of funding provided under these agreements and the services and activities for which funding is provided.

- 66. In the event that Canada fails to reach agreement with a province or Yukon, ISC shall refer the matter to the Reform Implementation Committee for discussion with respect to possible solutions.
- 67. Canada's efforts to reform the federal-provincial and federal-Yukon agreements support the reform of the FNCFS Program and are not intended to impede First Nations seeking to exercise jurisdiction in relation to child and family services on a nation-to-nation basis.
- 68.58. COO, NAN, and Canada shall continue to work together on an expedited basis to pursue reform of the 1965 Agreement with the Government of Ontario, recognizing that any change to the 1965 Agreement requires the participation and consent of the Government of Ontario.
- 69.59. As the 1965 Agreement outlines federal commitments for reimbursement of eligible services in provincial program areas beyond child and family services, COO, NAN, and Canada have concluded a separate trilateral agreement the Trilateral Agreement in Respect of Reforming the 1965 Agreement to guide their approach to 1965 Agreement reform.
- COO, NAN, and Canada agree to make best efforts to negotiate a reformed
 1965 Agreement that, in relation to child and family services, is consistent
 with the purposes and principles of this Final Settlement Agreement.
- 71. In the event that Canada fails to reach agreement with the Government of Ontario on a reformed 1965 Agreement as it relates to child and family services, ISC, COO, and NAN shall discuss possible alternatives to reform of the 1965 Agreement, which may include considering whether ISC can fund FNCFS Agencies in Ontario in the same way as FNCFS Agencies outside Ontario. Canada, COO, and NAN recognize that such alternatives may require collaboration with the Government of Ontario.

- 72.60. The application of the Reformed FNCFS Funding Approach as it applies to FNCFS Agencies in Ontario may change as a result of the reformed 1965 Agreement. Any such change may require amendment to this Final Settlement Agreement pursuant to paragraph 314.
- 73. Save for paragraphs 71 and 72 this Final Settlement Agreement does not apply to the process of 1965 Agreement reform or the content of a reformed 1965 Agreement.

H.G. Application of the 1965 Agreement in Ontario

- 74.<u>61.</u> COO, NAN, and Canada do not intend for this Final-Settlement Agreement to decrease any Government of Ontario funding for First Nations child and family services on reserve, including prevention. If the Government of Ontario decreases funding for First Nations child and family services, COO, NAN, and Canada shall consider the impact of that decrease as part of the next Program Assessment.
- 75.62. In the event that the funding made available by the Government of Ontario and Canada to FNCFS Agencies in Ontario is limited in some way by the operation of the 1965 Agreement, that limitation shall be raised with the Government of Ontario in the discussions on 1965 Agreement reform.

I. Information Technology, Results, and Emergency Funding in Ontario

- 76. For First Nations in Ontario that are affiliated with an FNCFS Agency, ISC shall determine information technology, results, and emergency funding in fiscal year 2024-2025 as follows:
 - (a) For each FNCFS Agency, estimate the share of its operations and maintenance funding provided by the Government of Ontario for fiscal year 2024-2025 that ISC will reimburse to the Government of Ontario under the 1965 Agreement;
 - (b) Add to (a) the actuals funding for intake and investigations, legal fees, and building repairs that the FNCFS Agency received directly from ISC in fiscal year 2023-2024;

- (c) Applying the percentages in paragraphs 18, 19 and 20 to (b), determine the funding for information technology, results, and emergency associated with the FNCFS Agency; and
 - a. On a population-weighted basis, divide all of the information technology and results funding and 50% of the emergency funding in (c) among the First Nations affiliated with the FNCFS Agency, and allocate the remaining 50% of the emergency funding to the FNCFS Agency.
- 77. In subsequent years, the information technology, results, and emergency funding of First Nations in Ontario affiliated with an FNCFS Agency and the emergency funding of FNCFS Agencies in Ontario shall be upwardly adjusted for inflation and population growth, and where applicable, remoteness, and shall not be reduced. In addition, in fiscal year 2025-2026, information technology, results, and emergency funding shall be adjusted in or around November 2025 to account for actuals funding for intake and investigations, legal fees, and building repairs provided directly to FNCFS Agencies in Ontario by ISC for fiscal year 2024-2025.

J.H. Funding for Non-Agency First Nations

- 78.63. ISC provides funding to provincial and Yukon governmentsthe Government of Ontario to provide protection services for Non-Agency First Nations. With respect to the allocation of funding under the Reformed FNCFS Funding Approach to an individual Non-Agency First Nation, ISC shall:
 - Provide all prevention funding attributable to the Non-Agency First Nation to that First Nation;
 - (b) Provide all emergency funding calculated as a percentage of the Non-Agency First Nation's notional Baseline Funding, which shall be determined as outlined in paragraphsparagraph 80 and 82,44(b)(vi) to that First Nation; and
 - (c) Allocate all other funding in the same manner as ISC will use for First Nations affiliated with an FNCFS Agency.

- 79. For First Nations except those in Ontario, ISC shall determine the information technology, results, and emergency funding for Non-Agency First Nations in fiscal year 2024-2025 as follows:
 - (a) Identify the operations and maintenance funding provided in fiscal year 2023-2024 to the applicable provincial or Yukon government;
 - (b) Subtract from (a) any funding used by the provincial or Yukon government for provincial or territorial administrative expenses;
 - (c) Applying the percentages in paragraphs 18, 19 and 20 to (b), determine the total funding for information technology, results, and emergency for Non-Agency First Nations in the province or Yukon; and,
 - (d) Allocate (c) proportionally among Non-Agency First Nations in the province or Yukon according to the population of those First Nations.
- 80. In subsequent years, a Non-Agency First Nation's information technology, results, and emergency funding shall be upwardly adjusted for inflation and population growth, and where applicable, remoteness, and shall not be reduced.
- 81. For Non-Agency First Nations in Ontario, ISC shall determine the information technology, results, and emergency funding in fiscal year 2024-2025 as follows:
 - (a) Identify total operations and maintenance funding provided by the Government of Ontario for fiscal year 2024-2025 to child and family services agencies in Ontario that are not FNCFS Agencies, and estimate the share of that funding that ISC will reimburse to the Government of Ontario under the 1965 Agreement;
 - (b) Applying the percentages in paragraphs 18, 19, and 20 to (a), determine the total funding for information technology, results, and emergency for Non-Agency First Nations in Ontario; and
 - a. Allocate (b) proportionally among Non-Agency First Nations in Ontario according to the population of those First Nations.

82. In subsequent years, the information technology, results, and emergency funding of Non-Agency First Nations in Ontario shall be upwardly adjusted for inflation and population growth, and where applicable, remoteness, and shall not be reduced.

K.I. New FNCFS Agencies and FNCFS Agency Transitions within the Reformed FNCFS Program

- 83.64. Upon receipt of written notice from a First Nation of its intention to transition its protection services from a provincial or Yukon governmentchild and family services agency in Ontario that is not an FNCFS Agency or from its currently affiliated FNCFS Agency to a new or existing FNCFS Agency, ISC shall fund and facilitate such a transition.
- 84.65. Where a First Nation transitions its protection services to a new FNCFS Agency, ISC's funding shall include reasonable start-up costs as determined by ISC, following discussion amongst ISC, the First Nation, and the provincial or Yukon government Government of Ontario, as applicable. ISC shall transfer funding under the Reformed FNCFS Program from the provincial or Yukon government or from the First provided directly by ISC to the First Nation's currently affiliated FNCFS Agency to the new or existing FNCFS Agency to which the First Nation has decided to transition.
- 85.66. ISC shall provide an FNCFS Agency with notice as specified in the funding agreement between Canada and the FNCFS Agency prior to changing the FNCFS Agency's funding due to a First Nation's transition away from the FNCFS Agency with respect to protection services. ISC shall meet with the First Nation and the FNCFS Agency from whom the First Nation is transitioning as soon as practical, for the purpose of considering options to minimize disruption to the FNCFS Agency's operations. ISC shall also provide notice to the applicable provincial or Yukon government as specified in the federal-provincial or federal-Yukon agreement where a First Nation transitions away from the provincial or Yukon government with respect to protection services.

PART VI – THE REFORMED FNCFS FUNDING APPROACH: SECOND FIVE-YEAR FUNDING PERIOD

- 86.67. ISC shall continue to administer the Reformed FNCFS Program throughin Ontario throughout the Second Five-Year Funding Period.
- 87.68. For the Second Five-Year Funding Period, ISC shall provide total annual funding for the Reformed FNCFS Program in Ontario of at least the amount of funding provided for the Reformed FNCFS Program in fiscal year 2028-2029. Following the Initial Program Assessment, the funding for the Second Five-Year Funding Period may be upwardly adjusted further to the recommendations adopted by Canada or as reviewed by the Dispute ResolutionArbitral Tribunal or Appeal Tribunal further to paragraphparagraphs 206_{τ} and 207, or as otherwise subject to judicial review and any appeals thereof as set out in this Final Settlement Agreement.
- 88.69. ISC shall seek a mandate for the Second Five-Year Funding Period in relation to the recommendations of the <u>Ontario</u> Reform Implementation Committee's Initial Program Assessment Opinion that it is prepared to recommend for adoption.
- 89.70. In addition to other eligible expenses, insurance premiums for First Nations and FNCFS Service Providers shall remain an eligible expense for funding provided under the Reformed FNCFS Program in the Second Five-Year Funding Period.
- 90.71. For the purpose of the Second Five-Year Funding Period, the Parties recognize the value of the First Nations census to be led by the First Nations Information Governance Centre for potential use in estimating the on-reserve population of First Nations under the Reformed FNCFS Funding Approach.
- 91.72. In the Second Five-Year Funding Period, Canada shall provide up to \$1.017 billion190.9 million to First Nations and FNCFS Service Providers for capital projects to support the delivery of First Nations child and family services onreserve and in YukonOntario. In addition to this amount, ISC may make available for capital projects any remaining uncommitted capital funding from the Initial Five-Year Funding Period, subject to Parliamentary appropriation and relevant authorities.
- <u>92.73.</u> In the Second Five-Year Funding Period, Canada shall provide \$<u>998193</u>.4 million for post-majority support services to support First Nations youth aging

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out of care and young adults formerly in care in the transition to adulthood and independence. The amount of \$998193.4 million includes an amount for inflation and shall not be further adjusted for inflation.

PART VII – THE REFORMED FNCFS FUNDING APPROACH: FOLLOWING THE EXPIRY OF THE TERM OF THIS FINAL SETTLEMENT AGREEMENT

93.74. This Final Settlement Agreement expires on March 31, 2034.

- 94.<u>75.</u> Canada acknowledges its ongoing obligation to ensure that the discrimination found by the Tribunal has been eliminated and does not recur.
- <u>95.76.</u> ISC shall engage with the Parties with respect to the recommendations of the <u>Ontario</u> Reform Implementation Committee following the Second Program Assessment to inform the design and/or development of the Reformed FNCFS Program, or successor program, which may take effect following the expiry of the Term of this Final <u>Settlement</u> Agreement.
- 96.77. In considering the <u>Ontario</u> Reform Implementation Committee's Second Program Assessment Opinion, Canada shall consider the viability of embedding the Reformed FNCFS Funding Approach, and any recommended changes thereto, in legislation (i.e., Canada shall consider the viability of statutory funding).

PART VIII – MEASURING THE PERFORMANCE OF THE REFORMED FNCFS PROGRAM

- 97.78. The Parties anticipate that the Reformed FNCFS Program will result in an overall reduction of First Nations children coming into care over time. Obtaining standardized data on the efficacy of the Reformed FNCFS Program, on services provided to First Nations children under the Reformed FNCFS Program, and on the overall well-being of First Nations children, families, and communities will contribute to the reporting to Parliament and Canadians on the outcomes of the Reformed FNCFS Program.
- 98.79. For the purpose of reporting to Parliament under the Reformed FNCFS Program, ISC shall analyze internal data to inform relevant immediate outcomes. ISC shall also require <u>First Nations and</u> FNCFS Service Providers to report on indicators directly related to their activities to advance the

Reformed FNCFS Program's outcomes. ISC shall continue to work with-its partners to develop and improve the Reformed FNCFS Program's indicators. As a starting point, the indicators in Appendix 22 shall be used for the performance measurement of the Reformed FNCFS Program.

- <u>99.80.</u> Where an FNCFS Service Provider is experiencing extraordinary circumstances beyond their control which adversely affects their ability to report under this Part, ISC shall work with the FNCFS Service Provider to develop a plan to fulfill its reporting requirements as expeditiously as possible.
- 100.81. To support monitoring related to Structural Drivers that lead children and families into contact with the child welfare system, Canada shall continue to report publicly through ISC's Departmental Results Report on indicators that are consistent with the Measuring to Thrive Framework. The areas of measurement on which Canada shall report will include rates of and/or access to:
 - (a) Safe and suitable housing;
 - (b) Sufficient and safe water from source to tap;
 - (c) Family reunification;
 - (d) Livable income; and
 - (e) Mental health and specialized services within the community.
- 101. To support the mandate of the National Secretariat in measuring First Nations child and family well-being in a holistic way, ISC shall make best efforts to conclude an umbrella information-sharing agreement with the National Secretariat in order to facilitate the access to and sharing of departmental data that will contribute to the general knowledge base of child and family well-being. The departmental data available to be shared would include all the service areas as identified in the ISC Departmental Results Framework, which is publicly available.

PART IX - HOUSING FUNDING

82. In fiscal years 2023-2024 and 2024-2025, Canada provided housing funding to First Nations in Ontario for the purpose set out in paragraph 83.

- 102.83. Canada shall provide funding in the amount of \$1.79 billion258.4 million over fiscal years 2024-2025, 2025-2026, 2026-2027, and 2027-2028 to First Nations in Ontario to support the purchase, construction, and renovation of housing units in First Nations for the purposes of preventing First Nations children from being taken into care and of supporting reunification where housing is a barrier.
- 103.84. To determine the amount of housing funding to which an individual First Nation is entitled over those fourthree fiscal years, ISC shall:
 - Identify the population of the First Nation (on reserve or in Yukon) as indicated in the Indian Registration System as of December 31, 2023;
 - (b) Multiply the First Nation's population identified in (a) by:
 - (i) One (1) plus the First Nation's 2021 Index of Remoteness score; and by
 - One (1) plus the percentage of the First Nation's population living in an overcrowded dwelling, drawn from Census 2021 data. For First Nations that are missing Census data, ISC shall impute the percentage living in an overcrowded dwelling from a nearby First Nation for whom data is available;
 - (c) Divide (b) by the total population of First Nations eligible for housing funding as adjusted by the factors in (b);
 - (d) Subtract \$250,000 multiplied by the total number of First Nations eligible for housing funding from \$1.79 billion;346.1 million (the total housing funding provided by Canada to First Nations in Ontario for the purpose set out in paragraph 82 between fiscal year 2024-2025 and fiscal year 2027-2028);
 - (e) Multiply (c) by (d); and
 - (f) Add \$250,000 to (e).); and
 - (g) Subtract from (f) the housing funding received by the First Nation in fiscal year 2024-2025 for the purpose set out in paragraph 82.

For illustrative purposes, an example has been attached at Appendix 449.

- 104.85. Within the term of their funding agreements, ISC shall allow First Nations to carry forward unexpended housing funding in a particular fiscal year to the following fiscal year, provided that that fiscal year is within the term of the First Nation's funding agreement. If necessary to expend unexpended housing funding and upon acceptance of the First Nation's unexpended funding plan, ISC shall extend the term of a First Nation's funding agreement.
- 105.86. First Nations shall report to ISC on the housing funding through established data collection tools, modified to reflect the purpose of this funding. First Nations shall also report to the National Secretariat on the "safe and suitable housing" area of measurement in support of the Initial Program AssessmentSubject to conclusion of the information-sharing agreement set out in paragraph 93, ISC shall provide that data to the Ontario FNCFS Data Secretariat.

PART X – NATIONAL AND REGIONAL SECRETARIATS ONTARIO FNCFS DATA SECRETARIAT

87. ISC shall provide funding to the National Secretariat COO in the amount of \$84.113.5 million over the Term to support the National First Nation Child and Family ServicesOntario FNCFS Data Secretariat and Regional.

Establishment

106.88. COO and NAN shall select or establish an organization to act as the Ontario <u>FNCFS Data</u> Secretariat(s)..... In the case of selection, COO and NAN shall prioritize an organization, such as the Institute for Clinical Evaluative Sciences, which has demonstrated experience in data stewardship and analysis and in partnering with First Nations and First Nations organizations in relation to data projects.

A. National Secretariat

Function

- 89. The NationalOntario FNCFS Data Secretariat shall be independent from the Government of Canada. It shall be a First Nations-led, apolitical,
- 107.90. To support COO in retaining an organization to act as the Ontario FNCFS Data Secretariat, ISC shall provide administrative assistance to COO. Such

<u>assistance shall not-for-profit corporation influence the selection of the</u> <u>organization to act as the Ontario FNCFS Data Secretariat or the manner in</u> <u>which COO will oversee the work of the Ontario FNCFS Data Secretariat</u>.

108. The National Secretariat shall be established with two sectors, a Best Practices and Programming sector and a Data and Evidence sector, the respective roles of which will be delineated by the National Secretariat.

The National Function

109.91. The Ontario FNCFS Data Secretariat shall be responsible for the following:

- (a) Making best efforts to procure an existing organization with child and family services and/or data collection expertise from each region to act as a Regional Secretariat and to conclude the necessary bilateral agreements;
- (b) The development and dissemination of best practice guidelines, tools for child and family services, and other operational supports, ensuring a consistent standard for engagement and messaging;
- (c) The coordination of regional efforts to uphold the integrity of service quality and promote the National Secretariat's strategic goals;
- (d) Supporting Regional Secretariats should circumstances arise which impact their ability to promote best practice programming;
- (e) Working collaboratively with the Remoteness Secretariat;
- (f)(a) Establishing data—related priorities for the purposes of its data collection efforts and analysis;
- (b) Acting as the central hub for all data activities and responsibility for implementing;
- (c) Implementing measures to facilitate its receipt of data;
- (g)(d) Working collaboratively with the Ontario Remoteness Secretariat;
- (h)(e) Synthesizing regionalOntario data and other relevant data to develop, support, or inform recommendations in relation to the implementation and efficacy of the Reformed FNCFS Program, as well as evidence-

based practices which will inform and refine best practice programming and supports;

- (i) Overseeing the overall performance of Regional Secretariats; and
- (j)(f) Reporting findings, concerns, and/or recommendations to the <u>Ontario</u> Reform Implementation Committee in relation to the implementation and efficacy of the Reformed FNCFS Program-; and
- 110. For clarity, the regions in which Regional Secretariats will be established shall be defined by the National Secretariat.

