

SETTLEMENT AGREEMENT

THIS AGREEMENT ENTERED INTO THIS 11th DAY OF MARCH, 2003

Between

**HER MAJESTY THE QUEEN IN RIGHT OF CANADA AS REPRESENTED BY THE
MINISTER RESPONSIBLE FOR INDIAN RESIDENTIAL SCHOOLS RESOLUTION
CANADA**

(hereinafter referred to as the "Government")

and

**THE GENERAL SYNOD OF THE ANGLICAN CHURCH OF CANADA,
(hereinafter referred to as the "General Synod")**

and

**THE MISSIONARY SOCIETY OF THE ANGLICAN CHURCH OF CANADA,
(hereinafter referred to as the "Missionary Society")**

and

**THE ANGLICAN CHURCH OF CANADA RESOLUTION CORPORATION
(hereinafter referred to as the "Corporation")**

WHEREAS the Government and certain entities within the Anglican Church of Canada participated in developing and operating a system of residential schools for Aboriginal children in Canada;

AND WHEREAS the Government and the Primate of the Anglican Church of Canada have apologized for the unintended harm to Aboriginal people incurred at residential schools;

AND WHEREAS a number of former residential school students have alleged abuse and other wrongs against the Government and the Anglican Entities;

AND WHEREAS the Government and the Anglican Entities recognize that court proceedings can be adversarial, lengthy and costly and often not the best way to resolve abuse claims;

AND WHEREAS former students who were abused at residential schools should be paid Compensation for injuries resulting from Validated Claims;

AND WHEREAS the Government and the Anglican Entities agree to share responsibility for abuse at the residential schools and to establish a framework to apportion and pay Compensation owing for Validated Claims;

AND WHEREAS the Government and the Anglican Entities are committed to working jointly with Claimants to develop fair, safe, effective and timely processes to validate and resolve IRS Abuse Claims, which processes will seek to avoid causing additional trauma for Claimants while also protecting the reputations of named abusers from unfounded allegations;

AND WHEREAS the Government recognizes the importance of enabling the continuing contribution of the Anglican Entities in Canadian society and through this Agreement supports the ongoing collective viability of the Anglican Church of Canada;

THIS AGREEMENT WITNESSETH:

PART I DEFINITIONS

1.1 For all purposes of this Agreement and of all indentures, agreements or other instruments supplemental hereto or in confirmation, amendment or modification hereof, the terms defined in this Part shall have the following meanings unless otherwise expressly defined in such other documents:

"Anglican Entities", unless otherwise specifically defined in a Part of this Agreement, means the General Synod, the Missionary Society, and the other Contributing Entities.

"ADRP" means an alternate dispute resolution process or processes established in accordance with Part II of this Agreement.

"Agreement", "hereto", "herein" and similar expressions refer to this Agreement and any amendments thereto and include all schedules attached to this Agreement.

"Claimant" means a former student of an IRS or other person who has made an IRS Abuse Claim.

"Compensation" means damages, Costs and interest as awarded or agreed upon in an IRS Abuse Claim.

"Contributing Entities" means the entities set out in Schedule "B".

"Contribution and Cooperation Agreement" means a Cooperation and Contribution Agreement, in the form attached as Schedule "C", signed by the Government, the Corporation and a Diocese in furtherance of the Settlement Agreement.

"Corporation" means the Anglican Church of Canada Resolution Corporation which holds, manages and administers the Settlement Fund.

"Costs" means assessed costs, agreed upon costs or ADRP costs to be paid to a Claimant for an IRS Abuse Claim.

"Diocese" means a Diocese of the Anglican Church of Canada and its successors and assigns.

"General Synod" means the General Synod of the Anglican Church of Canada and its successors and assigns.

"General Synod Support Agreement" means a General Synod Support Agreement, in the form attached as Schedule "D", signed by the Government, the General Synod and a Diocese in furtherance of the Settlement Agreement.

"Government" means the Government of Canada.

"IRS" means one or more of the Indian Residential Schools set out in Schedule "A" hereto, and Indian Residential School has the same meaning.

