

September 2015



THE NIPISSING 2013 BOUNDARY CLAIM TRUST AGREEMENT

Third Quarter Newsletter

STATEMENT OF FINANCIAL POSITION

As at August 31, 2015

ASSETS

Fair Market value of investments:

Lincluden	\$45,732,393
Mawer	48,114,645
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	\$93,847,038

LIABILITIES

Accounts payable	9,533
PHT (PCD/Minors Account)	144,195
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NET ASSETS **\$93,693,310**

YEAR TO DATE INCOME

Around this time of year the Nation and the Trustees start looking at what income has been earned year to date and where we stand going into the last quarter of the year. As at August 31, 2015 the estimated income due to Nipissing First Nation is \$2,354,291.

WELCOME

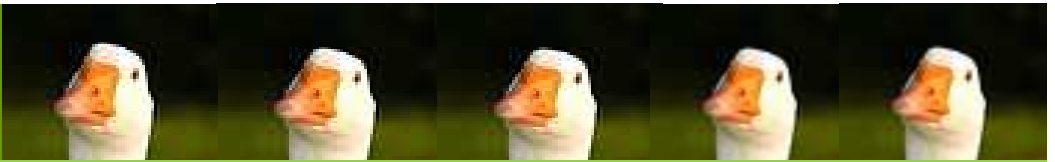
Welcome to Chief Scott McLeod, Deputy Chief Muriel Sawyer and Corey Goulais, who now become Council Trustees for the Nipissing First Nation 2013 Boundary Claim Trust. We look forward to working with you to accomplish the financial goals of the Nation.

The first meeting with the new Council Trustees and Council took place on Saturday, September 26, 2015. Everyone was provided Trust & Investment training and the trust's current status.

Contents

- Financials
- Income Estimate
- Welcome
- Bulls vs. Bears

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Bull versus Bears

In this quarterly newsletter we want to talk about market cycles. The markets, like everything in life, run in cycles. When the markets are strong, and going up, the common term is that it is a 'bull' market. On the other hand, when the markets are weak, and going down, people say that we are in a 'bear' market.



We must remember that to a large degree the markets are a reflection of the economy. We must also remember that the Canadian economy is greatly affected by what happens in the US and China because we sell a lot of products and commodities (oil, gas, wheat) to those countries.

Growth cycles (i.e. bull markets) normally last from 5 to 10 years. For the last seven years (since 2008) we have

been in a strong bull market. Economies around the world have been strong and this has been reflected in strong markets. The strong markets have resulted in positive growth for your Trust.

There are many people that think we are coming to the end of the current market cycle and we are heading into a bear market. Bear markets are usually shorter than bull markets and can result in small or large declines in markets and stock prices. We will have a bear market sometime in the future, but no one can say exactly when. Our concern is that the Trust is prepared for bear markets when they occur.



Board of Trustees

Scott McLeod

Muriel Sawyer

Corey Goulais

Meriza George

Christine Goulais

Tim Laronde



Peace Hills Trust

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Bull versus Bears (continued)

How do we do this? The first thing is to remember that the Trust has a very long time frame and that the markets go up a lot more than they go down. What we need to have is patience. We also must have professional investment managers (which we do) in charge of investment decisions. They will ensure that the Trust is invested in good companies that have long term records of stable earnings and growth. These companies will make money and do well over the long term.

There is also another important thing to remember: when we are in a bear market and the value of the Trust is down, the loss in value is only on paper until stocks are actually sold. If the Trust holds the securities until the market recovers, the Trust does not lose



any money. This is exactly what happened in 2008, the worst bear market since the Great Depression in the 1930's. In 2008 the Canadian stock market was down about 40% and many Trusts lost money on paper. However, as the investment managers did not panic and sell at low prices, after a few years the market had recovered all of this decline, and moved much higher. Anyone who did not panic and sell did not lose any money, and actually made money in the long run.

Another thing to remember is that the Trust holds stocks and bonds that produce income each year to flow to the First Nation to pay for programs and services. Even if the market value of these stocks and bonds goes down temporarily, the amount of income they produce stays the same. So while the Trust is 'waiting' for the next bull market, it is still getting paid every year.

We will continue to monitor your investment manager, and the markets, and report to you in future newsletters.

Board of Trustees

Scott McLeod

Muriel Sawyer

Corey Goulais

Meriza George

Christine Goulais

Tim Laronde



Peace Hills Trust