Governance

- 111. The membership of the National Secretariat shall consist of the corporations carrying on business as the AFN, COO, and NAN.
- 112. The National Secretariat shall be governed by a board of directors comprised of six (6) individuals, appointed by the members, who collectively reflect expertise in the fields of child and family services, data collection and analysis, and organizational management. To the extent possible, the board of directors shall reflect regional variation.
- 113. The AFN shall incorporate the National Secretariat. The draft Articles and Bylaws for the National Secretariat are found at Appendix 9.
 - (a)(g) <u>The National Secretariat shall provide Providing</u> an annual written report to <u>the membersCOO</u> and <u>makeNAN</u> and <u>making</u> itself available for presentations at their assemblies when requested.

Data Inputs and Management

Data Inputs and Management

- <u>114.92.</u> The <u>NationalOntario FNCFS Data</u> Secretariat will receive data directly from FNCFS Agencies and ISC, which shall include, but is not limited to, the following:
 - (a) FNCFS Agencies shall provide data collected with respect to the community wellness indicators as provided for in paragraph 114, and may share <u>the their child and community wellness planwellbeing</u>

plans as provided for in paragraph 109 upon consent of the affiliated First NationNations; and

(b) Subject to conclusion of the information-sharing agreement as described in paragraph 93, ISC shall provide performance data received from the provinces and territoriesGovernment of Ontario further to the agreements as described in paragraph 66, 1965 Agreement, Ontario-specific data related to the preparation of ISC's Departmental Results Report and itsISC's reporting to Parliament on the indicators described at paragraph 81, and data received from First Nations and/or FNCFS Service Providers in relation to the indicators and outcomes as provided in paragraph 99paragraphs 79 and 86.

B. Regional Secretariats

- 115. The Regional Secretariats, where established, shall operate further to their bilateral agreements with the National Secretariat and may be responsible for the following:
 - (a) Capturing regional data further to the standards established by the National Secretariat, ensuring programming is responsive to the specific cultural and social dynamics of their communities;
 - (b) Implementing and refining best practice programming at the regional level, informed by direct community input and localized evidence;
 - (c) Forwarding regional data and insights to the National Secretariat for the purpose of fostering a two-way flow of information that enhances national programming strategies;
 - (d) Engaging with local organizations and communities to ensure programming is culturally congruent, effective, and endorsed by those it serves; and
 - (e) Supporting the work of the National Secretariat, executing programs as per the National Secretariat's guidance while providing regional input and insights to inform the ongoing refinement of the national best practices strategies.

93. To support the mandate of the Ontario FNCFS Data Secretariat in measuring First Nations child and family well-being in a holistic way, ISC shall make best efforts to conclude an umbrella information-sharing agreement with the Ontario FNCFS Data Secretariat in order to facilitate the access to and sharing of the data described in paragraph 92(b). The departmental data available to be shared would include Ontario-specific data on all the service areas identified in the ISC Departmental Results Framework. Subject to limitations outlined in paragraph 287, ISC and the Ontario FNCFS Data Secretariat shall seek to include access to individual-level data from the Indian Registration System in the information-sharing agreement.

PART XI – REMOTENESS RESEARCH AND RELATED ITEMS

Purpose

- <u>116.94.</u> The purpose of this Part is to account for remoteness issues in <u>Ontario</u>, including the increased costs associated with remoteness, and to establish or continue processes for ISC to engage with representatives of remote First Nations in <u>Ontario</u> for that purpose. The increased costs associated with remoteness impact remote First Nations, the FNCFS Agencies that serve them, and the children, youth, and families of remote First Nations.
- <u>95.</u> <u>AARCNotwithstanding the Ontario application of this agreement, the Parties</u> <u>recognize that research and collaboration with remote communities as well</u> <u>as organizations—nationally and internationally—may be utilized by the</u> <u>Parties to ensure evidence-based best practices are derived to address</u> <u>issues of remoteness in Ontario.</u>

<u>The NAN</u>-Canada Remoteness <u>Quotient</u> Table

117.96. The Parties recognize the unique challenges and increased time and expense required to deliver child welfare services in remote communities. Working collaboratively with NARC, Canada and NAN shall establishcontinue the NARCNAN-Canada Remoteness Quotient Table, where they will work collaboratively to address policy and technical issues of remoteness, including the increased costs associated with remoteness, at a national levelin Ontario. Canada and NAN shall revise the Terms of Reference for the NAN-Canada Remoteness Quotient Table to reflect this Final Agreement.

- 118. Subject to the direction of its members, the NARC-Canada Remoteness Table shall consider the The work of the NAN-Canada Remoteness Quotient Table, including the RQAF, and shall adopt and/or develop a-will continue to be First Nations-sighted, and evidence-based, statistical approach to estimating the increased child and family services costs associated with remoteness and accounting for those costs in the funding provided under the Reformed FNCFS Program, on a national basis.
- 119. For greater clarity, the work of the NARC-Canada Remoteness Table may include further development of the RQAF for national application, including the development and integration of region-specific data. The NARC-Canada Remoteness Table may also seek to collaborate with Statistics Canada to further develop the Index of Remoteness.
- 120. The NARC-Canada Remoteness Table shall be separate and independent from the NAN-Canada Remoteness Quotient Table, which shall continue unaffected by the creation of the NARC-Canada Remoteness Table.
- 121. For greater clarity, the NARC-Canada Remoteness Table and the NAN-Canada Remoteness Quotient Table shall inform and consider the work of one another in relation to further development of the RQAF, or any other approaches to adjusting funding to account for remoteness, and in relation to further development of the Index of Remoteness.
- 122. Canada and NARC may discuss how to model different remoteness adjustment approaches with a sample of remote communities across Canada to assess the ability of those approaches to respond to and address the unique needs of remote communities, including accounting for the increased costs of delivering services in remote communities. For clarity, such modelling shall not involve ISC providing greater remoteness adjustment funding within the Initial Five-Year Funding Period than that provided for in paragraph 32.

123. The Reform Implementation Committee shall consider input from the NARC-Canada Remoteness Table, including any modelling and research undertaken by the NARC-Canada Remoteness Table, with respect to how remoteness issues are addressed under the Reformed FNCFS Program at a national level.

NAN-Canada Remoteness Quotient Table

- 124.97. The work of the NAN-Canada Remoteness Quotient Tableand may include continuing the development of and updating-of the initial NAN-specific Remoteness Quotient work, the RQAF, and other NAN-specific approaches to addressing remoteness issues and accounting for the increased child and family services costs associated with remoteness that impact NAN First Nations and the FNCFS Agencies that serve them. The NAN-Canada Remoteness Quotient Table may also seek to collaborate with Statistics Canada to further develop the Index of Remoteness. The NAN-Canada Remoteness Quotient TableIt may also model approaches to addressing remoteness issues, working in collaboration collaborate with organizations such as the NARC-Canada Remoteness Table. First Nations Information Governance Centre that have expertise relevant to the modelling or measurement of program costs in NAN communities. For clarity, such modellingwork shall not involve ISC providing greater remoteness adjustment funding within the Initial Five-Year-Funding Period than that provided for in paragraph <u>32.</u>33.
- 125.98. The Ontario Reform Implementation Committee shall consider input from the NAN-Canada Remoteness Quotient Table, including any modelling and research undertaken by the NAN-Canada Remoteness Quotient Table, with respect to how remoteness issues are addressed under the Reformed FNCFS Program for NAN First Nations and the FNCFS Agencies that serve themin Ontario.

Ontario Remoteness Secretariat

<u>126.99.</u> In collaboration with NARC, The NAN-Canada Remoteness Quotient Table shall establish <u>aan Ontario</u> Remoteness Secretariat, which will be a centre

of expertise on the impacts of remoteness experienced by First Nations and FNCFS Agencies. The Remoteness Secretariat shall provide technical support to the NARC-Canada Remoteness Table. The Remoteness Secretariat shall also work collaboratively with the National Secretariat described in Part X (A). in Ontario. The incorporating documents of the Ontario Remoteness Secretariat will set out its governance structure.

- <u>100.</u> The <u>The Ontario Remoteness Secretariat shall work collaboratively with the</u> <u>Ontario FNCFS Data Secretariat described in PART X – ONTARIO FNCFS</u> <u>DATA SECRETARIAT.</u>
- 127.101. The Ontario Remoteness Secretariat shall be responsible for:
 - (a) coordinating and supporting data collection, accumulation, analysis, and research efforts with respect to measurement, implications, and associated costs of remoteness in Ontario; and
 - (b) sharing best practices and disseminating remoteness-related research and tools among First Nations and FNCFS Agencies, <u>in</u> <u>Ontario.</u>
- 102.In this work, the Ontario Remoteness Secretariat may collaborate with
agencies such as Statistics Canada, or organizations whose work includes
Ontario such as the First Nations Information Governance Centre, insofar as
they have expertise relevant to the costs of remoteness in Ontario.
- <u>103.</u> The Ontario Remoteness Secretariat may inform input on remoteness issues provided by the NAN-Canada Remoteness Quotient Table to the Ontario Reform Implementation Committee.
- 128.104. If necessary, ISC shall make best efforts to negotiate an umbrella information-sharing agreement with the <u>Ontario</u> Remoteness Secretariat in order to facilitate the access to and sharing of ISC data related to the measurement of and adjustment of funding for remoteness <u>in Ontario</u>. The <u>Ontario Remoteness Secretariat will facilitate the access to and sharing of child and family services data related to the measurement of and adjustment of funding for remoteness in Ontario, such as Statistics Canada or the First Nations Governance Information <u>Centre</u>.</u>

129.105. ISC shall provide \$313.5 million annually over the Term of this Final Settlement Agreement to support NARC, the NAN-Canada Remoteness Quotient Table and the Ontario Remoteness Secretariat, the allocation of which shall be determined at a later time.

PART XII – FIRST NATIONS EXERCISING INHERENT JURISDICTION OVER CHILD AND FAMILY SERVICES

- <u>106.</u> <u>A first nationFor the purposes of this Part, the definition of First Nation in</u> PART III – DEFINITIONS does not apply.
- 130.107. A First Nation in Ontario that is funded to exercise jurisdiction in the delivery of some or all aspects of child and family services pursuant to a self-government agreement, a treaty arrangement, a coordination agreement under *An Act respecting First Nations, Inuit and Métis children, youth and families*, S.C. 2019, c. 24, or some alternative federal jurisdictional and funding process ("jurisdictional agreement") shall not be offered less funding than what its entitlement would be for services funded under the Reformed FNCFS Funding Approach and covered by such jurisdictional agreement. Save for this Part, this Final Settlement Agreement shall not apply to these first nationsFirst Nations, except respecting services for which the first nationFirst Nation continues to be funded under the Reformed FNCFS Program.
- 131.108. Where a first nationFirst Nation in Ontario receives funding for services pursuant to a jurisdictional agreement, that first nationFirst Nation and its affiliated FNCFS Service Providers shall not receive funding under the Reformed FNCFS Funding Approach for the services covered by the jurisdictional agreement. ISC shall transfer an amount equal to the funding that would otherwise be provided for such services out of the Reformed FNCFS Program. All funding commitments under this Final Settlement Agreement are subject to adjustment on this basis.

PART XIII – AGENCY ACCOUNTABILITY TO FIRST NATIONS IN RELATION TO THE REFORMED FNCFS PROGRAM

Planning

- 132.109. Accountability of FNCFS Agencies to the First Nations they serve is one of the principles of this Final Settlement Agreement. To uphold this principle, and through its funding agreements with FNCFS Agencies under the Reformed FNCFS Program, ISC shall require FNCFS Agencies to codevelop a single child and community well-being plan with its affiliated First Nation(s). The plan must be submitted by June 30, 2025no later than six months following the Effective Date, and extend until March 31, 2029, subject to annual updates, as necessary.
- At least 90 days prior to the expiry of its child and community wellbeing plan, an FNCFS Agency shall submit a subsequent child and community well-being plan, co-developed with the First Nation(s) affiliated with that FNCFS Agency. Where the aforementioned deadlines are not met, ISC shall take any <u>actionsaction</u> available to ensure FNCFS Agency compliance.
- 134.<u>111.</u> A child and community well-being plan developed by the FNCFS Agency, in consultation with their affiliated First Nations, must incorporate:
 - (a) <u>planned</u> activities<u>-undertaken</u> and associated expenditures of the FNCFS Agency with respect to Baseline Funding, emergency funding, and prevention funding, if any, over the Initial Five-Year Funding Period;
 - (b) multi-year financial forecasts including unexpended funds and how they will be spent;
 - (c) plans for the realization of performance <u>targettargets</u> set by <u>theits</u> <u>affiliated</u> First <u>NationNations</u>;
 - (d) risk management strategies;
 - (e) provisions for regular reporting by the FNCFS Agency to theits affiliated First NationNations, which shall include annual numbers of youth who are eligible for or will become eligible for post-majority services funding;

- (f) mechanisms to facilitate the sharing of information, to assist First Nations in the delivery of services under the Reformed FNCFS Program;
- (g) provisions that recognize and respect First Nations' delivery of First Nation Representative Services and post-majority support services;
- (h) an integrated approach to the delivery of prevention services as between the FNCFS Agency and <u>theirits</u> affiliated First Nations, which delineates their respective roles and ensures support to families and their communities in the provision of holistic wrap-around services; and
- (i) consideration for the supporting and complementary roles of the FNCFS Agency and theirits affiliated First Nations in the delivery of services under the Reformed FNCFS Program.
- <u>135.112.</u> Through its funding agreements with FNCFS Agencies under the Reformed FNCFS Program, ISC shall require an FNCFS Agency to:
 - (a) fund the co-development of its child and community well-being plans, including providing opportunities for the meaningful participation of its affiliated First Nation(s) in the co-development process; and
 - (b) report to ISC and its affiliated First Nation(s) on the implementation of its child and community well-being plan(s) on an annual basis.
- 136.113. A First Nation may inform ISC of any concerns it has with its FNCFS Agency's compliance with the child and community well-being plan. ISC shall make the FNCFS Agency aware of the scope of the concerns and consider appropriate responses, which may include individual FNCFS Agency audits.

Community-Wellness Reporting

137.114. ISC's funding agreements with FNCFS Agencies under the Reformed FNCFS Program shall require FNCFS Agencies to collect data and report on indicators drawn from the Measuring to Thrive Framework. The intent of this data collection is to provide First Nations and FNCFS Agencies with a holistic vision of the people they serve and the context in which they operate to support enhanced decision-making. The indicators on which FNCFS Agencies shall collect data with respect to children receiving protection servicesplaced in out-of-home care are as follows:

- (a) Knowledge of Indigenous languages;
- (b) Connection (access) to land;
- (c) Community-based activities;
- (d) Spirituality;
- (e) Family reunification;
- (f) Placement within community (kin and kith);
- (g) Stability (i.e. moves in care);
- (h) Incidence of abuse while child is in care;
- (i) Reason for entry;
- (j) Housing-factor;
- (k) Reason for exit;
- (I) Time to exit;
- (m) Referrals to specialized services within the community:
- (n)(m) pre- and post--natal services
- (o)(n) Referrals to medical services
- (p)(o) Referrals to mental health services;
- (q)(p) Referrals to substance misuse services;
- (r)(q) Referrals to family violence intervention services;
- (s)(r) Referrals to FNCFS prevention services;
- (t) Education
- (u)(s) Early learning childhood education:
- (v)(t) meeting numeracyNumeracy and literacy targets;
- (w)(u) Secondary education completion rate; and
- (x)(v) Post-secondary education aspirations.

- <u>115.</u> The Ontario Reform Implementation Committee shall develop definitions of the indicators listed in paragraph 114 and determine the manner in which data to measure the indicators will be captured.
- 138.116. Through its funding agreements with FNCFS Agencies under the Reformed FNCFS Program, ISC shall require each FNCFS Agency to report annually to its affiliated First Nations and to the National Ontario FNCFS Data Secretariat on the indicators provided for in paragraph 114.
- 139.117. In addition to this mandatory data collection, a First Nation may collaborate with its affiliated FNCFS Agency to collect data on additional wellbeing indicators to enhance theirits performance measurement. First Nations are encouraged to consider collecting community-level information in relation to the following indicators:
 - (a) Availability of community-based services:
 - (i) pre- and post- natal services;
 - (ii) mental health services;
 - (iii) substance misuse services;
 - (iv) family violence intervention services;
 - (v) land-based activities;
 - (vi) cultural and spiritual events; and
 - (vii) FNCFS prevention services.
 - (b) Livable income and affordability
 - (i) percentage of households below Low-<u>-</u>Income Measure-After Tax<u>; and</u>
 - (ii) percentage of households below the Market Basket Measure-.
 - (c) Education;
 - (i) Availability of early childhood education:
 - (ii) Numeracy and literacy target rate (elementary/secondary);
 - (iii) Secondary school completion rate;

- (iv) Access to post-secondary education-; and
- (v) Availability of First Nations language education;
- (d) Housing and water:
 - (i) Housing in need of major repair:
 - (ii) Conditions of overcrowding: and
 - (iii) Homes with potable water from the tap.
- <u>140-118.</u> First Nations may request advice and/or direction from the <u>NationalOntario FNCFS Data</u> Secretariat in relation to the collection of information on community-<u>-</u>level indicators.

ISC Reporting on Compliance

- 141.119. ISC's funding agreements with FNCFS Service Providers under the Reformed FNCFS Program shall allow ISC to report to each First Nation on its affiliated FNCFS Agency's compliance with its funding agreement. ISC shall report on such compliance to a First Nation upon its request, or upon ISC's discovery of material non-compliance by its affiliated FNCFS Agency.
- 142.120. ISC's funding agreements shall also allow ISC to report to the <u>Ontario</u> Reform Implementation Committee on each FNCFS Agency's compliance with its funding agreements. ISC shall report quarterly to the <u>Ontario</u> Reform Implementation Committee on the compliance of FNCFS Agencies with their funding agreements and may consider any recommendations of the <u>Ontario</u> Reform Implementation Committee.

PART XIV – GOVERNANCE OF THE REFORMED FNCFS PROGRAM

A. Ontario Reform Implementation Committee

143.121. The <u>Ontario</u> Reform Implementation Committee shall oversee and monitor the implementation of the Reformed FNCFS Program. <u>Such in</u> <u>Ontario. The Ontario Reform Implementation Committee shall conduct such</u> oversight and monitoring <u>in accordance with the purpose and principles of</u> <u>this Final Agreement. Oversight and monitoring</u> shall consider all reviews and processes established by this Final-Settlement Agreement, including the Program Assessments as described in PART XV – REFORMED FNCFS PROGRAM ASSESSMENTS, to inform the <u>Ontario</u> Reform Implementation Committee's recommendations to Canada with respect to changes to the Reformed FNCFS Program.