"IRS Abuse Claim" means a claim for Compensation for the mistreatment or neglect of a child arising from or connected to the operation of an Indian Residential School, other than a claim arising from loss or diminution of aboriginal language or culture, that is founded on:

- one or more intentional torts such as physical or sexual assault, forcible confinement or the intentional infliction of mental suffering where the Government or one or more of the Anglican Entities has or accepts vicarious liability;

- negligence or breach of fiduciary duty where the Government or one or more of the Anglican Entities has or accepts any part of the legal responsibility;

- any other head of liability recognized by the courts as of the date this Agreement comes into force, where the Government or one or more of the Anglican Entities has or accepts any part of the legal responsibility.

"Missionary Society" means the Missionary Society of the Anglican Church of Canada.

"Named Entities" means an Anglican Entity that is a party to one or more IRS Abuse Claims.

"Receiver" includes Receiver-Manager.

"Resolution Process" means a method other than an ADRP used to resolve IRS Abuse Claims outside the litigation process.

"Settlement Fund" means the fund established by the Anglican Entities pursuant to this Agreement, such fund to be used for the purposes of paying Compensation to Claimants.

"Validated Claim" means an IRS Abuse Claim that has been found to be proven:

- by a final decision of an ADRP, other Resolution Process or a court;
- or as a result of an assessment conducted by Government counsel in accordance with this Agreement.

1.2 The following Schedules are appended to this Agreement and are incorporated into and form part of it by this reference as fully as if contained in the body of this Agreement:

1.2.1 Schedule "A": Indian Residential Schools Related to Anglican Entities.

1.2.2 Schedule "B": Payments by Contributing Entities.

1.2.3 Schedule "C": Contribution and Cooperation Agreement.

1.2.4 Schedule "D": General Synod Support Agreement.

1.2.5 Schedule "E": General Synod Promissory Note.

PART II MUTUAL COMMITMENT TO THE FAIR, SAFE AND EFFECTIVE RESOLUTION OF CLAIMS

2.1 The Anglican Entities and the Government agree that validation, resolution or defence of a specific IRS Abuse Claim or Claims will be in accordance with the terms set out in this Agreement.

- 2.2 The Anglican Entities and the Government agree to co-operate in the fair, safe and effective validation, resolution and defence of IRS Abuse Claims by:
- 2.2.1 developing and implementing ADRPs or other Resolution Processes with input from stakeholders in accordance with the principles set out herein;
 - 2.2.2 settling litigation through negotiations, pre-trial conferences or court-directed mediation, or other agreed-upon means; and
 - 2.2.3 conducting trials and appeals where necessary to resolve issues.
- 2.3 As soon as reasonably practicable, and no later than 60 days after the coming into force of this Agreement and the payment into the Settlement Fund of \$1,500,000.00 as provided for in Section 3.4, the Government and the Anglican Entities will, on a without-costs basis, discontinue third party claims and cross-claims against each other for IRS Abuse Claims, and hereby agree not to commence or recommence any further third party claims or cross-claims for IRS Abuse Claims against each other.
- 2.3.1 Nothing in Section 2.3 prevents the issuance of a third party notice or cross-claim as permitted by Part VI of this Agreement.
 - 2.3.2 The Anglican Entities and the Government agree that such discontinuance shall not affect the apportionment of payment of Compensation as set out in Part IV.
- 2.4.1 The General Synod agrees that within 30 days of the coming into force of this Agreement it will file in the Court of Appeal for British Columbia a Notice of Abandonment of the appeal in the case of *Mowatt v. Clarke et al.* The General Synod will secure the Diocese of Cariboo's signature on court documents to do the same.
- 2.4.2 The Government intends to proceed with its appeal in *IB v. AG Canada and the General Synod* pending before the Court of Appeal for Saskatchewan. The General Synod does not intend to participate in such appeal and, upon the coming into force of this Agreement, will promptly inform the Court of its position.
- 2.5 The Anglican Entities and the Government agree that they will use validation processes which:
- 2.5.1 distinguish valid IRS Abuse Claims from unfounded IRS Abuse Claims;
 - 2.5.2 employ mechanisms that are fair to Claimants and alleged abusers;
 - 2.5.3 are confidential, respectful and safe for all participants;