- 144.<u>122.</u> The <u>Ontario</u> Reform Implementation Committee can at any time make recommendations in relation to the implementation of the Reformed FNCFS Program <u>in Ontario</u>, except regarding discipline or removal of ISC employees or officers. The Dispute Resolution Process under this Final <u>Settlement</u> Agreement, as described in <u>PART_XIX</u> <u>– DISPUTE_RESOLUTION</u> <u>PROCESS</u>PART_XIX – DISPUTE RESOLUTION PROCESS, shall not be available with respect to any recommendations of the <u>Ontario_</u>Reform Implementation Committee requiring amendment to this Final<u>Settlement</u> Agreement or significant structural change to the Reformed FNCFS Program, except where such recommendations are made by way of the <u>Ontario_</u>Reform Implementation Committee's Initial Program Assessment Opinion further to the requirements of paragraph 206.
- 145.123. The Ontario Reform Implementation Committee shall receive input, recommendations, and/or observations from the Parties, the following entities listed below, and any successors or additional entities constituted and/or unanimously endorsed by the Parties:

(a) Expert Advisory Committee;

- (b)(a) NAN-Canada Remoteness Quotient Table;
- (c)(b) NARC-CanadaOntario Remoteness TableSecretariat;
- (d)(c) National Ontario FNCFS Data Secretariat;
- (e)(d) Systemic Review Committee; and

(f)(e) Technical Advisory Committee.

146. The <u>Ontario</u> Reform Implementation Committee shall consist of fifteen (15eight (8) members who shall be appointed and may serve up to a period ending March 31, 2029. With respect to the composition of the <u>Ontario</u> Reform Implementation Committee, each Party shall appoint one (1) member; NARC shall be entitled to appoint one (1) member; and, except for Ontario and the Northwest Territories, each region (Newfoundland, Prince Edward Island, Nova Scotia, New Brunswick, Quebec, Manitoba, Saskatchewan, Alberta, British Columbia, and Yukon) shall be entitled to appoint one (1) member having due regard for the following criteria:

- (a) Each appointee shall be a First Nations individual who is either a chief, council member, or other such elected leader (elected. Five (5) at the time of their appointment), a First Nations child and family services technician employed by a First Nation, or a child and family services technician employed by a FNCFS Agency.
- (b) Aspirationally, the membership of the Reform Implementation Committee-large members will include both leadership and technical expertise and achieve diversity.
- <u>124.</u> Each of the<u>be appointed by Ontario Chiefs-in-Assembly. The</u> Parties, the NARC, and the regions shall intend for at least one (1) of the at-large members to be a youth with lived experience of out-of-home care.
- 147.125. COO shall advise the Parties of the appointments made by the Ontario Chiefs-in-Assembly. The Parties and the Ontario Chiefs-in-Assembly shall seek to confirm the appointment of their <u>membermembers</u> within thirty (30sixty (60) days following the <u>approval of the Final Settlement Agreement</u> by the Tribunal or, as necessary, the Federal Court or further Appellate Court. Effective Date. The failure to confirm the appointment of a member within this time frame shall not impede the operation of the <u>Ontario</u> Reform Implementation Committee.
- <u>148.126.</u> The <u>Ontario</u> Reform Implementation Committee shall operate in accordance with the terms of reference attached to this Final <u>Settlement</u> Agreement as Appendix <u>87</u>, as updated by the Parties from time to time.
- 149.<u>127.</u> The responsibilities of the <u>Ontario</u> Reform Implementation Committee <u>will</u>include:

- (a) Overseeing and monitoring the implementation of the Reformed FNCFS Program in Ontario and making related recommendations to Canada;
- (b) Supporting the oversight of the Program Assessment Organization and preparation of preparing the Program Assessment Opinions and executive summaries for the Parties and the public;
- (c) Overseeing the Expert Advisory Committee;
- (d) Appointing an independent monitor responsible for monitoring Canada's implementation of the accepted recommendations on the reform of ISC and the efficacy of reforms;
- (e) Discussing possible solutions in the event that Canada fails to reach agreement with a province or Yukon, except Ontario, on governance and accountability provisions within a federal-provincial or federal-Yukon agreement;
- (f)(c) Receiving reports from the National Ontario FNCFS Data Secretariat, NAN-Canada Remoteness Quotient Table, NARC-Canadathe Ontario Remoteness TableSecretariat, ISC, the Systemic Review Committee, and the Technical Advisory Committee in relation to the implementation and efficacy of the Reformed FNCFS Program; and
- (d) Receiving regular updates from the NAN-Canada Remoteness Quotient Table on research with Statistics Canada to improve measurement of the remoteness of communities connected to the main road network by ferry; and
- (g)(e) Publishing an annual report on the progress of the implementation of this Final Settlement Agreement to be made available to the public, which shall be provided in advance to the Parties prior to being released to the public.
- 150.128. Canada shall pay reasonable insurance costs for members of the Ontario Reform Implementation Committee in relation to their duties on that committee, and Canada releases and holds harmless the Ontario Reform Implementation Committee and its members and counsel from any and all claims, counterclaims, suits, actions, causes of action, demands, damages,

penalties, injuries, setoffs, judgments, debts, costs, expenses (including legal fees and expenses), or other liabilities of every character whatsoever by any reason relating to the negotiation and implementation of this Final Settlement Agreement, except arising out of or resulting from fraud, and this Final Settlement Agreement shall be a complete defence.

151.129. Canada shall provide funding in the amount of \$22.2 up to \$17.4 million over the Term to support the reasonable costs, including the reasonable insurance costs, of the participation of members of the Ontario Reform Implementation Committee, and members of the Technical Advisory Committee. The members of the Ontario Reform Implementation Committee and of the Technical Advisory Committee shall -provide reasonably detailed invoicing on a guarterly basis setting out the activities with regard to their participation. Canada agrees to pay the reasonable costs of such activities up to the amount of \$22.2 million over the Term. Such funding shall include, but not be limited to, funding for experts from whom the Ontario Reform Implementation Committee may decide to seek input, as well as youth engagement. Such funding shall also include, but not be limited to, funding for the monitor of ISC reform, outlined in paragraph 216. This funding is fixed for the Term, subject to review following the Initial Program Assessment. ISC shall provide secretariat support for the operation of the ReformedOntario Reform Implementation Committee over the Term.

B. Systemic Review Committee

- <u>152.130.</u> The <u>Ontario</u> Reform Implementation Committee shall establish a Systemic Review Committee as a subcommittee. The <u>Ontario</u> Reform Implementation Committee shall establish Terms of Reference for the Systemic Review Committee, reflecting the terms of this Part.
- 153.131. The Systemic Review Committee's function is to review and identify trends in:
 - Service Provider Funding Adjustment Requests received by ISC from
 First Nations and FNCFS Service Providers pursuant to paragraphs
 167 and 168 and ISC's determinations of said requests; and

- (b) Claimant Disputes filed with the delivered to Canada by Claimants in Ontario, Dispute ResolutionAwards by the Arbitral Tribunal or Appeal Tribunal for Claimant Disputes, and appeal decisions related to Claimant Disputes of the Dispute Resolution Tribunal Ontario Superior Court or other appellate courts pursuant to paragraph 362; and PART XIX – DISPUTE RESOLUTION PROCESS.
- (c) Any feedback or commentary from Claimants relating to their experiences moving through the Claimant Dispute Process received by the Registrar through the process described at paragraph 370.
- 154.132. ISC-and the Registrar shall provide the Systemic Review Committee with the information as set out at paragraph 131 on a quarterly basis.
- 155.133. The Systemic Review Committee shall review the information as set out at paragraph 131 and advise the <u>Ontario</u> Reform Implementation Committee of any trends of concern it finds and make recommendations to address and remedy any of its findings.

C. Technical Advisory Committee

- 156.134. The Ontario Reform Implementation Committee shall establish a Technical Advisory Committee as a subcommittee to provide technical advice on implementation of the Reformed FNCFS Program to the Reform Implementation CommitteeOntario Reform Implementation Committee. In addition to providing technical advice, the Technical Advisory Committee shall develop and disseminate best practice guidelines, tools, and other operational supports to First Nations and FNCFS Service Providers to support delivery of child and family services.
- 157. Canada shall provide up to \$12.0 million over the Term to support the Technical Advisory Committee. The Technical Advisory Committee members shall provide reasonably detailed invoicing on a quarterly basis setting out the activities with regard to their participation. Canada agrees to pay the reasonable costs of such activities up to the amount of \$12.0 million over the Term. This funding is fixed for the Term of this Final Settlement Agreement, subject to review following the Initial Program Assessment.

- 158.135. <u>The The Ontario</u> Reform Implementation Committee shall establish Terms of Reference for the Technical Advisory Committee, reflecting the terms of this Part, and shall appoint its membership. Appointees shall possess relevant technical expertise and will reflect, to the extent possible, regional diversity. No member of the <u>Ontario</u> Reform Implementation Committee shall serve on the Technical Advisory Committee.
- <u>159.136.</u> The Technical Advisory Committee shall facilitate the participation of First Nations youth currently and formerly in care in opportunities to advise on the implementation of the Reformed FNCFS Program.
- 160. The Technical Advisory Committee shall engage existing regional tripartite and technical tables as it deems appropriate.

PART XV – REFORMED FNCFS PROGRAM ASSESSMENTS

A. Overview and Timeline

- <u>161.137.</u> The Reformed FNCFS Program in Ontario shall be the subject of two Program Assessments.
- 162.138. The Program Assessments must be completed by the following deadlines:
 - (a) For the Initial Program Assessment, March 31, 2028; and
 - (b) For the Second Program Assessment, March 31, 2033.

<u>163.139.</u> A summary of the timelines described in this Part is attached at Appendix <u>3.3.</u>

B. Purposes and Scope of Program Assessments

<u>164.140.</u> The purposes of the Program Assessments are:

- to review, evaluate, and document in reports the extent to which the Reformed FNCFS Program in Ontario:
 - achieves progress toward the elimination of discrimination and prevention of its recurrence;

- (ii) provides funding in a sufficient amount and in a manner that is consistent with the purposes and principles of this Final Settlement Agreement;
- (iii) is effective and advances the outcomes of the Reformed FNCFS
 Program through analysis of data collected on the indicators detailed in Appendix 2; 2;
- (iv) improves the well-being and advances the best interests of First Nations children, youth, and families; and
- (b) to provide the <u>Ontario</u> Reform Implementation Committee with reports to consider when formulating its recommendations for program and/or funding changes for the Reformed FNCFS Program in <u>Ontario in</u> its Program Assessment Opinions.
- 165.141. The scope of the Program Assessments shall be defined by the Ontario Reform Implementation Committee and shall be consistent with the purposes and principles of this Final Settlement Agreement and shall include review of the entire Reformed FNCFS Program in Ontario. This shall include, but will not be limited to, the Reformed FNCFS Funding Approach and any related aspects, including funding levels, funding structures, funding allocations, policies, procedures, Terms and Conditions, reporting requirements, funding agreements, and practices.

C. Selection of the Program Assessment Organization

- <u>166.142.</u> <u>The AFNCOO</u> shall initiate a <u>separate</u> request for <u>proposalproposals</u> to select and retain <u>thea</u> Program Assessment Organization(s) to conduct each of the Program <u>Assessment(s), Assessments</u>, on the advice of the <u>Ontario</u> Reform Implementation Committee.
- 167.143. Each request for proposal proposals shall include requirements that the Program Assessment Organization shall observe relevant and applicable ethical standards and, to the extent reasonably possible and consistent with the terms of this Final Settlement Agreement, respect the First Nations principles of Ownership, Control, Access, and Possession® ("OCAP®") or similar data sovereignty frameworks.

- <u>168.144.</u> On the advice of the <u>Ontario</u> Reform Implementation Committee, the <u>AFNCOO</u> shall select an organization from among the bidders that:
 - has relevant qualifications and demonstrated experience to perform program evaluations;
 - (b) is independent and free of conflicts of interest; and
 - (c) is capable of meeting the budget and timeline requirements.
- 169.145. <u>The AFNCOO</u> and the <u>Ontario</u> Reform Implementation Committee may prefer qualified bidders that are owned by or directed by First Nations people or that propose to employ First Nations people to conduct the Program Assessments.
- <u>170.146.</u> On selection of a successful bidder by <u>the AFNCOO</u>, Canada shall provide funding to <u>the AFNCOO</u> through a contribution agreement for the proposed contract price, provided that the price of the contract is reasonable and acceptable to Canada. <u>The AFNCOO</u> shall then contract with the successful bidder, subject to <u>the AFN'sCOO's</u> internal policies.
- 147. To support COO in selecting and retaining the Program Assessment Organization(s) and in translating the executive summary of the Program Assessment Report, ISC shall provide administrative assistance to COO, as agreed to by Canada and COO. Such assistance shall not influence the choice of Program Assessment Organization or the manner in which COO will oversee the work of that Organization.

D. Oversight of the Program Assessments

- <u>171.148.</u> <u>The AFNCOO</u> shall oversee the Program Assessment Organization and, on the advice of the <u>Ontario</u> Reform Implementation Committee, may provide guidance on:
 - (a) the design and methods of the Program Assessments;
 - (b) relevant information, research, reports, and experts; and
 - (c) the participation of First Nations service providers, knowledge holders, and experts in the Program Assessment process.

E. Program Assessment Method and Information Sharing

- 172.149. The Program Assessment Organization shall solicit and consider input from the following groups:
 - (a) First Nations and FNCFS Service Providers;
 - (b) provincial and Yukon governments providing child and family services for Non-Agency First Nations;
 - (b) the National Government of Ontario;
 - (c) the Parties;
 - (c)(d) the Ontario FNCFS Data Secretariat;
 - (d) NARC; and
 - (e) the NAN-Canada RQ Table and the Ontario Remoteness Secretariat; and
 - (e)(f) other groups identified by the AFNCOO, on the advice of the Ontario Reform Implementation Committee.
- <u>173.150.</u> The Program Assessment Organization may also consider:
 - (a) First Nations-defined indicators of poverty, including those currently being developed by the <u>AFNAssembly of First Nations</u>;
 - (b) Indicators of child and family well-being identified in the draft Ontario Special Study developed by COO;
 - (b)(c) research by the <u>Ontario</u> Remoteness Secretariat, Statistics Canada, and others on measuring remoteness and adjusting funding for remoteness, including research on measuring the remoteness of communities connected to the main road network by ferry;
 - (c)(d) any available results of the First Nations Information Governance Centre's planned longitudinal survey on the development and wellbeing of First Nations children, recognizing that significant results will not likely be available until the Second Program Assessment;

- (d)(e) the progress of the First Nations Information Governance Centre with respect to the development of the First Nations census referred to in paragraph 71 and the merit of using that census within the Second Five-Year Funding Period to estimate the on-reserve population of First Nations; and
- (e)(f) unexpended funds held by First Nations and FNCFS Service Providers.
- 174.151. Upon request by the Program Assessment Organization, the relevant Party or the <u>Ontario</u> Reform Implementation Committee shall provide the Program Assessment Organization with timely access to all relevant data, information, reports, agreements, and other information in their possession, power, and control, as reasonably required to complete the Program Assessment.

F. Urgent Circumstances During the Program Assessment Process

175.152. During the Program Assessment process, the Program Assessment Organization shall notify the AFNCOO, who shall in turn notify the Ontario Reform Implementation Committee, if an urgent need arises to address an aspect of the Reformed FNCFS Program that is adversely affecting the delivery of services to First Nations children, youth, and families and. The Program Assessment Organization may provide a recommendation to address it.

G. Program Assessment Reports

- <u>176-153.</u> The Program Assessment Organization shall deliver the Program Assessment Reports to <u>the AFNCOO</u> according to the timelines found at Appendix <u>3</u>3.
- 177.154. Each Program Assessment Report shall provide the deliverables as set out in the request for proposals, but at a minimum shall:
 - (a) include an environmental scan of any relevant factors influencing the Reformed FNCFS Program, such as emerging evidence, legislation, the Structural Drivers, significant events, and technology;

- (b) include a description of the Program Assessment design, methodology, and any limitations;
- (c) where sufficient evidence is available, provide evidence-based recommendations about how Canada can improve the Reformed FNCFS Program in Ontario and remediate any shortcomings;
- (d) identify recommendations supported by and flowing from associated findings and conclusions;
- (e)(d) identify if there are any priority recommendations that should be implemented immediately; and
- (f)(e) highlight any regionsubregion-specific approaches or variations which may be required to achieve consistency with the purposes and principles of this Final Settlement-Agreement.
- <u>178.155.</u> The Program Assessment Organization shall also deliver to the <u>AFNCOO</u> an executive summary of each Program Assessment Report, <u>thatwhich</u> shall include a summary of the recommendations.
- <u>179.156.</u> <u>The AFNCOO</u> may translate the executive summaries into any number of Indigenous languages on the advice of the <u>Ontario</u> Reform Implementation Committee, subject to available funding.
- <u>180.157.</u> <u>The AFNCOO</u> shall make the Program Assessment Reports and the executive summaries public.
- H. <u>Ontario</u> Reform Implementation Committee's Program Assessment OpinionOpinions
- 181.158. The AFNCOO shall distribute the Program Assessment Reports to the Ontario Reform Implementation Committee and to the Parties within fifteen (15) days of receipt from the Program Assessment Organization.
- <u>182.159.</u> The Parties may provide any comments on the Program Assessment Reports to the <u>Ontario</u> Reform Implementation Committee within forty-five (45) days of receipt. The <u>Ontario</u> Reform Implementation Committee shall consider all such comments in formulating its recommendations to Canada.

- 183-160. The Ontario Reform Implementation Committee must deliver its Program Assessment Opinions to Canada and the other Parties by the following deadlines:
 - (a) For its Initial Program Assessment Opinion, June 30, 2028; and
 - (b) For its Second Program Assessment Opinion, June 30, 2033.
- 184.161. The Ontario Reform Implementation Committee's Program Assessment Opinions shall contain recommendations on the Reformed FNCFS Program in Ontario that are consistent with the purposes and principles of this Final Settlement Agreement. Such recommendations shall include, but not be limited to, those related to the Program Assessment Reports.
- 185.162. The <u>Ontario</u> Reform Implementation Committee's Program Assessment <u>OpinionOpinions</u> and any recommendations contained therein, including any recommendations to increase funding for subsequent fiscal years, shall be:
 - (a) consistent with the purposes and principles of this Final Agreement;
 - (b) informed by and derived from the findings and recommendations in the Initial Program Assessment Report, and Reports;
 - (c) reasonable and prudent in light of the evidence and the findings of the Program Assessment Opinion-; and
 - (d) specific to the Reformed FNCFS Program in Ontario.
- 186.163. The Ontario Reform Implementation Committee shall make its Program Assessment Opinions and executive summaries thereof public, following receipt of Canada's response to the Program Assessment Opinions.
- I. Canada's Response to the <u>Ontario</u> Reform Implementation Committee's Program Assessment Opinions

- <u>187.164.</u> Within one-hundred and twenty (120) days of receiving the <u>Ontario</u> Reform Implementation Committee's Program Assessment Opinions, ISC shall:
 - (a) review and consider the Program Assessment Report and the Program Assessment Opinion;
 - (b) in the spirit of a renewed nation-to-nation relationship, work with the Parties to co-develop policy recommendations that shall inform the options that ISC will bring forward for Canada's consideration; and
 - (c) provide the following to each Party and to the <u>Ontario</u>Reform Implementation Committee:
 - written confirmation as to which of the recommendations of the Program Assessment Opinions Canada will accept and implement;
 - the timeline and anticipated implementation date for thethose recommendations of the Program Assessment Opinions accepted by Canada; and
 - (iii) reasonably detailed written reasons in respect of any recommendation that Canada determines it shall not implement or any variation from a recommendation that Canada proposes to implement.
- <u>188.165.</u> Canada shall make its responses to the Program Assessment Opinions public.
- 189.166. With respect to the <u>Ontario</u> Reform Implementation Committee's Initial Program Assessment Opinion, recommendations related to funding levels accepted by Canada shall be implemented no later than April 1, 2029. Canada shall implement other recommendations it has accepted as soon as practicable and appropriate in the circumstances, acting diligently and in good faith.

PART XVI – SERVICE PROVIDER FUNDING ADJUSTMENT REQUESTS

- 190.167. An FNCFS Service Provider may bring a Service Provider Funding Adjustment Request if it is unable within its current funding, for reasons beyond its reasonable control, to deliver services required by law <u>or that are</u> <u>least disruptive measures</u>, and eligible to be funded by the Reformed FNCFS Program.
- 191.168. A First Nation may bring a Service Provider Funding Adjustment Request if it is unable within its current funding, to provide prevention services which are adequate to respond to a prevention need created by an unforeseen event(s), beyond its reasonable control, not including reasonably foreseeable natural events or circumstances covered by other government programs or policies.
- <u>192.169.</u> In order to avoid the duplication of least disruptive measures and prevention funding, where Service Provider Funding Adjustment Requests have been received <u>from First Nations and FNCFS Service Providers</u> in relation to the same event(s), <u>such</u> requests by First Nations shall be prioritized.
- <u>193.170.</u> "Current funding" in this Part includes unexpended funding from prior years with respect to which the First Nation or FNCFS Service Provider has not submitted a spending plan to ISC but excludes prevention funding not available to be reallocated pursuant to paragraph <u>49.51</u>. For clarity, an FNCFS Agency shall be required to expend their prevention funding before making a Service Provider Funding Adjustment Request for funding to deliver least disruptive measures.
- 194.171. A First Nation or FNCFS Service Provider initiates a Service Provider Funding Adjustment Request by sending written notice to ISC of the total amount of additional funding required by the First Nation or FNCFS Service Provider, the reason(s) the additional funding is required, the time(s) by which the additional funding is anticipated to be needed, and whether the funding is requested for one year or multiple years. In the case of a request by an FNCFS Agency, the request must be accompanied by evidence of

written support of the leadership of the FNCFS Agency's affiliated First Nation(s) that are affected.

- 195.172. Where a First Nation or FNCFS Service Provider requests additional funding through a channel other than the process outlined in this Part, ISC shall refer the requestor to the Service Provider Funding Adjustment Request process.
- 196.173. Within fifteen (15) days of ISC's receipt of a Service Provider Funding Adjustment Request, ISC shall meet with the First Nation or FNCFS Service Provider regarding the request.
- 197.174. Within thirty (30) days of ISC meeting with the First Nation or FNCFS Service Provider and obtaining supporting documentation, ISC shall make a determination with respect to the Service Provider Funding Adjustment Request. If ISC has not made such a determination within the thirty (30) day period, the request shall be deemed to have been denied and the FNCFS Service Provider may access the <u>Dispute Resolution Process for</u> Claimant <u>Dispute TribunalDisputes</u>.
- <u>198.175.</u> A First Nation or FNCFS Service Provider may request a funding adjustment on an urgent basis, if any delay in receiving a response would significantly impact on the health or safety of identified children, youth, and/or families. ISC shall take measures necessary to ensure the safety and wellbeing of the identified children, youth, and/or families within five (5) days of receipt of such a request. If ISC has not made a determination with respect to the request within ten (10) days of receipt of the urgent request, the request shall be deemed to have been denied and the First Nation or FNCFS Service Provider may access the <u>Dispute Resolution Process for</u> Claimant <u>Dispute TribunalDisputes</u>.

PART XVII – CULTURAL HUMILITY TRAINING AND REFORM OF ISC AND SUCCESSOR DEPARTMENTS

- 199. The Parties agree that reform of ISC is required to address systemic discrimination within the FNCFS Program and prevent its recurrence within the administration of the Reformed FNCFS Program.
- 200. The AFN, Caring Society, Canada, COO, and NAN obtained a consent order in *First Nations Child & Family Caring Society of Canada et al. v. Attorney General of Canada (representing the Minister of Indigenous and Northern Affairs Canada)*, 2022 CHRT 8 ("2022 CHRT 8") which provided for the creation of an Expert Advisory Committee to provide advice and guidance on the reform of ISC.
- 201. The Reform Implementation Committee shall oversee the Expert Advisory Committee, including providing direction and guidance as required. The terms of reference of the Expert Advisory Committee are attached at Appendix 7, which may be updated by the Reform Implementation Committee.
- 202. Canada shall continue to facilitate the work and to fund the reasonable costs of the Expert Advisory Committee for work performed within its mandate.

A. Initial Third-Party Evaluation

- 203. The Expert Advisory Committee shall support the development and implementation of an independent expert third-party evaluation of ISC, to be completed within two years following the approval of this Final Settlement Agreement by the Tribunal or, as necessary, the Federal Court or further Appellate Court. Canada shall provide reasonable funding for the independent expert third-party evaluation.
- 204. This evaluation shall be conducted to identify and provide recommendations to the Expert Advisory Committee related to the reform of internal departmental processes, procedures, and practices that contributed to the discrimination found by the Tribunal, as well as the elimination of the 'old mindset' it identified and the prevention of its recurrence.
- 205. The Expert Advisory Committee shall provide advice to the independent evaluators in the design, focus, and implementation of their assessment.
- 206. The evaluation shall include, but not be limited to, the following:

- (a) Policy and decision-making structures and processes;
- (b) Cultural norms and attitudes, including response to external critique;
- (c) Human resource policies, procedures and agreements, including values and ethics, training (including regarding anti-racism, cultural competency and the impact of child and family services discrimination on First Nations families and communities), executive and staff performance commitments, and guidance documents;
- (d) Development of organizational competency and capacity to comprehend and respond to evidence-informed evaluations;
- (e) Internal accountability mechanisms; and
- (f) Consideration of proposals for external accountability measures.
- 207. The evaluation may draw on existing historical reports and resource materials, including those commissioned by some of the Parties, and include consultation conducted in an iterative way with ISC officials, First Nations youth in care and young adults formerly in care, First Nations leadership, FNCFS Agencies, and experts such as provincial and territorial child advocates. It may also include consultation with provinces and Yukon.
- 208. This evaluation shall be made accessible to the public.

B. Work Plan

- 209. Upon completion of and based upon the independent expert third-party evaluation, the Expert Advisory Committee shall develop a work plan as contemplated in 2022 CHRT 8.
- 210. The work plan shall include advice to the Reform Implementation Committee as to whether and when future complementary departmental evaluations to support ISC reform should be undertaken.
- 211. The Expert Advisory Committee shall deliver the workplan to the Reform Implementation Committee, who shall consider the advice therein and make recommendations to Canada on the reform of ISC.
- 212. ISC shall take reasonable measures to begin implementing the recommendations of the Reform Implementation Committee, recognizing

that certain recommendations may require ISC to seek new authorities or may not be acceptable to Canada.

- 213. The work plan and the Reform Implementation Committee's recommendations shall be made accessible to the public.
- 214. The Expert Advisory Committee's mandate shall be fulfilled as of the delivery of the work plan to the Reform Implementation Committee.

C. Monitoring ISC Reform

- 215. Upon adoption by ISC of the recommendations of the Reform Implementation Committee, the Reform Implementation Committee shall appoint an independent monitor who shall be responsible for monitoring Canada's implementation of the accepted recommendations and the efficacy of the reforms.
- 216. The monitor shall report to the Reform Implementation Committee as needed, but no less than on an annual basis.
- 217. The Reform Implementation Committee may consider a continued or future role, if any, of an advisory committee to advise on the reform of ISC.

D. Mandatory Training for ISC Employees

- 218.176. ISC shall continue to require mandatory cultural humility training for all ISC employees that support implementation of this Final Agreement of at least fifteen (15) hours annually, and up to thirty (30) hours annually for those occupying management and executive level positions or those whose responsibilities require regular interactions with First Nations andor their citizens. ISC shall make best efforts to encourage similar training for the employees of other Government of Canada entities that are engaged in or intersect with the<u>support</u> implementation of the Reformed FNCFS Programthis Final Agreement.
- 219.177. Within ninety (90one hundred twenty (120) days following the approval of this Final Settlement Agreement by the Tribunal or, as necessary, the Federal Court or further Appellate CourtEffective Date, ISC shalland the

<u>Ontario Reform Implementation Committee shall jointly</u> develop and implement a trauma-informed and appropriate cultural humility training program for <u>ISC</u> employees that <u>includes</u> <u>support implementation of this Final</u> <u>Agreement</u>, <u>which will include</u>, but <u>is</u>-not <u>be</u> limited to, the following topics:

- (a) Truth-telling component on how Canada's past and contemporary actions impact First Nations children, youth, and families;
- (b) The United Nations Declaration on the Rights of Indigenous Peoples;
- (c) The reports of the Truth and Reconciliation Commission of Canada;
- (d) The United Nations Convention on the Rights of the Child;
- (e) First Nations' culture, worldview, and history;
- (f) Factors causing over-representation of First Nations children in the child welfare system, including the intergenerational impacts of the Indian Residential School system, the Indian Day Schools, and the Sixties Scoop;
- (g) The findings of the Missing and Murdered Indigenous Women, Girls, and Two Spirit Inquiry, including impacts on First Nation families;
- Social movements such as Idle No More and Families of Sisters in Spirit;
- (i) The history of the FNFCS Program, including the reviews and evaluations conducted from 2000 to 2011 and the Tribunal findings in the First Nations Child & Family Caring Society of Canada et al. v. Attorney General of Canada (representing the Minister of Indigenous and Northern Affairs Canada) proceedings; and
- (j) The historical and contemporary social and economic conditions of remote First Nations.
- <u>220.178.</u> Cultural humility training made available to ISC employees may include experiential learning, such as:
 - (a) Elders' teachings and ceremonies;
 - (b) First Nations-led workshops, such as the *Touchstones of Hope* dialogue sessions;

- (c) First Nations research seminars;
- (d) Elders gatherings and First Nations assemblies; and
- (e) <u>Visiting communitiesCommunity visits</u>, including learning about the lived realities of remote communities.
- <u>221.179.</u> ISC shall track mandatory training for all employees <u>that support</u> <u>implementation of this Final Agreement</u> and include training commitments in the performance management agreements of all<u>such</u> employees.
- <u>222.180.</u> ISC shall report the results of its internal tracking to the independent monitor as referenced in paragraph 216 annuallyOntario Reform Implementation Committee.
- 181. COO and NAN may continue to provide advice and guidance to ISC on the reform of ISC to prevent the recurrence of systemic discrimination with regard to the implementation of the FNCFS Program and the Reformed FNCFS Program in Ontario.

PART XVIII -- INTERIM DISPUTE RESOLUTION PROCESS

- 182. This Interim Dispute Resolution Process is available only to the Parties.
- <u>223.183.</u> For the purpose of this interim dispute resolution processInterim Dispute Resolution Process, the Parties agree to be bound by the *Arbitration Act*₇ 1991, S.O. 1991, c. 17.
- 224. The Parties acknowledge that Parties' Disputes may arise before the Dispute Resolution Tribunal is established. The process within this Part shall govern disputes between the Parties until the President is appointed by Order-in-Council and determines that the Transitional Dispute Resolution Tribunal is operational and implemented pursuant to paragraph 258.
- 225. Existing adjudication processes under the FNCFS Program shall continue to determine appeals until the President is appointed by Order-in-Council and determines that the TransitionalInterim Dispute Resolution Tribunal is operationalProcess will be in force and implemented pursuant to paragraph 258.
- 226. Upon bind the Parties as of the President providing written notice to the Parties of its determination that the Transitional Dispute Resolution Tribunal

is operational and implemented pursuant to paragraph 258, this Part shall no longer govern disputes between the Parties, save for those pending before the President's notice.

- 227. The Parties agree to engage in the interim dispute resolution process outlined below:
 - (a) if a Parties' Dispute arises, the Parties with an interest in the identified dispute shall engage the Eminent First Nations Person to resolve the dispute in accordance with the terms<u>date of signature</u> of this Final Settlement_Agreement. Prior to the Eminent First Nations Person completing his role as the Eminent First Nations Person, by the Parties are to agree on a new Eminent First Nations Person;
 - (b) the Eminent First Nations Person may, prior to commencing the interim dispute resolution process, engage the, notwithstanding the <u>Effective Date. The</u> Parties inagree that this Part is an informal discussion with a view to proposing a wide range of resolution alternatives, including traditional First Nations dispute resolution procedures;
 - (c) the Eminent First Nations Person shall, in consultation with the Parties, set out the processes to be used, which may include determining items such as the relevant and applicable law to the issue in dispute, evidence, witnesses, document production, and the form and timing of written and oral representations;
- 228.<u>184.</u> the Eminent First Nations Person shall have full authority to issue a direction, order, or award, resolving the dispute between the Parties, in keeping with the relevant and applicable law in relation to the issue in dispute. Such direction, order, or award shall not be subject to an appeal or a right of review, except on grounds of exceeding jurisdiction, errorsarbitration agreement for the purposes of law, or procedural fairness; the Arbitration Act 1991, S.O. 1991, c. 17 and the ADRIC Arbitration Rules.
 - (a) the Eminent First Nations Person shall determine the scope of the interim dispute resolution process, and may request submissions from the Parties prior to making any such determination; and

- (b) the Parties acknowledge and agree that any appeals or reviews of any direction, order or award made by the Eminent First Nation Person shall be governed by the laws of Ontario.
- 185. In the period between the date of signature of this Final Agreement by the Parties and the Effective Date, the Interim Dispute Resolution Process may be used to resolve all disputes, controversies, disagreements, or claims of a Party that arise out of, relate to, or are in connection with the obligations, rights or responsibilities of any Party set out in this Final Agreement, including any question regarding the implementation, application, interpretation and/or breach of such obligations, rights or responsibilities.
- 186. The Parties agree that in the period between the date of signature of this Final Agreement by the Parties and the Effective Date, they will remit all disputes set out in paragraph 185 to final and binding arbitration under the ADRIC Arbitration Rules, subject to the modifications set out in this Part. There shall be no Appeal Tribunal in the Interim Dispute Resolution Process.
- 187. A Notice to Arbitrate under this Part must be delivered within sixty (60) days of a Party becoming aware of facts that give rise to the Dispute, otherwise the Party shall be deemed to have waived their right to have the Dispute heard.
- <u>188.</u> An Answer to Notice under this Part must be delivered within thirty (30) days of the delivery of the Notice to Arbitrate.
- 189. The IBA Rules on the Taking of Evidence in International Arbitration (the "IBA Rules") in force at the time of the execution of this Final Agreement apply to the Interim Dispute Resolution Process and shall replace the ADRIC Arbitration Rules to the extent of any conflict, except that Article 3 of such IBA Rules shall not apply.
- <u>190.</u> The Parties may agree that the ADR Institute of Canada, Inc. ("ADRIC") will administer an arbitration under this Part.
- <u>191.</u> Canada shall bear the reasonable fees and expenses of an Arbitral Tribunal and the ADRIC administration service fees, if applicable.

PART XIX - DISPUTE RESOLUTION PROCESS

A. Overview

Types of Disputes

- <u>192.</u> The Parties agree that the Dispute Resolution Process shall be subject to the Arbitration Act, 1991, S.O. 1991, c. 17.
- 193. All Disputes shall be resolved by final and binding arbitration.
- 194.The Parties agree this Part is an arbitration agreement between the Partiesfor the purposes of the Arbitration Act, 1991, S.O. 1991., c. 17 and the ADRICArbitration Rules.
- 195. The Dispute Resolution Process applies as of the Effective Date. Existing adjudication processes under the FNCFS Program available to First Nations and FNCFS Service Providers on the date of signature of this Final Agreement by the Parties shall continue until the Effective Date.
- <u>229.196.</u> The Dispute Resolution Process is intended to resolve two types of disputes, as set out in this <u>ArticlePart</u>: Parties' Disputes and Claimant Disputes.

Parties' Disputes

- <u>230.197.</u> A Parties' Dispute is a dispute, controversy, disagreement, or claim of a Party that arises out of, relates to, or is in connection with:
 - this Final Settlement Agreement, including any question regarding its existence, validity, termination, implementation, application, and interpretation and/or breach, other than a Claimant Dispute;
 - (b) a decision by Canada as to whether or how any recommendations of the <u>Ontario</u> Reform Implementation Committee will be implemented.
 - (c) a disagreement between the Parties as to whether paragraph 304 applies so as to prevent COO or NAN from making submissions before the Tribunal.
- 198. A Parties' Dispute does not include:
 - (a) a dispute concerning Canada's decision about whether or how any recommendations contained in the Second Program Assessment Opinion will be implemented;

- (b) a claim that Canada has failed to obtain or advance the Funding Commitment set out in PART IV – FUNDING COMMITMENT, or any claim for breach of contract, action in tort or other claim that Canada has breached this Final Agreement by failing to approve the Final Agreement or by failing to obtain, appropriate, or make available to First Nations or FNCFS Service Providers the funding provided for in PART IV – FUNDING COMMITMENT of this Final Agreement;
- (c) a dispute concerning Canada's decision about whether or how to implement any recommendations from the Ontario Reform Implementation Committee that require an amendment to this Final Agreement; or
- (d) a dispute, controversy, disagreement, or claim of a Party that arises out of a fact situation occurring between the date of signature of this Final Agreement and the Effective Date or after the expiration or termination of this Final Agreement.
- <u>199.</u> The Dispute Resolution Process is the exclusive procedure for resolving Parties' Disputes.