- 2.5.4 are cost effective in relation to the specific issues to be resolved; and
 - 2.5.5 lead to Compensation or other appropriate remedies for Validated Claims.
- 2.6 All ADRPs and other Resolution Processes will, to the extent possible, reflect key principles including the following:
- 2.6.1 information relating to validation and settlement processes will be made available to Claimants;
 - 2.6.2 Claimants will participate on a voluntary basis;
 - 2.6.3 counselling and other support services will be provided to help protect the safety of participants;
 - 2.6.4 process costs including legal costs for all participants will be minimized;
 - 2.6.5 Claimants will have access to independent legal advice;
 - 2.6.6 processes will be non-adversarial and will attempt to avoid unnecessary trauma for Claimants and will attempt to protect all parties from unfounded allegations;
 - 2.6.7 processes will be geographically and culturally accessible to Claimants;
 - 2.6.8 the evidentiary standards applied will be appropriate to ensure effective validation of the IRS Abuse Claims.

Claims Proceeding within ADRPs

- 2.7 The Anglican Entities and the Government agree that issues arising within the ADRPs will be dealt with according to standards set out in this Agreement, and where this Agreement is silent, existing legal principles will be followed in designing and implementing ADRPs.
- 2.8 The Anglican Entities and the Government will, at a minimum, accept into an ADRP an IRS Abuse Claim by a Claimant who is seeking Compensation from them based on their vicarious liability for abuses alleged to have been committed by one or more of the following IRS workers:
- 2.8.1 dormitory supervisor;
 - 2.8.2 childcare worker;

- 2.8.3 principal;
 - 2.8.4 administrator;
 - 2.8.5 teacher;
 - 2.8.6 priest, minister and other clergy; and
 - 2.8.7 other employees whose specific duties gave rise to particular opportunities for child abuse.
- 2.9 The Government and the General Synod, on behalf of the Anglican Entities, may agree to include additional IRS Abuse Claims and to determine fault-based liability issues within ADRPs.
- 2.10 Where a liability issue pertaining to an IRS Abuse Claim has not been accepted as appropriate for resolution within ADRPs, the Government and the General Synod, on behalf of the Anglican Entities, will consider ways to facilitate the early resolution of the issue by the courts with a view to considering expansions of the scope of the ADRPs. The Government and the General Synod, on behalf of the Anglican Entities, agree to negotiate whether to include within ADRPs additional categories of IRS Abuse Claims once the courts have determined the liability issue in question at a level that resolves the matter for them.
- 2.11 The ADRPs will include a fair, safe, preliminary mechanism by which enough can be learned about IRS Abuse Claims before they enter the system to allow a determination of whether the alleged abuse, if proven, would establish a basis for resolution within the ADRP. This may be accomplished through an application form and screening process, or other appropriate mechanism.
- 2.12 The Government and the General Synod, on behalf of the Anglican Entities, may agree to a framework setting out characteristics of categories of IRS Abuse Claims and levels of Compensation to be paid for each category in the applicable jurisdiction, having regard to existing Canadian court precedents. ADRPs will be designed such that the framework is binding upon participants and decision makers within them.
- 2.13 The Government and the General Synod, on behalf of the Anglican Entities, may agree on standards defining the classes of cases for which Compensation will be paid within ADRPs, and where they do so, ADRPs will be designed such that those standards are binding upon participants and decision makers within them.

Claims Proceeding Outside ADRPs

- 2.14 If IRS Abuse Claims proceed outside ADRPs or other Resolution Processes, the Government and the Anglican Entities will defend and seek to resolve them pursuant to Part V unless other resolution processes have been ordered by a court or otherwise developed.
- 2.15 Settlement offers will be based on evidentiary considerations, legal principles, and any specific standards and levels of Compensation agreed to by the Government and the General Synod on behalf of the Anglican Entities.