Claimant Disputes

- 200. A Claimant Dispute is a dispute, controversy, disagreement, or claim of a <u>First Nation or FNCFS Service Provider which arises out of, relates to, or is</u> <u>in connection with:</u>
 - (a) the failure to advance the funding allocation of a particular First Nation or FNCFS Service Provider as set out in this Final Agreement;
 - (b) the accuracy of a First Nation's or FNCFS Service Provider's funding allocation provided under this Final Agreement;
 - (c) the entitlement of a First Nation or FNCFS Service Provider to be funded for any amount under this Final Agreement;
 - (d) ISC's decision to deny (in whole or part) a First Nation's or FNCFS Service Provider's Service Provider Funding Adjustment Request; or
 - (e) ISC's decision to deny (in whole or part) a First Nation's or FNCFS Service Provider's FNCFS capital funding request or proposal.

- 201. A Claimant Dispute does not include a dispute, controversy, disagreement or claim of a First Nation or FNCFS Service Provider, including one of the nature listed in paragraph 200, where general damages, damages for discrimination, or punitive damages are sought, or where the First Nation or FNCFS Service Provider has not consented to resolve the Claimant Dispute by way of the Dispute Resolution Process for Claimant Disputes.
- <u>202.</u> The Dispute Resolution Process for Claimant Disputes described in this Final Agreement is not intended to abrogate or derogate from a Claimant's rights provided for under the *Canadian Human Rights Act*, R.S.C., 1985, c. <u>H-6.</u>
- 203. A First Nation or FNCFS Service Provider is not obligated to resolve matters described in paragraph 200 by way of the Dispute Resolution Process for Claimant Disputes and may seek remedies to which it may be entitled for such matters in any way it chooses, including by pursuing a claim in a court of competent jurisdiction or under the Canadian Human Rights Act, R.S.C., 1985, c. H-6.
- 204. Claimant Disputes shall be resolved pursuant to the procedures set forth in this Part, which shall be the exclusive procedure for resolving a Claimant Dispute for any Claimant who has consented to the use of the Dispute Resolution Process for Claimant Disputes and entered into an Arbitration Agreement.

Jurisdiction of Arbitral Tribunal and Appeal Tribunal – Parties' Disputes

- 205. In considering a Parties' Dispute, an Arbitral Tribunal shall assess the reasonableness of Canada's decision that gave rise to the Parties' Dispute, considering only the materials that were before Canada's decision maker and the written reasons for decision, if any. Alternatively, where a Parties' Dispute arises but Canada has not made a decision to be reviewed, an Arbitral Tribunal shall consider the circumstances giving rise to the Parties' Dispute. In any Parties' Dispute, an Arbitral Tribunal has the jurisdiction to:
 - (a) process, adjudicate, and resolve Disputes, including by making procedural and substantive decisions;
 - (b) lengthen or shorten any time limit established by this Final Agreement; and

- (c) decide any procedural or evidentiary question arising during the hearing;
- (d) on request of a Party in a Dispute, order any Party to take any reasonable interim measure as the Arbitral Tribunal may consider necessary in respect of the subject matter of a Dispute;
- (e) order such remedies as are permitted under this Final Agreement, having regard to the parameters of the Dispute Resolution Process and the limitations and remedies set out at paragraphs 197, 198 and 212 of this Final Agreement;
- (f) order funding to a particular First Nation or FNCFS Service Provider as set out in this Final Agreement;
- (g) order that interest be paid on amounts ordered to be paid, on the same basis as in s. 31 of the Crown Liability and Proceedings Act, R.S.C., 1985, c. C-50; and
- (h) order Canada to pay a Party's legal costs on such terms as are just and in accordance with the Department of Justice's external agent counsel rates.
- 231.206. In a Parties' Dispute concerning Canada's decision about whether or how any recommendations contained in the Initial Program Assessment Opinion will be implemented, the Dispute Resolution an Arbitral Tribunal shall assess the reasonableness of Canada's decision and may order any remedy that could at common law be awarded on judicial review, subject to the limitations contained in paragraph 241.212 of this Final Agreement. In conducting its review, the Dispute Resolution Arbitral Tribunal shall consider, among other factors:
 - (a) whether the recommendations contained in the Initial Program Assessment Opinion are consistent with the principles and limitations in paragraph 186;paragraphs 161 and 162 of this Final Agreement;
 - (b) whether the recommendations contained in the Initial Program Assessment Opinion require an amendment to this Final Settlement Agreement;

- (c) the Program Assessment Report; and
- (d) Canada's reasons for its decision, if any.
- 207. An Appeal Tribunal, when reviewing the decision of an Arbitral Tribunal in a Parties' Dispute, shall conduct a *de novo* assessment of the reasonableness of Canada's decision that gave rise to the Parties' Dispute, based on the record before the Arbitral Tribunal and, where the context requires, the factors set out in paragraph 206 of this Final Agreement. An Appeal Tribunal has the same jurisdiction as an Arbitral Tribunal in relation to a Parties' Dispute, as set out in paragraph 205 of this Final Agreement, and in addition may uphold Canada's decision or substitute its own decision, subject to the limitations set out in paragraph 212 of this Final Agreement.

Jurisdiction of an Arbitral Tribunal and Appeal Tribunal – Claimant Disputes

- 208. In considering a Claimant Dispute, an Arbitral Tribunal shall conduct a review of Canada's decision giving rise to the Claimant Dispute, considering only the materials that were before Canada's decision maker and the written reasons for decision, if any.
- 209. Notwithstanding paragraph 208, an Arbitral Tribunal may also consider, as applicable:
 - (a) the views of the Claimant and any associated First Nations:
 - (b) the legal traditions and protocols of the relevant First Nation;
 - (c) the circumstances of the individual First Nation:
 - (d) the urgency of the funding that is the subject of the Claimant Dispute: and
- 232.1.__A Parties' Dispute does not include:
 - (a) a dispute concerning Canada's decision about whether or how any recommendations contained in the Second Program Assessment Opinion will be implemented;
 - (b) a claim that Canada has failed to obtain or advance the Funding Commitment set out in PART IV FUNDING COMMITMENT, or any claim for breach of contract, action in tort or other claim that Canada

has breached this Final Settlement Agreement by failing to approve the Final Settlement Agreement or by failing to obtain, appropriate, or make available to First Nations or FNCFS Service Providers the funding provided for in PART IV – FUNDING COMMITMENT of this Final Settlement Agreement; or

- (c) a dispute concerning Canada's decision about whether or how to implement any recommendations from the Reform Implementation Committee that require an amendment to this Final Agreement.
- 233. The Parties' Dispute Resolution Process is the exclusive procedure for resolving Parties' Disputes, save for the interim dispute resolution process in PART XVIII INTERIM DISPUTE RESOLUTION.
- 234. Parties' Disputes shall be resolved pursuant to the procedures set forth in Article C of this Part.
- 235.<u>1. A Claimant Dispute is a dispute, controversy, disagreement, or claim of a</u> First Nation or FNCFS Service Provider which arises out of, relates to, or is in connection with:
 - (a) any evidence not before the failure to advance decision maker that is tendered by the allocation of a particular First Nation or FNCFS Service Provider as set out in this Final Settlement Agreement;
 - (b) <u>parties to</u> the accuracy of a First Nation's or FNCFS Service Provider's funding allocation provided under this Final Settlement Agreement;
 - (c)(a)_the entitlement of a First Nation or FNCFS Service Provider to be funded for any amount under this Final Settlement Agreement;
 - (d)(a)_ISC's decision to deny (in whole or part) a First Nation's or FNCFS Service Provider's Service Provider Funding Adjustment Request; or
 - (e) ISC's decision to deny (in whole or part) a First Nation's or FNCFS Service Provider's FNCFS capital funding request.
 - (f)(e) A Claimant Dispute does not include a dispute, controversy, disagreement or claim of a First Nation or FNCFS Service Provider, including one of and that the Arbitral Tribunal finds relevant and

appropriate in the nature listed above, where general damages, damages for discrimination, or punitive damages are sought, or where the First Nation or FNCFS Service Provider has not consented to resolve the Claimant Dispute by way of the Claimant Dispute Process. circumstances.

- 236.<u>1.</u> The Claimant Dispute Resolution Process described in this Final Settlement Agreement is not intended to abrogate or derogate from a Claimant's rights provided for under the *Canadian Human Rights Act*, RSC, 1985, c-H-6.
- 237. A First Nation or FNCFS Service Provider is not obligated to resolve matters described in paragraph 235 by way of the Claimant Dispute Resolution Process and may seek remedies to which it may be entitled for such matters in any way it chooses, including by pursuing a claim in a court of competent jurisdiction or under the *Canadian Human Rights Act*, RSC, 1985, c H-6.
- 238. Claimant Disputes shall be resolved pursuant to the procedures set forth in Article D of this Part, which shall be the exclusive procedure for resolving a Claimant Dispute for any Claimant who has consented to the use of the Claimant Dispute Resolution Process, save for the interim dispute resolution process in PART XVIII – INTERIM DISPUTE RESOLUTION.

Jurisdiction of the Dispute Resolution Tribunal

- 239.210. The Dispute Resolution Tribunal has In considering a Claimant Dispute, an Arbitral Tribunal has the jurisdiction to:
 - (a) process, adjudicate, and resolve Disputes, including by making procedural and substantive decisions;
 - (b) lengthen or shorten any time limit established by this Final Agreement; and
 - (c) decide any procedural or evidentiary question arising during the hearing;
 - (b)(d) on request of a party to a Dispute Claimant or Canada, order any party to a Dispute to take any reasonable interim measure in relation to the health or safety of a child as the Dispute Resolution Arbitral Tribunal

may consider necessary in respect of the subject matter of <u>athe</u> <u>Claimant</u> Dispute;

- (c)(e) order such remedies as are permitted under this Final Settlement Agreement, having regard to the parameters of the Parties' Dispute <u>Resolution</u> Process and<u>for</u> Claimant <u>Dispute ProcessDisputes</u> and the limitations and remedies set out at paragraphs 231200, 201 and 241; 212 of this Final Agreement;
- (d)(f) order funding to a particular First Nation or FNCFS Service Provider as set out in this Final Settlement Agreement;
- (e)(g) order that interest be paid on amounts ordered to be paid, on the same basis as in the *Federal Courts*s. 31 of the *Crown Liability and* <u>Proceedings</u> Act, <u>RSC,R.S.C.</u>, 1985, c-F-7. C-50; and
- (f)(h) order, at any time, Canada to pay the<u>a Claimant's</u> legal costs for a <u>lawyer</u> of the Claimant's choosing to represent the Claimant at any party tostage of a <u>Claimant</u> Dispute, on such terms as are just and in accordance with rates for counsel funded by Canada at the rates provided for by the Department of Justice's external agent counsel rates.
- 240. The Dispute Resolution Tribunal does not have jurisdiction to:
- 211. In a Claimant Dispute, an Appeal Tribunal shall conduct a *de novo* assessment of the reasonableness of Canada's decision that gave rise to the Claimant Dispute, based on the record before the Arbitral Tribunal and, where the context requires, the factors set out in paragraph 209 of this Final Agreement. An Appeal Tribunal has the same jurisdiction as an Arbitral Tribunal in relation to a Claimant Dispute as set out in paragraph 1 and in addition may uphold Canada's decision or substitute its own decision, subject to the limitations set out in paragraph 212 of this Final Agreement.

Limitations on Jurisdiction – Arbitral Tribunal and Appeal Tribunal in all Disputes

- 212. With respect to both Parties' Disputes and Claimant Disputes, an Arbitral Tribunal and an Appeal Tribunal do not have jurisdiction to:
 - (a) amend any provision of this Final Settlement Agreement;

- (b) award general damages, punitive damages, or damages for discrimination;
- (c) determine a claim as described in paragraph <u>384;</u> 300<u>of this Final</u>
 <u>Agreement;</u>
- (d) expand the jurisdiction of the Dispute Resolutionan Arbitral Tribunal or an Appeal Tribunal;
- reduce the existing funding of any First Nation or FNCFS Service Provider or the funding entitlement of a First Nation or FNCFS Service Provider under this Final Settlement Agreement;
- (f) reduce the level of the overall funding commitment provided for in paragraphs <u>55</u>, 7 and <u>911</u> of this Final-<u>Settlement</u> Agreement;
- (g) make orders in the Claimant Dispute Process that <u>requiresrequire</u> or <u>resultsresult</u> in systemic change;
- (h) order Canada to fund new components of the Reformed FNCFS Funding Approach or increase funding for existing components of the Reformed FNCFS Funding Approach, unless otherwise set out in this Final <u>Settlement</u> Agreement; or
- (i) introduce additional indexation factors (for example, new methods of calculation of calculating population growth or inflation).
- **B.** Principles and Rules Applicable to Determination of Disputes
- 213. An Arbitral Tribunal shall decide all Disputes in accordance with this Final Agreement and in particular its purposes and principles.
- 214. An Arbitral Tribunal shall, in considering procedure for resolving a Dispute, proceed in a just, expeditious, and cost-effective manner, having regard to cultural appropriateness and as is appropriate in all the circumstances of the case.
- 215. All Disputes shall be resolved under the ADRIC Arbitration Rules in force at the time of the signing of this Final Agreement, as modified by this Final Agreement.

- 216. The Arbitral Tribunal is the master of its own proceedings, and will be guided by:
 - (a) the ADRIC Arbitration Rules,
 - (b) the IBA Rules on the Taking of Evidence in International Arbitration, except Article 3,
 - (c) the advice of a Cultural Officer as appointed and whose duties are set out under this Final Agreement; and
 - (d) the Federal Court's Practice Guidelines For Aboriginal Law Proceedings April 2016, section D on Elder Evidence.

241.217. An Adjudicator or Adjudication PanelArbitral Tribunal may;

- (a) upon the enabling Legislation coming into force, in the same manner and to the same extent as a superior court of record, summon and enforce the attendance of witnesses and compel them to give oral or written evidence on oath and to produce any documents and things that the Adjudicator or Adjudication PanelArbitral Tribunal considers necessary for the full hearing and consideration of the complaintDispute;
- (b) administer oaths or affirmations and require a witness to testify under oath or affirmation;
- (c) receive and accept any evidence and other information, whether on oath or by affidavit or otherwise, that the Adjudicator or Adjudication PanelArbitral Tribunal sees fit, whether or not that evidence or information is or would be admissible in a court of law;
- (d) lengthen or shorten any time limit established by the rules of procedure; and
- (e) decide any procedural or evidentiary question arising during the hearing.

242.218. <u>An Adjudicator or Adjudication PanelAn Arbitral Tribunal and Appeal</u> <u>Tribunal</u> may not admit or accept as evidence anything that would be inadmissible in a court by reason of any privilege <u>or confidence</u> recognized by the common law or legislation, including those privileges and confidences set out in sections 37 through 39 of the *Canada Evidence Act*, R.S.C. 1985, c. C-5.

Posting of Information About the Dispute Resolution Process

- 219. The Parties agree that where applicable, evidence can they will each make information about the Dispute Resolution Process publicly accessible, including at least the following information:
 - (a) the address for service to serve a Notice to Arbitrate on Canada;
 - (b) the address for service to serve a Notice to Arbitrate on COO;
 - (c) the address for service to serve a Notice to Arbitrate on NAN;
 - (d) the contact information for Duty Counsel;
 - (e) the address to provide a copy of a Notice to Arbitrate to ORIC;
 - (f) a link to the ADRIC Arbitration Rules;
 - (g) a link to the IBA Rules on Taking Evidence;
 - (h) a link to the Federal Court Elder Evidence and Oral History Protocol; and
 - (i) any forms required to be takensubmitted in a manner that is guidedClaimant Dispute, including the standard form Claimant Arbitration Agreement.
- 243.220. COO and NAN shall make the information set out in paragraph 219 publicly accessible by the Federal Court's Practice Guidelines For Aboriginal Law Proceedings April 2016, section D on Elder Evidence.at least publishing it on their websites and any website devoted to the implementation of this Final Agreement.
- 221. Principles Applicable to Determination of Canada shall make the information set out in paragraph 219 available on ISC's website relating to this Final Agreement, in any correspondence with First Nations and FNCFS Service Providers concerning their funding allocations and capital project decisions, and on written request from a First Nation or an FNCFS Service Provider.

Disputes <u>Delivered Prior to Expiry of Agreement</u>

- 244. The Dispute Resolution Tribunal shall decide all Disputes Where a Party or Claimant has delivered a Notice to Arbitrate prior to March 31, 2034, provided that the issues in dispute relate only to the period covered by this Final Agreement, the Dispute shall be decided in accordance with this Final Settlement Agreement and in particular its purposes and principles.
- 245. The Dispute Resolution Tribunal shall, in considering procedure for resolving a dispute, take, notwithstanding the procedure that shall result in the just, most expeditious, and cost-effective manner, having regard to cultural appropriateness and as is appropriate in all the circumstances of the case.

Disputes Filed Prior to Expiry of Agreement

246.222. Any Parties' Dispute<u>expiry</u> or Claimant Dispute filed with the Dispute Resolution Tribunal prior to March 31, 2034, shall be decided by the Dispute Resolution Tribunal. The Dispute Resolution Tribunal shall continue to operate only with regard to concluding pending claims and shall be funded to do so for a period of six (6) months from the conclusion<u>termination</u> of any hearings that are properly filed with the Dispute Resolution Tribunal.<u>this Final</u> Agreement, however caused.

Nature of Dispute Decisions and Extent of Judicial Intervention and ReviewAwards

- 247.223. A <u>Dispute Award in a</u> Parties' Dispute Decision shall be binding on all Parties, regardless of whether the <u>partyParty</u> chose to <u>be a Participating</u> <u>Partyparticipate in the arbitration of the Dispute</u>.
- 248.224. A Dispute Award in a Claimant Dispute Decision shall be binding on the Claimant and ISC.

Parties' Disputes shall be governed Appeal to Superior Court of Justice

- 249.225. An Appeal Tribunal's Dispute Award shall be final and binding, unless it is set aside or varied by the Ontario Superior Court of Justice for reasons set out in the Arbitration Act, 1991, S.O. 1991, c. 17-and Claimant disputes shall be governed by the provincial or territorial arbitration act where the Claimant is located.
- 250. If the enabling Legislation so provides when in force, Dispute Decisions made after such legislation is brought into force shall be final and binding

and subject to review by the Federal Court of Canada only in accordance with the *Federal Courts Act* on the grounds referred to in paragraph 18.1 (4) of that *Act*.

Enforcement of Dispute Decisions

- 251. If the legislation establishing the Dispute Resolution Tribunal so provides when in force, a party to any Dispute may register a Dispute Decision in the Federal Court of Canada, and a Dispute Decision may be enforceable as a decision of the Federal Court.
- 252. The Dispute Resolution Tribunal shall take whatever steps as are required to ensure that a party to a Dispute may register a Dispute Decision in the Federal Court of Canada.
- 226. A Party or a Claimant may appeal, without leave, an Appeal Tribunal's Dispute Award to the Superior Court of Justice on a question of law or a question of mixed fact and law, but not on a question of fact.

Confidentiality

- 253.227. On Notwithstanding the ADRIC Arbitration Rules, on application of a party to any Party or a Claimant in a Dispute, the Dispute Resolutionan Arbitral Tribunal or Appeal Tribunal may order that all or some of the Dispute Resolutionan Arbitral Tribunal's procedures, hearings, and documents or interim orders and decisions shall remain strictly confidential between the parties to the Dispute Party or Claimant and Canada, as the case may be.
- 228. Unless otherwise ordered, all decisions of an Arbitral Tribunal or an Appeal Tribunal shall be made public in a manner that will be determined by the Parties within ninety (90) days of the Effective Date.

Language

<u>254.229.</u> The language of the <u>Parties'</u> Dispute Resolution Process <u>for Parties'</u> <u>Disputes</u>, including <u>thefor</u> hearings, documentation, and Dispute <u>DecisionAwards</u>, shall be English or French as selected by the <u>Participating</u> Party who commenced the dispute. 255. The language of the Claimant Dispute Resolution Process for Claimant Disputes, including the hearings, documentation, and Dispute DecisionAwards, shall be English, French, or an Indigenous language, where ordered by an Adjudicator or Adjudication Panel, as the case may be.

Communications

- 256. The parties to any Dispute shall not communicate with the Adjudicator or Adjudication Panel, as the case may be:
 - (a) orally, except in the presence of the other party to the Dispute; or
 - (b) in writing, without simultaneously sending a copy of that communication to the other party to the Dispute.

B. Establishment of the Dispute Resolution<u>Arbitral</u> Tribunal

257.230. Establishment of the Dispute Resolution or Appeal Tribunal.

- 258. As soon as reasonable after the approval of this Final Settlement Agreement by the Tribunal or, as necessary, the Federal Court or further Appellate Court, the President of the Dispute Resolution Tribunal shall be appointed by Order-in-Council further to paragraph 266. The President, with the support of the Administrative Team, shall establish a Transitional Dispute Resolution Tribunal which will be in effect until the enabling Legislation is passed and in force.
- 259. Canada shall use its best efforts to propose to Parliament any legislation required to establish the Dispute Resolution Tribunal, to replace the processes referred to in Articles C and D of this Part, and otherwise to implement this Part. Canada shall use its best efforts within existing authorities to implement this Part, pending consideration of legislation by Parliament.
- 260. Before the enabling Legislation is brought into force, the President shall take such steps as are necessary to ensure that the Transitional Dispute Resolution Tribunal can function as intended and be binding and enforceable on all Parties and Claimants.

261. Before the enabling Legislation is brought into force, ISC shall agree to pay any costs or expenditures ordered by the Transitional Dispute Resolution Tribunal as set out in this Part in respect of a claim brought before it.

Administration of Dispute Resolution Tribunal

- 262. If the enabling Legislation so provides when in force, the work of the Dispute Resolution Tribunal shall be supported by the following roles within it:
 - (a) Cultural Officers;
 - (b) Dispute Resolution Tribunal President;
 - (c) Dispute Resolution Tribunal Registrar;
 - (d) Duty counsel; and
 - (e) Navigators.
- 263. If the enabling Legislation so provides when in force, the Registrar shall be responsible for the provision of the support services and the facilities that are needed by the Dispute Resolution Tribunal to exercise its powers and perform its duties and functions.
- 264. As an interim measure, the Administrative Team shall work with the President to establish support services and facilities necessary to enable the proper functioning of the Transitional Dispute Resolution Tribunal based on the recommendations of the President.

Appointment of Dispute Resolution Tribunal President

- 265. The Dispute Resolution Tribunal shall consist of the President and Adjudicators.
- 266. The President shall be a First Nations individual with judicial or adjudication experience, appointed by the Governor in Council, on the recommendation of the Minister of ISC following consultation with the Parties. The President may be appointed for a second term.
- 267. The President is to hold office during good behaviour for a term not exceeding five (5) years, but may be removed at any time by the Governor in Council for cause.

- 268. The President shall be paid a salary to be fixed by the Governor in Council. The President is entitled to be paid reasonable travel and living expenses incurred while absent in the course of their duties from, in the case of a fulltime appointee, their ordinary place of work and, in the case of a part-time appointee, their ordinary place of residence.
- 269. In the event of the absence or incapacity of the President, or if the Office of the President is vacant, the Minister may, after consultations with the Parties, authorize a person to act as President. A person may not act as President for a period of more than 90 days without the approval of the Governor in Council.
- 270. Subject to any restrictions or limitations the President may specify, the President may authorize any person referred to in paragraph 271 to exercise or perform any of the powers, duties or functions of the President under this FSA except for the power to delegate.

Roster of Adjudicators Arbitrators

- 231. The PresidentParties shall, as soon as reasonably possible, select and no later than ninety (90) days after the Effective Date, agree upon and maintain a Roster of AdjudicatorsArbitrators who shall serve as Adjudicators of all Disputes. The President shall be responsible for establishing and implementing the procedure for on Arbitral Tribunals and Appeal Tribunals.
- 271. If a Party or Parties refuses to participate in the selection of Adjudicators.
- <u>232.</u> <u>The Arbitrators for the Roster of AdjudicatorsArbitrators within the time</u> <u>established in paragraph</u> 231 of this Final Agreement, then the Roster may <u>be established by those Parties who do participate.</u>
- 272.233. The Roster of Arbitrators shall be comprised composed of the President and thea number of Adjudicators Arbitrators, but no fewer than six (6), necessary to ensure the timely adjudication of disputes. The Adjudicators shall be selected for staggered terms of either two (2) or three (3) years subject to renewal and subject to removal for cause by the President arbitration of Disputes. Arbitrators may remain on the Roster until they remove themselves from the Roster or until otherwise removed.

273. The PresidentParties shall endeavour to select Adjudicators who:

234. shallArbitrators to be personsnamed to the Roster of Arbitrators who-:

- have expertise in the matters addressed by this Final Settlement Agreement; or
- (b) shall have experience with First Nations government social programs, child welfare, and child well-being; or
- (c) <u>shall beare</u> practicing lawyers in good standing with a provincial or territorial governing body, or <u>shall be</u>
- (d) are practicing as arbitrators or adjudicators of administrative tribunals or other like bodies; or
- (c)(e) are retired judges; and or justices of the peace.
- (d) shall be persons who have demonstrated objectivity, reliability, and sound judgment.
- 274. Within the Roster of Adjudicators, there shall be sufficient Adjudicators to reflect an appropriate amount of legal expertise to provide for the effective and timely resolution of disputes requiring such expertise.
- 235. Within the Roster of Arbitrators, at least three (3) Arbitrators shall have a law degree.
- <u>275.236.</u> The <u>PresidentParties</u> shall aspire to gender parity and regionaldiversity in representation in the composition of the Roster of <u>AdjudicatorsArbitrators</u>.
- <u>276.237.</u> The <u>PresidentParties</u> shall select <u>AdjudicatorsArbitrators for the</u> <u>Roster of Arbitrators</u> with a preference in favour of <u>AdjudicatorsArbitrators</u> who are<u>persons</u> recognized as citizens or members of a First Nation.
- 277. If a selected AdjudicatorArbitrator resigns from the Roster of Arbitrators or becomes unable to serve on the Roster of Arbitrators, a replacement <u>Arbitrator</u> shall be <u>selectedappointed</u> by the <u>PresidentParties</u> as soon as reasonably possible.
- 278. A vacancy in the Roster of Adjudicators occurs when an Adjudicator:
 - (a) reaches the end of their term;

- (b) withdraws from office;
- (c) is no longer able to serve for any reason; or
- (d) is removed by the President for cause.
- 279:238. If an Adjudicator becomes incapable of serving while seized of a Dispute,, following the timeframes applicable toprocedure that Adjudicator's proceedingswas used in respect of any Dispute shall be suspended until a replacement Adjudicator is appointed to the panel by appointment of the President. If a Dispute requires immediate attention, the President may preside over proceedings in respect of the Dispute until a replacement Adjudicator being replaced.
- 239. Canada shall enter into contractual arrangements with the appointed Arbitrators which will establish the terms of their payment once appointed.
- 240. Arbitrators shall be compensated at rates agreed to by the Parties.

Mandatory Training- Claimant Dispute Resolution of Arbitrators

Any person selected for the Roster of Arbitrators must, before being named to an <u>Arbitral</u> Tribunal

280.241. If the enabling Legislation so provides, Administrative Tribunals Support Service of Canada shall ensure that all employees, appointees, agents, or representatives of the Dispute Resolution Tribunal (including lawyers and civil servants) involved in the Claimant Dispute Resolution Process receives or has received specialized, demonstrate that they have completed at least one five (5) day / forty (40) hour professional development course in adjudication and arbitration, and have completed specialized cultural safety training to ensure that Claimant Disputes are dealt with in a respectful and culturally appropriate manner. As an interim measure, the Administrative Team shall work with the President to establish such specialized training, based on the recommendations of the President, to ensure the proper functioning of the Dispute Resolution Tribunal. <u>specific to First Nations.</u>

Dispute Resolution Tribunal Rules of Procedure

- 281. The President shall establish Rules of Procedure for the Dispute Resolution Tribunal's intake, processing, and determination of Disputes to effect the purposes and principles of this Final Settlement Agreement and to promote the just, expeditious, and efficient resolution of Disputes having regard to cultural appropriateness.
- 282. The Rules of Procedure shall provide for the mechanisms by which the Cultural Officer shall make recommendations about the procedure of a Dispute in accordance with this Final Settlement Agreement.
- 283. The Rules of Procedure for the Dispute Resolution Tribunal must be established prior to the President determining that the Transitional Dispute Resolution Tribunal is operational and implemented.
- 284. Subject to this Final Settlement Agreement, the Adjudicator or Adjudication Panel shall interpret the Rules of Procedure liberally to resolve the Dispute in the most just, expeditious, and cost-effective manner on its merits, having regard to cultural appropriateness and as is appropriate in all the circumstances of the case.
- 285. The President shall, on an annual basis, consider the number of Disputes, the process applied to resolve such Disputes, and the amount of time and resources required to resolve such Disputes and may amend the Rules of Procedure accordingly.
- 242. Parties' The cost of the training and professional development, if incurred after the appointment to the Roster, shall be reimbursed by Canada, once successfully completed.

Dispute Resolution Process Administration

Commencement of Parties' Dispute

- 243. The Parties agree that they may use ADRIC's administration services or may agree to an alternative way of administering the Dispute Resolution Process.
- C. Dispute Resolution Procedures All Disputes
- 286.244. A Party commences a Parties' Dispute by delivering a Parties' Dispute Notice to all other Parties and thereafter filing the Parties' Dispute Notice with

the Dispute Resolution Tribunal, in the form and method <u>Arbitrate as</u> prescribed <u>byin</u> the <u>ADRIC Arbitration</u> Rules, copying the chair of <u>Procedurethe ORIC</u>.

- 287.245. A Party shall commence a Parties' Disputemust deliver a Notice to Arbitrate within sixty (60) days of the Party becoming aware of the circumstances giving rise to the Parties' Dispute. Otherwise, the Party shall be deemed to have waived their right to have the Parties' Dispute heard.
- 288. A Parties' Dispute Notice shall be in writing and shall contain the following information:
 - (a) a statement of the subject matter or issues of the Parties' Dispute and a summary of the underlying facts; and
 - (b) a statement of the remedy sought.
- 246. The Parties shall agree to a standard Claimant Arbitration Agreement in a form to be agreed to by them no later than thirty (30) days after the Effective Date. The Claimant Arbitration Agreement shall mirror the elements of this Dispute Resolution Process relating to Claimant Disputes, as set out in this Final Agreement. The standard Claimant Arbitration Agreement form shall be published in the manner specified at paragraph 219 of this Final Agreement.
- 247. A Claimant may commence a Claimant Dispute by delivering a Notice to Arbitrate and a signed Claimant Arbitration Agreement within ninety (90) days of the Claimant becoming aware of the circumstances giving rise to the Claimant Dispute. Otherwise, the Claimant shall be deemed to have waived its right to have its dispute heard under the Dispute Resolution Process for Claimant Disputes.
- 248. Where a Notice to Arbitrate and Arbitration Agreement, if applicable, is delivered by a Party or by a Claimant, Canada must deliver its Answer to Notice within thirty (30) days of delivery of the Notice to Arbitrate. In the case of a Claimant Dispute, Canada must also deliver a signed Claimant Arbitration Agreement with its Answer to Notice.
- 249. Where a Claimant delivers a Notice to Arbitrate without a signed Claimant Arbitration Agreement, the timelines for the procedure of the arbitration shall

be paused until the Claimant has delivered the signed Claimant Arbitration Agreement.

250. If a Claimant delivers a Notice to Arbitrate containing a technical defect or the lack of Claimant Arbitration Agreement, Canada shall, within thirty (30) days, direct the Claimant to appropriate information about the delivery of Notices to Arbitrate and Claimant Arbitration Agreements, and may direct the Claimant to Duty Counsel.

Appointment of Adjudication Panelan Arbitral Tribunal or Appeal Tribunal

- <u>251.</u> The President shall<u>All Disputes shall be heard by a single Arbitrator at first</u> instance.
- 252. Appeals shall be heard by an Appeal Tribunal of three Arbitrators.
- 253. Where ADRIC has been asked to appoint a three (3)-person Adjudication Panelthe Arbitral Tribunal, such Arbitrators shall only be selected or appointed according to the ADRIC arbitrator appointment protocol.
- 254. If an Arbitral Tribunal, Appeal Tribunal or a member thereof becomes incapable of serving while seized of a Dispute, the timeframes applicable to that Arbitral Tribunal's or Appeal Tribunal's proceedings in respect of any Dispute shall be suspended until a replacement Arbitral Tribunal or Appeal Tribunal is selected.
- 289.255. In the event that no Arbitrator or no sufficient number of Arbitrators from among the Roster of Adjudicators within twenty (20) days of receiving a Parties' Dispute Notice. Arbitrators is available, and if the parties to a Dispute cannot agree on the appointment of an Arbitral Tribunal or Appeal Tribunal from outside the Roster of Arbitrators on consent, then ADRIC may appoint an Arbitral Tribunal or Appeal Tribunal composed of Arbitrators who are not on the Roster of Arbitrators.
- 290. An Adjudication Panel shall be chaired by an Adjudicator from among the Roster of Adjudicators who is a lawyer or a retired judge.
- 291. In appointing the Adjudicators to the Adjudication Panel, the President shall have due regard to any request of a Participating Party with respect to any qualifications or expertise of Adjudicators which may be desirable given the

issues set out in the Parties' Dispute Notice or as otherwise agreed in writing by the Participating Parties.

Exchange of Parties' Positions and Documents

- 292. Within thirty (30) days after receipt of the Parties' Dispute Notice described in paragraph 286, each other Party shall deliver a written statement of its response in respect of the Parties' Dispute or may indicate that it will not be participating in the Parties' Dispute.
- 293. After a Party has given notice that it will not be a Participating Party, it is no longer entitled to notice of the steps in the Parties' Dispute, nor to take part in any of the proceedings thereafter without leave of the Adjudication Panel.
- 294. Each Participating Party shall attach to its written statement a list of documents upon which it intends to rely and which describes each document by kind, date, author, addressee, and subject matter.
- 295.256. <u>The Adjudication PanelAn Arbitral Tribunal</u> may allow the Participating Parties a Party or a Claimant in a Dispute to amend or supplement their statements, including the list of documentstheir "Initial Evidence" as defined in the ADRIC Arbitration Rules, having regard to:
 - (a) any delay caused by making the amendment or supplement; and
 - (b) any prejudice suffered by the other <u>Participating Parties parties to the</u> <u>Dispute</u>.

Mediation

- 296. Participating Parties The parties to a Dispute may agree to enter into mediation at any time.
- 297. On request of all Participating Parties, the President shall appoint a using a consensually selected mediator to mediate the dispute from among who may or may not be on the Roster of Adjudicators.
- 298. A mediation shall continue until resolution or until at least one (1) Participating Party terminates its involvement, after which the President shall direct the appointed Adjudication Panel to continue to resolve the Dispute.

299. Nothing in this section prevents the President or the Adjudication Panel from recommending mediation to the parties to a Parties' Dispute.

Pre-Hearing Meeting and Document Exchange

- 300. Within twenty (20) days after the delivery of the Participating Parties responses, the Adjudication Panel shall convene a pre-hearing meeting of the Participating Parties in the hopes of reaching agreement on procedure, and to make any necessary procedural orders, including:
 - (a) the timelines for taking steps in the Dispute Resolution Process;
 - (b) the sharing of documents;
 - (c) agreement on a joint book of documents, if any;
 - (d) the timelines for the delivery of expert reports, if any;
 - (e) the scheduling of hearings or meetings, if any;
 - (f) any preliminary applications or objections; and
 - (g) any other matter which will assist the adjudication to proceed in a just, expeditious, and cost-effective manner on its merits, having regard to cultural appropriateness.
- 301. The chair of the Adjudication Panel shall prepare and distribute any directions and orders made at the pre-hearing meeting to the Participating Parties.
- 302. On motion of any Participating Party, the Adjudication Panel may order a Participating Party to produce, within a specified time and manner, any documents that:
 - (a) have not been listed in accordance with paragraph 294;
 - (b) the Participating Party has in its care, custody, or control;
 - (c) the Adjudication Panel considers to be relevant; and

303.257. are not subject to privilege. Arbitrators.

304.258. The Participating Parties shall make best efforts to prepare and send to the Adjudication Panel an agreed statement of facts within the time

specified by the Adjudication Panelmediator's reasonable fees and expenses shall be borne by Canada.

- 305. Where a Participating Party intends to rely on an expert witness, it shall produce a written statement or report prepared by the expert witness.
- 306. Not later than thirty (30) days before a hearing commences, the Participating Parties shall exchange:
 - (a) a list of all documents each Participating Party will introduce at the hearing, and furnish copies of any documents not already produced; and
 - (b) the name and contact information of any witness and a written summary or statement of the witness's evidence.

Place and Mode of Adjudication

307. An Adjudication Panel may:

- (a) Having due regard to the recommendation of the Participating Parties, the Cultural Officer, and other relevant factors, conduct its proceedings at any place it considers appropriate for hearing witnesses and/or experts of the Participating Parties, including by videoconference or teleconference; and
- (b) attend any place for inspection of documents, goods, or other personal property, or for viewing physical locations.