Remedies

- 2.16 A range of remedies may be offered to a Claimant with a Validated Claim, including the establishment of an historical record, acceptance of responsibility by the Anglican Entities and the Government, apologies, therapy, counselling, and Compensation.

Standard of Proof

- 2.17 IRS Abuse Claims will be resolved in ADRPs or settled only where the standard of proof utilized by the courts for matters of like seriousness has been met.

Defences

- 2.18 The Government and the Anglican Entities agree that IRS Abuse Claims will be resolved without regard to possible defences which do not go to the merits, such as limitations or laches, in ADRPs, other resolution processes or pre-trial conferences. At trial, Crown immunity, where applicable, will be asserted by the Government, and the Anglican Entities will be free to determine the defences they will assert.

Releases

- 2.19 As part of any settlement agreement with a Claimant, the Claimant will release the Government and the Anglican Entities from any and all past, present and future claims, whether or not now known to or existing at law, arising from or connected to, directly or indirectly, an Indian Residential School, including, but not limited to, claims for loss of culture and language, or violation of the existing aboriginal or treaty rights of the aboriginal people of Canada set out in s.35 of the *Constitution Act, 1982*.
- 2.19.1 The Release shall be acceptable to the Government and the General Synod who shall settle upon the form and content prior to the execution of this Agreement and who may from time to time amend the Release by mutual agreement in writing.

2.19.2 The Government and the Anglican Entities will, as set out in Section 6.1., be continuing their programs to address the need for healing and reconciliation arising from the Indian Residential Schools.

PART III IRS SETTLEMENT FUND

Establishment of Fund

3.1 The General Synod will establish the Settlement Fund and, subject to approval by the Government of its articles of incorporation, will have established the Corporation before the execution of this Agreement. The Corporation shall provide the Government with quarterly financial statements on its operations within sixty days of the end of each quarter.

Operation of Fund

3.2 The Settlement Fund will be operated and managed by the Corporation in full compliance with this Agreement.

Amounts of and Contributions to Settlement Fund

- 3.3 The Settlement Fund will be in the amount of \$25,000,000.00, which will be deposited to the Settlement Fund by or on behalf of the Anglican Entities in the proportions set out in Schedule "B" and according to the timetable set out in Section 2 of the Contribution and Cooperation Agreement and Section 3.4 of this Agreement, all subject to \$25,000,000.00 being paid into the Fund within five years.
- 3.4 The General Synod shall pay into the Settlement Fund the amount of \$1,500,000.00 within 60 days of the coming into force of this Agreement and a further \$1,497,000.00 within 240 days of the coming into force of this Agreement. To secure the payment of these sums, the General Synod will sign a promissory note, in the form attached as Schedule "E", on the execution of this Agreement.
- 3.5 From the receipt of the first payment into the Settlement Fund under Section 3.4 and until October 1, 2007, the Corporation shall at all times maintain a balance of \$1,000,000.00 in the Fund to be used only to pay the obligations of the Anglican Entities, as determined pursuant to Part IV, for all or part of any judgments for which there are insufficient monies in the Fund beyond the \$1,000,000.00 balance.
- 3.6 Where monies within the \$1,000,000.00 balance are used to pay, pursuant to Part IV, all or part of one or more judgments, the balance shall be restored to \$1,000,000.00

immediately upon the receipt of further payments into the Fund, and no claims other than the judgments referred to in Section 3.5 shall be paid by the Fund until the \$1,000,000.00 balance has been restored.

Interest

- 3.7 So long as contributions to the Settlement Fund are kept current as required by this Agreement, including Sections 3.3, 3.4, 3.9.1 and Schedule "B", interest accruing on the Settlement Fund shall be used by the Corporation, first for the payment of reasonable administration costs of the Settlement Fund, and thereafter as determined by the Corporation.

Payments from Fund

- 3.8 The Settlement Fund will be the source of payments to be made in accordance with Part IV for Validated Claims.