Manner of Proceedings

- <u>308.259.</u> Unless the <u>Participating Partiesparties to a Dispute</u> have agreed to proceed by way of written <u>witness statements and</u> argument, the <u>Adjudication PanelArbitral Tribunal</u> shall convene an oral hearing.
- <u>309.260.</u> Parties' Disputes are presumptively open to public attendance; however, an <u>Adjudication PanelArbitral Tribunal</u> may order that all or part of a hearing be closed to the public, on request of a Party.
- <u>261. The Adjudication PanelClaimants may request that a Claimant Dispute</u> <u>hearing be open to public attendance, however, an Arbitral Tribunal may</u>

order that all or part of a hearing be closed to the public, on request a Claimant or Canada.

- 310.262. An Arbitral Tribunal shall strive to schedule hearings to be held on consecutive days until completion, taking into account Participating Parties' schedules, witness availability, and need for preparation time.
- 311. An Adjudication Panel may depart from the Rules of Procedure on consent of the parties to a Dispute, or as ordered by the Adjudication Panel, taking into account the submissions of the parties to the Dispute.

Default of a Party or Claimant

- 312.263. If, without explanation, any Participating Partyparty to a Dispute fails to meet a timeline established by the <u>ADRIC Arbitration</u> Rules of Procedure or by the <u>Adjudication Panel Arbitral Tribunal's procedural order</u> for taking a step in the Dispute Resolution Process, the <u>Adjudication PanelArbitral</u> <u>Tribunal</u> may make an order that the <u>Partyparty to the Dispute</u> has foregone their opportunity to proceed in the Parties' Disputedo so and may make such order as it deems fit.
- 313.264. Before making an order further to a default of a Partyparty to a Dispute, the Adjudication PanelArbitral Tribunal shall give all Participating Partiesparties to the Dispute written notice providing an opportunity to provide an explanation and may permit a Participating Partyparty to a Dispute to cure its default on such terms as are just.
- 314.265. If, without showing sufficient cause or confirming that it will not tender evidence, a <u>Participating Party party to a Dispute</u> fails to appear at the hearing or to produce documentary evidence, the <u>Adjudication PanelArbitral</u> <u>Tribunal</u> may continue the proceedings and make <u>the Parties'a</u> Dispute <u>DecisionAward</u> on the evidence before it.

Settlement

315. If, during a Parties' Dispute Resolution Process, the Participating Parties settle the Parties' Dispute, the Adjudication Panel shall terminate the proceedings and, if unanimously requested, shall record the settlement in the form of a Parties' Dispute Decision on agreed terms.

316. Where the Participating Parties request that the settlement be recorded as a Parties' Dispute Decision, that decision shall:

Dispute Awards

- (a) <u>An Appeal Tribunal Dispute Award shall be made in accordance with</u> paragraphs 316 to 318;
- (b) state that it is a Parties' Dispute Decision; and
- (c) have the same status and effect as any other Parties' Dispute Decision.

Parties' Dispute Decisions

317.266. An Adjudication Panel shall make its decisions by a majority.

- 318. An Adjudication Panel shall make its final Parties' Dispute Decision as soon as possible and, in any event, not later than sixty (60) days after the conclusion of the Parties' Dispute hearing. The period of sixty (60) days may be extended by order of the President.
- 319.267. A Parties' Dispute DecisionAward shall be made in writing and shall state the reasons upon which it is based. However, where a Parties' Dispute Decision is recording the Participating Parties' settlement on agreed terms, no reasons shall be required.
- 320. The Registrar shall deliver a copy of a Parties' Dispute Decision to each Party.

Termination of Proceedings

- 321. A Parties' Dispute Decision terminates the Parties' Dispute proceedings.
- 322. An Adjudication Panel shall issue an order for the termination of the Parties' Dispute proceedings where the Participating Parties unanimously agree to the termination of the proceedings, regardless of whether the matter has resulted in a Parties' Dispute Decision.

Correction of Parties' Dispute Decision

323. Within thirty (30) days after receipt of a Parties' Dispute Decision, the Participating Parties shall settle the form of the order arising from the Parties'

Dispute Decision. In the absence of agreement, the Participating Parties shall contact the Registrar and shall appear before the Adjudication Panel to settle the order.

<u>324.268.</u> <u>The Adjudication PanelThe Arbitral Tribunal or Appeal Tribunal</u> may, on its own initiative, correct any clerical error, typographical error, or make a similar amendment to a <u>Parties'</u> Dispute <u>DecisionAward</u>, within thirty (30) days after the date of the <u>Parties'</u> Dispute <u>DecisionAward</u>.

C.D. <u>Claimant Procedures Specific to the Dispute Resolution Process for</u> <u>Claimant Disputes</u>

Shared Objectives

- <u>325.269.</u> To the greatest extent possible, the Parties recognize the following principles:
 - (a) that Claimant Disputes should be resolved in a reasonable, collaborative, and informal atmosphere;
 - (b) that Claimant Disputes should be heard in a location and manner that is convenient for the Claimant, including online or within the community of the Claimant;
 - (c) that Claimant Disputes should be resolved in a manner that is respectful of the Claimant's community and culture;
 - (d) that the Claimant Dispute Resolution Process should be accessible to Claimants; and
 - (e) that First Nations legal traditions and principles may inform the resolution of Claimant Disputes, recognizing and respecting the diversity among First Nations; and.
 - (f) that the Dispute Resolution Tribunal should have sufficient resources to aid Claimants in commencing and resolving Claimant Disputes and to endeavour to ensure their legal rights are protected.

Navigators

326. The President with the support of the Administrative Team, or the Registrar if the enabling Legislation so provides, shall ensure that sufficient Navigators

are available to provide information to assist Claimants in filing Claimant Disputes and understanding the Rules of Procedure. Navigators shall not provide legal advice.

NavigatorsDuty Counsel

- 270. The Parties shall, within ninety (90) days of the Effective Date, establish a roster of Duty Counsel to assist Claimants with providing information and to provide independent legal advice and assistance with Claimant Disputes. Canada shall enter into contractual arrangements with the appointed Duty Counsel which will establish the terms of their engagement, which shall be consistent with the terms contained in paragraph 272 of this Final Agreement.
- 271. Duty Counsel shall be paid by Canada in accordance with the Department of Justice external agent counsel rates.
- 327.272. Duty Counsel are independent from ISC and Canada and shall assist Claimants with understanding and accessing the Claimant Dispute Resolution Process for Claimant Disputes and bringing their case before the Dispute ResolutionArbitral Tribunal, including helping Claimants complete forms, collect documents for their hearings, prepare to answer questions from the Adjudicator or Adjudication Panel, understand their right to seek an appeal or judicial review, and such other tasks or support as required to assist the Claimant, not including representing the Claimant (other than legal representation).before the Arbitral Tribunal.

Commencement of Claimant Dispute

- 328. A Claimant commences a Claimant Dispute by submitting a Claimant Dispute Notice to the Dispute Resolution Tribunal in the form and method prescribed by the Rules of Procedure.
- 329. A Claimant must submit a Claimant Dispute Notice within ninety (90) days of the receipt of the notification from ISC of the action that gives rise to the Claimant Dispute. Otherwise, the Claimant shall be deemed to have waived their right to have the Claimant Dispute heard.

- 330. A Claimant Dispute Notice shall be in writing and shall contain the following information:
 - (a) a statement of the subject matter or issues of the Claimant Dispute and a summary of the underlying facts; and
 - (b) a statement of the remedy sought.

Duty Counsel

331. The President with the support of the Administrative Team, or the Registrar if the enabling Legislation so provides, shall establish the necessary roster of duty counsel to ensure the just and expeditious resolution of Claimant Disputes. Any Claimant can avail themselves of duty counsel.

Claimant Participation Costs and Legal Fees

332. Where <u>a Claimant retains a lawyer to assist them with a Claimant Dispute, a</u> <u>Claimant may seek</u> an Adjudicator so directs, <u>order from the Arbitral Tribunal</u> <u>that</u> Canada shall pay the reasonable costs of a Claimant's participation in the Claimant Dispute Resolution Process, including reasonable legal fees paid at the rates provided for by the Department of Justice external agent counsel rates.

Requirement of Written Confirmation

273. On receipt of of a lawyer retained to assist them with a Claimant Dispute Notice, the President shall recommend to the Claimant in writing that they seek independent legal advice from on the same basis as Duty Counsel's fees and expenses.

Proactive Information Sharing – Duty Counsel

- 333.274. When requested to, or from other legal counsel about the implications of filingwhen notified by a Claimant that they may or intend to deliver to <u>Canada</u> a Claimant Dispute, <u>Canada's officials shall provide the First Nation</u> or FNCFS Service Provider with contact information for Duty Counsel.
- 334. After receiving independent legal advice either from Duty Counsel or other legal counsel, or after signing a waiver of independent legal advice, the

Claimant may provide written confirmation to the President or the Registrar indicating their consent to:

- (a) proceeding with a Claimant Dispute; and
- (b) not filing a complaint with the Canadian Human Rights Commission with respect to the substance of such Claimant Dispute and/or bringing the substance of such Claimant Dispute before the Court, as applicable.
- 335. Upon receiving written confirmation as described in paragraph 333, the President or Registrar shall promptly deliver the Claimant Dispute Notice to ISC.
- 336. ISC shall deliver its response to the Claimant Dispute Notice within thirty (30) days of the delivery of the Claimant Dispute Notice.
- Appointment of Adjudicator or Adjudication Panel
- 337. Within twenty (20) days of the Claimant providing written confirmation that they want to proceed with a Claimant Dispute, the President shall appoint a single Adjudicator with due regard to the nature of the Claimant Dispute and the expertise of the Adjudicator.
- 338-275. The President may, in their sole discretion, appoint an Adjudication Panel where the circumstances, magnitude, or importance of the Claimant Dispute warrants it.

Intervention by a Party

339. If the President appoints an Adjudication Panel, it shall be chaired by an Adjudicator from among the Roster of Adjudicators who is a lawyer or retired judge.

Mediation

340. All parties to a Claimant Dispute may agree to enter into mediation at any time.

- 341. On request of all parties to a Claimant Dispute, the President shall appoint a mediator to mediate the Claimant Dispute from among the Roster of Adjudicators.
- 342. A mediation under this Part shall continue until resolution or until at least one party to a Claimant Dispute terminates its involvement, after which the President shall direct the appointed Adjudicator or Adjudication Panel to continue to resolve the Claimant Dispute.
- 343. Nothing in this section prevents the President or the Adjudicator or Adjudication Panel from recommending mediation to the parties to a Claimant Dispute.

Similar Claimant Disputes

344. In the case of multiple Claimant Disputes which are filed at similar times and which share a similar factual basis, the President may, after hearing from the Claimants and Canada, decide to consolidate, join, or have the Claimant Disputes heard together.

Party Participation

<u>345.276.</u> A Party may bring a motion to intervene in a Claimant Dispute, and the <u>Adjudicator or Adjudication PanelArbitral Tribunal</u> shall determine whether the intervention will be allowed, after hearing submissions from the Claimant, ISC, and the proposed intervenor on such terms as are just.

Pre-Hearing Meeting

346. Within twenty (20) days after the delivery of Canada's response, the Adjudicator or Adjudication Panel shall convene a pre-hearing meeting of the parties to the Claimant Dispute in the hopes of reaching agreement on procedure, and to make any necessary procedural orders, including:

the timelines for taking steps in Participation of Cultural Officer

277. The Parties shall, within ninety (90) days of the Effective Date, establish a roster of Cultural Officers whose role it is to provide information and advice to the Arbitral Tribunal about culturally appropriate resolution of Claimant

Disputes. Canada shall enter into contractual arrangements with the appointed Cultural Officers which will establish the terms of their payment.

- 278. Cultural Officers shall be paid by Canada at reasonable rates to be negotiated with Canada.
- 279. Cultural Officers are independent from the Parties and shall advise the Arbitral Tribunal or Appeal Tribunal.
 - (a) In every Claimant Dispute, the Claimant Dispute Resolution Process;
 - (b) the sharing of documents;
 - (c) the timelines for the delivery of expert reports, if any;
 - (d) the scheduling of hearings or meetings, if any;
 - (e) any preliminary applications or objections; and
 - (f) any other matter which will assist the adjudication to proceed in<u>Arbitral Tribunal shall ask</u> a just, expeditious, and cost-effective manner on its merits, having regard to cultural appropriateness.
- 347. The Adjudicator or Adjudication Panel shall decide whether the hearing will proceed orally or in writing, and the level of confidentiality of the proceedings, taking into account any advice provided by the Cultural Officer.

Interim Claimant Dispute Decision

- 348. At any time during <u>if</u> the Claimant <u>Dispute Resolution Process</u>, the Adjudicator(s) may make an interim Claimant Dispute Decision on any matter with respect to which it may make wishes to have a final Claimant Dispute Decision.
- 349.280. Place and Mode of Adjudication, Manner of Proceedings, and Role of Cultural Cultural Officer retained.
- 350. The Cultural Officer's role is to make recommendations to the Adjudicator or Adjudication Panel related to aspects of a Claimant Dispute Process with the goal of facilitating the resolution of the Claimant Dispute in a manner that promotes resolution in a just, most expeditious, and cost-effective manner, having regard to cultural appropriateness and as is appropriate in all the circumstances of the case.

351.281. The Cultural Officer shall make their recommendations in advance of the pre-hearing and may make further recommendations at any other time.

352. The Cultural Officer may consider, among other things,

353.282. the Rules of Procedure;:

- (a) any requests of the Claimant;
- (b) the Indigenous legal traditions and protocols identified by the Claimant; and
- (c) any culturally rooted procedures that may promote access to justice for the Claimant and ensure substantive equality and fairness.

354.283. The Claimant and/or any associated First Nation(s)Cultural Officer may:

- (a) recommend that a representative knowledge keeper or elder sit with the Adjudicator or Adjudication Panel<u>Arbitral Tribunal</u> to provide guidance on legal traditions and protocols without the need to qualify them as an expert witness;
- (b) recommend procedures for use by the Adjudicator or Adjudication <u>PanelArbitral Tribunal</u> to incorporate legal traditions and protocols for use during the hearing of the Claimant Dispute;
- (c) request that the Claimant be permitted to bring a Party or other support person to attend at any aspect of the Claimant Dispute Resolution Process;
- (d) request that proceedings be conducted in an Indigenous language;
- (e) request that proceedings be conducted orally or in writing; and
- (f) request that proceedings be open or closed to the public and that aspects of the proceeding be anonymized or confidential.

<u>355.284.</u> Any such recommendations or requests in paragraph <u>351</u>283 are subject to the <u>sole</u> discretion of <u>Arbitral Tribunal</u>, <u>after hearing submissions</u> <u>on the Adjudicator or Adjudication Panel.question</u>.

Scope of Claimant Dispute Adjudication

- 356. The Adjudicator or Adjudication Panel shall conduct a review of Canada's decision giving rise to the Claimant Dispute, considering only the materials that were before Canada's decision maker.
- 357. Notwithstanding paragraph 353, the Adjudicator or Adjudication Panel may consider, as applicable:
 - (a) the views of the Claimant and any associated First Nations;
 - (b)(a)_the legal traditions and protocols of the relevant First Nation;
 - (c)(a)_the circumstances of the individual First Nation;
 - (d)(a)_the urgency of the funding that is the subject of the Claimant Dispute; and
 - (e) any evidence not before the decision maker tendered by the parties to the Claimant Dispute that the Adjudicator or Adjudication Panel finds relevant and appropriate in the circumstances.

Expert Appointed by Adjudicator or Adjudication PanelArbitral Tribunal

- 358. On its own initiative, the Adjudicator or Adjudication Panelan Arbitral Tribunal may seek representations from the Claimant and from ISC concerning:
 - (a) A a proposal by the Adjudicator or Adjudication PanelArbitral Tribunal to appoint one or more independent experts to report to itthe Arbitral <u>Tribunal</u> on specific issues to be determined by the Adjudicator(s); and
 - (b) A proposal by the Adjudicator or Adjudication Panel to require a Claimant to provide the expert with any relevant information or to produce, or to provide access to, any relevant documents, goods or other personal property or land for inspection or viewing.
- 359. The Adjudicator or Adjudication Panel shall give a copy of an expert's <u>Arbitral</u> <u>Tribunal, after which the Arbitral Tribunal may appoint one or more</u> <u>independent experts to</u> report to the Claimant and ISC who shall have an opportunity to reply to it and cross-examine the expert.
- <u>360.285.</u> The expert shall, on the request of the Claimant or ISC:<u>specific issues</u>, in the manner set out by the ADRIC Arbitration Rules.

- (a) make available to the requestor all documents, goods, or other property in the expert's possession and provided to the expert in order to prepare a report; and
- (b) provide the requestor with a list of all documents, goods, or other personal property or land not in the expert's possession but which were provided to or given access to the expert, and a description of the location of those documents, goods, or other personal property or lands.

Default of a Party

- 361. If, without explanation, a Claimant or ISC fails to meet a timeline established by the Rules of Procedure or by the Adjudicator or Adjudication Panel for taking a step in the Dispute Resolution Process, the Adjudicator or Adjudication Panel may make an order that such party has foregone their opportunity to proceed in the Claimant Dispute and may make such order as it deems fit.
- 362. Before making an order further to a default of a Claimant or ISC, the Adjudicator or Adjudication Panel shall give the Claimant and ISC written notice providing an opportunity to provide an explanation and may permit the defaulting party to cure its default on such terms as are just.
- 363. If, without showing sufficient cause or confirming that it will not tender evidence, a party to a Claimant fails to appear at the hearing or to produce documentary evidence, the Adjudicator or Adjudication Panel may continue the proceedings and make the Claimant Dispute Decision on the evidence before it.

Settlement

364. If the parties to a Claimant Dispute settle the Claimant Dispute, the Adjudicator or Adjudication Panel shall terminate the proceedings and, if unanimously requested, shall record the settlement in the form of a Claimant Dispute Decision on agreed terms.

Claimant Dispute Decisions

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- 365. The Adjudicator or Adjudication Panel shall make its Claimant Dispute Decision as soon as possible and, in any event, not later than sixty (60) days after the conclusion of the Claimant Dispute hearings. The period of sixty (60) days may be extended by order of the President.
- 366. A Claimant Dispute Decision shall be made in writing and state the reasons upon which it is based, unless it is an award on consent.
- 367. If the enabling Legislation so provides, a copy of a Claimant Dispute Decision shall be delivered by the Administrative Team or the Registrar to each party to the Claimant Dispute.
- 368. A copy of a Claimant Dispute Decision shall be delivered by the Administrative Team or the Registrar, if the legislation so provides, to the Claimant, Canada, and the Systemic Review Committee.
- 369. Canada shall maintain a public registry of Claimant Dispute Decisions. The registry shall be subject to any confidentiality orders made by the Adjudicator or Adjudication Panel.

Termination of Proceedings

- 370. A Claimant Dispute Decision terminates the Claimant Dispute proceedings.
- 371. An Adjudicator or Adjudication Panel shall issue an order for the termination of a Claimant Dispute Proceeding where the Claimant and ISC unanimously agree to the termination of the proceedings, regardless of whether the matter has resulted in a Claimant Dispute Decision.

Correction and Interpretation of Claimant Dispute Decision

372. The Adjudication Panel may, on its own initiative, correct any clerical error, typographical error, or make a similar amendment to a Claimant Dispute Decision, within thirty (30) days after the date of the Claimant Dispute Decision.

Dispute Resolution Tribunal Process – Claimant Feedback

373. The Administration Team or Registrar, if the legislation so provides, shall establish a process to enable Claimants to share feedback and commentary relating to their experiences with the Claimant Dispute Process.

374. The Administration Team or Registrar, if the legislation so provides, shall share this feedback and commentary with the Systemic Review Committee and Canada.

Expenses of Arbitral Tribunal, Appeal Tribunal and Related

286. The fees for administration services provided by ADRIC, and the reasonable expenses of the Arbitral Tribunal and Appeal Tribunal, including the cost of retaining experts, shall be borne by Canada.

PART XX – INFORMATION SHARING AND PRIVACY

375.287. The Parties and this Final Settlement Agreement are subject to federal, provincial, and regional laws and regulations, including privacy laws. Each Party shall be required to perform its obligations under this Final Settlement Agreement related to information sharing only to the extent permitted by such laws and only to the extent that the disclosure of said information is not protected by legislation or relevant privileges or otherwise prohibited by a legal, contractual, or fiduciary obligation.

PART XXI – ENTIRE AGREEMENT

376.288. This Final Settlement Agreement, including all appendices, constitutes the entire agreement between the Parties with respect to the subject matter hereof and cancels and supersedes any prior or other understandings and agreements between the Parties, including the Agreement-in-Principle and the Terms of ReferenceConsultation Protocol for the Consultation Committee on First Nations Child Welfare, between the Parties with respect thereto. There, Other than the agreement referred to in paragraph 59, there are no representations, warranties, terms, conditions, undertakings, covenants, or collateral agreements, express, implied, or statutory between the Parties with respect to the subject matter hereof other than as expressly set forth or referred to in this Final Settlement-Agreement.

PART XXII - CONFIDENTIALITY AND RETENTION

<u>377.289.</u> Any information provided, created, or obtained in the course of implementing this Final Settlement Agreement shall be kept confidential and

shall not be used for any purpose other than as set out in this Final Settlement Agreement, unless otherwise agreed by the Parties or as required by law.

- 378.290. The Parties shall determine whether and how to retain documents beyond the expiry date of this Final Settlement Agreement where documents are produced or created by a committee established under this Final Settlement Agreement or held by the Dispute Resolution Tribunal, where such documents are not subject to the *Library and Archives of Canada Act* or other such applicable legislation.
- <u>379.291.</u> Save as may otherwise be agreed between the Parties, the undertaking of confidentiality <u>aswhich applies</u> to the discussions and all communications, whether written or oral, made in and surrounding the negotiations leading to the Agreement-in-Principle and this Final <u>Settlement</u> Agreement continues in force. The Parties expressly agree that the Agreement-in-Principle and the materials and discussions related to it are inadmissible as evidence to determine the meaning and scope of this Final <u>Settlement</u> Agreement, which supersedes the Agreement-in-Principle.

PART XXIII – TERMINATION OF AGREEMENT

- <u>380.292.</u> This Final <u>Settlement</u> Agreement shall <u>continuebe</u> in full force and effect <u>from the Effective Date</u> until expiry of the Term on March 31, 2034.
- <u>381.293.</u> Notwithstanding any other provision in this Final <u>Settlement</u> Agreement, the following provisions shall survive the termination of this Final <u>Settlement</u> Agreement:
 - (a) paragraphs 75 to 77 of PART VII -THE REFORMED FNCFS FUNDING APPROACH: FOLLOWING THE EXPIRY OF THE TERM OF THIS FINAL SETTLEMENT AGREEMENT;
 - (a) <u>PART XIX</u> <u>DISPUTE RESOLUTION PROCESS of PART VII</u> THE REFORMED FNCFS FUNDING APPROACH: FOLLOWING THE EXPIRY OF THE TERM OF THIS FINAL AGREEMENT;
 - (b) PART XIX DISPUTE RESOLUTION PROCESS in so far as it is required to continue to operate and be funded to do so pursuant to paragraph 1, which details the determination of Disputes

filed<u>delivered</u> prior to the expiry of this Final-<u>Settlement</u> Agreement; and

(c) PART XXII - CONFIDENTIALITY AND RETENTION.

(C) PART XXII – CONFIDENTIALITY AND RETENTION.

PART XXIV – COOPERATION AND APPROVALCooperation of First Nations Leadership and TRIBUNAL APPROVAL, FUNDING OF LEGAL COSTS, AND EFFECTIVE DATE

- The Parties shall speak publicly in favour of this Final Settlement Agreement and shall Tribunal Approval
- 382.294. On initialling of this Final Agreement by the Parties' negotiators, all Parties agree to submit this Final Agreement to undergo each Party's internal approval process. If all Parties finally approve and sign this Final Agreement, the Parties shall make best efforts to procure the endorsement of this Final Settlement Agreement by First Nations leadership and, subject to such endorsement by way of resolution, to procure the approval of this Final Settlement Agreement by the Tribunal or, as necessary, the Federal Court or further Appellate Courtappellate courts.
- 383. For clarity, the coming into force of this Final Settlement Agreement is contingent on the endorsement of First Nations leadership and approval by the Tribunal or, as necessary, the Federal Court or further Appellate Court, and shall be of no force and effect should such endorsement and approval not be obtained.

Public Statements and Announcements

384. The Parties shall cooperate with respect to the release of joint public statements announcing this Final Settlement Agreement and shall make public announcements in support of the Final Settlement Agreement.

Funding of Legal Costs

<u>295.</u> Until this Final Settlement Agreement is approved by the Tribunal or, as necessary, the Federal Court or further Appellate Court the Effective Date, ISC shall reimburse the AFN, COO, and NAN for reasonable legal costs

related to supporting that approval.the approvals set out in paragraph 294. Following such approvalthe Effective Date, ISC shall no longer reimburse the AFN, COO, and NAN for legal costs in relation to this Final Settlement Agreement.

Effective Date

- - (a) Sixty days after the date upon which the Tribunal issues an order that it is ending its remedial jurisdiction over the Complaint and all associated proceedings in Ontario save for those proceedings related to Jordan's Principle, and that the terms of this Final Agreement supersede and replace all orders of the Tribunal related to the discrimination found by the Tribunal concerning the FNCFS Program in Ontario and the 1965 Agreement; but
 - (b) where a judicial review application is commenced in the Federal Court seeking to overturn such order or orders and a stay of the order or orders is sought pending the determination of that review, a date thirty-one days after such stay application is denied; or
 - (c) in the event a stay is granted, a date thirty-one days after the judicial review application is dismissed.
- 297. In the event the order or orders that satisfy the condition in paragraph 296 are reversed or materially amended on judicial review or final appeal, this Final Agreement shall be at an end. Parties shall refer any dispute in relation

to this paragraph to the Court that has made the decision on judicial review or final appeal.

- 298. Notwithstanding any other provision in this Final Agreement, the following provisions shall come into effect upon signature of this Final Agreement by COO, NAN and Canada:
 - (a) Paragraphs 182 to 191;
 - (b) Paragraph 294;
 - (c) Paragraph 295;
 - (d) Paragraphs 296 and 297;
 - (e) Paragraphs 301, 302 and 304; and;
 - (f) Paragraph 310.

PART XXV – ENFORCEMENT OF FUNDING COMMITMENT

- 386.299. Any and all funding commitments by Canada or amendments agreed to by the Parties in this Final Settlement Agreement remain subject to annual appropriation by the Parliament of Canada, or other necessary approval processes required by the Government of Canada.
- 387.300. Notwithstanding paragraph 299, if the Parliament of Canada does not appropriate sufficient funding to satisfy Canada's commitment in PART IV FUNDING_COMMITMENT_PART IV – FUNDING COMMITMENT of this Final_Settlement Agreement, a Party may seek an order from a court of competent jurisdiction that the Parties are substantially deprived of the benefit of the FSA.this Final Agreement. The Party seeking such an order need not have suffered monetary loss nor shall it be necessary for a Party to prove that it is unable to perform its obligations under this Final Settlement Agreement as a result of Parliament's decision not to appropriate sufficient funding. If a court makes such an order, a Party may seek to re-openpursue its remedies under the complaint at the Canadian Human Rights Tribunal bearing file number T1340/7008Complaint, or to initiate a new complaint at the Canadian Human Rights_Tribunal. For clarity, nothing in this clause is

intended to foreclose any other cause of action or remedy which may be available to the Parties.

PART XXVI – SUPERSEDING TRIBUNAL'S ORDERS

- <u>301.</u> Within 30 days following <u>theall Parties</u> signing <u>of</u> the Final <u>Settlement</u> Agreement, the Parties shall file a joint Notice of Motion with the Tribunal in <u>which they shall seekseeking</u> an order from the Tribunal that-<u>:</u>
 - (a) the Final Settlement Agreement is approved and that ;
 - (b) the Tribunal's jurisdiction over the complaintal elements of the Complaint in Ontario and all associated proceedings-, except for Jordan's Principle, has ended save for those relating to Jordan's Principle, and that; and
 - (a)(c) the terms of the Final Settlement Agreement supersede and replace all orders of the Tribunal related to the discrimination found by the Tribunal concerning <u>all elements of the Complaint in Ontario</u>, <u>including the FNCFS Program in Ontario</u> and the 1965 Agreement_r.
- 302. For certainty, the Parties will not seek an order to end the Tribunal's jurisdiction over the portions of the Complaint relating to Jordan's Principle at this time. The Parties agree that any orders of the Tribunal relating to Jordan's Principle shall continue to apply to Canada in Ontario, unless the Tribunal orders otherwise.
- 388.303. For clarity, the terms of this Final Settlement Agreement shall supersede and render void all previous orders of the Tribunal concerning the 1965 Agreement and the FNCFS Program in Ontario provided by Canada through ISC and any previous or successor entities, unless an Orderorder or part of an Orderorder of the Tribunal is specifically identified in this Final Agreement as surviving and still in force following this Final Settlement Agreement.
- <u>304.</u> For clarity, nothing in this Final Agreement nor any order of the Tribunal obtained further to paragraph <u>301</u> shall prevent COO or NAN from participating in proceedings before the Tribunal or on appeal from the

Tribunal where any of Canada, the AFN or the Caring Society has brought a motion or is making submissions which may affect the rights of COO, NAN, First Nations, and FNCFS Service Providers as set out in this Final Agreement. In exercising a participation right under this paragraph, neither COO nor NAN may seek an order from the Tribunal to amend, alter, add, remove or replace the terms of the Final Agreement, which is a final resolution of all elements of the Complaint in Ontario, except Jordan's Principle.

- <u>305.</u> A disagreement between the Parties as to whether paragraph <u>304 of this</u> Final Agreement applies so as to affect COO or NAN's ability to make submissions to the Tribunal is a Dispute.
- 306. Nothing in this agreement shall be interpreted as prohibiting COO and NAN from exercising rights or pursuing remedies respecting matters that are outside of this Complaint. For clarity, COO and/or NAN shall not seek additional funding or remedies from the Tribunal as part of this Complaint, except in relation to Jordan's Principle.

PART XXVII – GENERAL PROVISIONS

- 389.307. This Final Settlement Agreement is to be construed as upholding the rights of Indigenous peoples recognized and affirmed by section 35 of the *Constitution Act*, 1982, and not as abrogating or derogating from them.
- 390.308. This Final Settlement Agreement shall not be construed as an assumption by the AFN, COO, or NAN of any liability to any person(s) or First Nation(s) in respect of this Final Settlement Agreement or its subject matter.
- 391.309. This Final Settlement Agreement will not be construed as an assumption by First Nations of any liability associated with the delivery of services referenced within this Final Settlement Agreement, for any period prior to the point where they have actually assumed the provision of any such service, further to the terms of this Final Settlement Agreement, unless the First Nation has specifically assumed the provision of such services prior to the approval and application of this Final Settlement Agreement.

- 392.310. For further clarity, on execution of the Final Settlement Agreement, the Parties shall be bound by the Interim Dispute Resolution Process and Dispute Resolution Process agreed to under this Final Settlement Agreement and shall not return to the Tribunal for any purpose other than to obtain a final consent order resolving the complaintComplaint and ending the Tribunal's jurisdiction as set out in paragraph 301 or as set out in paragraph 300.
- 311. Canada shall provide funding in the total amount of up to \$11.02 million to COO and in the total amount of up to \$6.56 million to NAN between fiscal year 2025-2026 and fiscal year 2033-2034 to support COO and NAN in completing implementation work assigned to and required of them under the Final Agreement. This funding includes amounts to support:
 - (a) staff positions created specifically to further work necessary to the implementation of this Final Agreement;
 - (b) implementation-related research;
 - (c) First Nation engagements;
 - (d) legal fees; and
 - (e) with respect to funding for COO, project management and contract administration costs related to the two (2) Program Assessments, the Ontario FNCFS Data Secretariat, and the initiative to support eligible First Nations youth and young adults in accessing information on post-majority support services.
- 312. In relation to the funding set out in paragraph 311, COO and NAN shall provide work plans at the beginning of each fiscal year and shall report at the end of the fiscal year on funding spent in that year relative to the year's work plan.
- 313. Per the terms of their funding agreements, COO and NAN will be able to carry forward unexpended funds for use in the following fiscal year, upon ISC's approval of an unexpended funding plan and provided that the fiscal year is within the term of COO's or NAN's funding agreement. If necessary to expend unexpended funds and upon ISC's approval of an unexpended funding plan, ISC shall extend the term of COO's or NAN's funding

agreement. ISC may adjust funding for a particular fiscal year to reflect the expected costs of planned activities or to account for unexpended funds that are carried forward.

- <u>393.314.</u> The terms of this Final <u>Settlement</u> Agreement may only be amended by the Parties upon their unanimous consent in writing.
- <u>394.315.</u> No Party shall be added to this Final <u>Settlement</u> Agreement once it has been signed except with the unanimous consent of the Parties.
- 395. Where the context or construction requires, all words applied in the plural shall be deemed to have been used in the singular, and vice versa; and the masculine shall include the feminine and neuter, and vice versa.
- <u>396.316.</u> Unless the context otherwise requires, references herein toin this Final <u>Agreement</u>:
 - to parts, articles, sections, paragraphs, and appendices mean the parts, articles, sections, and paragraphs of, and appendices attached to, this Final Settlement Agreement;
 - (b) to an agreement, instrument, or other document means such agreement, instrument, or other document as amended, supplemented, and modified from time to time to the extent permitted by the provisions thereof;
 - (c) to a statute means such statute as amended from time to time and includes any successor legislation thereto and any regulations promulgated thereunder; and
 - (d) to words applied in the plural shall be deemed to have been used in the singular, and vice versa; and the masculine shall include the feminine and neuter, and vice versa.
- 397.317. All funding provided to First Nations and, FNCFS AgenciesService Providers, COO, and NAN pursuant to this Final Settlement Agreement shall be provided as a transfer payment and in accordance with the Policy on Transfer Payments, the Directive on Transfer Payments, and the termsTerms and conditionsConditions of the FNCFS Program, as set out in Appendix 108 and revised from time to time in the manner outlined in paragraph 322. For

greater clarity, it shall be a requirement of such funding that First Nations and FNCFS Agencies complete the planning and reporting requirements set out in paragraphs 45, 79, 86, 109 and 112(b) of this Final Settlement Agreement and the terms and conditions of the FNCFS Program of this Final Agreement and the Terms and Conditions of the FNCFS Program. For greater clarity, all funding provided to COO and NAN, except for funding provided under paragraph 129, shall be subject to a work plan submitted at the beginning of each fiscal year and a report submitted at the end of the fiscal year on funding spent in that year relative to the year's work plan.

- 398.318. All amounts in this Final Settlement Agreement have been rounded. The precise financial commitments are as set out in the financial chart attached as Appendix 1.1. In case of any conflict, the Parties agree that the amounts in the financial chart prevail.
- <u>399.319.</u> This Final <u>Settlement</u> Agreement may be signed electronically and in counterpart.

PART XXVIII – APPENDICES

- 400.320. No term of this Final Settlement Agreement can be amended except as provided for in paragraph 314. However, certain appendices to this Final Settlement Agreement may be revised in accordance with this Part, except where a revision to those appendices would have the effect of amending this Final Settlement Agreement, being inconsistent with its terms, or significantly departing from the principles and purposes therein.
- 401.321. ISC may revise the following appendices to this Final Settlement Agreement on the approval of the Ontario Reform Implementation Committee:
 - (a) Appendix 4:3: Program Assessment Timelines;
 - (a)(b) Appendix 4: First Nations Planning Template;
 - (b)(c) Appendix 5:5: Agency Accountability Co-Development Planning Template;
 - (c)(d) Appendix 6:6: Reformed FNCFS Program Schedules for Contribution Funding Agreements; and

- (d) Appendix 3: Program Assessment Timelines;
- (e) Appendix 7: Expert Advisory Committee Terms of Reference; and
- (f)(e) <u>Appendix 12:10:</u> Remoteness Quotient Adjustment Factor (RQAF) Methodology.
- 402.322. ISC can revise the following appendices in consultation with the Parties and may take into account the recommendations of the <u>Ontario</u> Reform Implementation Committee in doing so:
 - (a) Appendix 10:2: Performance Measurement Indicators and Outcomes Chart; and
 - (a)(b) Appendix 8: First Nations Child and Family Services Terms and Conditions; and
 - (b) Appendix 2: Performance Measurement Indicators and Outcomes Chart.

The Parties have signed this Final Settlement Agreement this [X].

APPENDICES

- 1. Financial Chart
- 2. Performance Measurement Indicators and Outcomes Chart
- 3. Program Assessment Timelines
- 4. First Nations Planning Template
- 5. Agency Accountability Co-Development Planning Template Agency Accountability co-developed plan template
- 6. Reformed FNCFS Program Schedules for Contribution Funding Agreements
- 7. Expert Advisory Committee Terms of Reference
- 8.7. Ontario Reform Implementation Committee Terms of Reference
- 9. Articles of Incorporation and Bylaws for the National Secretariat
- 10.8. First Nations Child and Family Services Terms and Conditions
- <u>11.9.</u> Housing Funding Allocation Example
- 12.10. Remoteness Quotient Adjustment Factor (RQAF) Methodology
- 11. Funding and Administration of Capital Commitments
- 12. Modifications if the Effective Date is after March 31, 2026