Agreement between Corporation and Contributing Entities

- 3.9 Contributions to the Settlement Fund will be raised and secured as follows:
- 3.9.1 The Government and the Corporation shall enter into a Contribution and Cooperation Agreement with each Contributing Entity which will provide that the Contributing Entity will pay to the Corporation a defined amount of funds, as provided for in Schedule "B", over an agreed period of time.

Events of Default

- 3.10 The occurrence of any of the following events or conditions will be a default:
- 3.10.1 if the agreed upon amounts are not deposited to the Settlement Fund by an Anglican Entity as provided for in Sections 3.3, 3.4, 3.9.1 and Schedule "B", and if the shortfall has not been paid into the Settlement Fund on its behalf within 15 days of the due date;
- 3.10.2 if, where the monies are available to do so, there is a failure to establish or restore the balance of \$1,000,000.00 to the Settlement Fund as required by Sections 3.5 and 3.6;

- 3.10.3 if monies are not paid out of the Settlement Fund pursuant to the terms of this Agreement, in circumstances where there are funds in the Settlement Fund available for the payment in question pursuant to Section 3.5 and 3.6; or
- 3.10.4 if one or more of the Corporation, the General Synod, the Missionary Society or any Contributing Entity amalgamates with another entity on terms which do not provide that the amalgamated entity assumes the liabilities of the amalgamating bodies, or becomes insolvent or bankrupt or makes a proposal or files an assignment for the benefit of creditors under *The Bankruptcy and Insolvency Act* or similar legislation in Canada or any other jurisdiction, or ceases doing business, or winds up, unless prior to such amalgamation, insolvency, bankruptcy, winding up, or assignment another Anglican Entity that is solvent and with sufficient funds to pay the obligations of the first entity assumes the obligations of such entity under this Agreement, the Contribution and Cooperation Agreements, and the General Synod Support Agreements.

Remedies Upon Default

- 3.11 In the event of default as defined in Section 3.10, in addition to any other rights or remedies to which the Government and/or Receiver may be entitled by law, the Government and/or a Receiver, as applicable, will have the following rights:
- 3.11.1 The Government may by instrument in writing appoint any person as a Receiver of the Corporation. The Receiver shall be appointed pursuant to and operate under the laws of Ontario.
- 3.11.2 The Government may from time to time remove or replace a Receiver or make application to any court of competent jurisdiction for the appointment of a Receiver. Any Receiver appointed by the Government or the court will, for the purposes relating to responsibility for the Receiver's acts or omissions, remuneration and expenses, be considered to be the Corporation's agent.
- 3.11.2.1 Prior to appointing any person as a Receiver under Section 3.11.1 or applying to court under Section 3.11.2 for appointment of a Receiver the Government may allow the Corporation and the Anglican Entities a 60 day period to use good faith efforts to remedy the default.
- 3.11.3 The Government or the Receiver may take possession of all or any part of the real and/or personal assets of the Corporation, including the Settlement Fund, and retain it or them for as long as the Government or Receiver considers appropriate, receive any income from the Corporation, and enforce such obligations of the

Contributing Entities to the Corporation which the Government or the Receiver considers appropriate.

- 3.11.4 The Government or the Receiver may use, collect, sell, or otherwise dispose of, release, release to any person and otherwise deal with the assets of the Corporation in such manner, upon such terms, and at such times as the Government or the Receiver considers appropriate. The Government or Receiver may make any sale or other disposition of the assets of the Corporation in the name of and on behalf of the said entity or otherwise.
- 3.11.5 All proceeds recovered pursuant to Sections 3.11.3 or 3.11.4 shall be applied, first, to pay the expenses related to the appointment of the Receiver and the reasonable expenses and remuneration of the Receiver or the Government with respect to the exercise of the powers under this Agreement as agreed to by the Corporation or assessed by a court and, second, to discharge or satisfy any obligations of the Corporation, the General Synod, the Missionary Society and/or one or more of the other Contributing Entities to pay Validated Claims under this Agreement.

Compliance and Coming Into Force

- 3.12 Full compliance with Sections 3.1, 3.4 and 3.9.1, the execution by the General Synod of a promissory note in the form set out in Schedule "E" attached hereto, the execution by each of the other Contributing Entities of a promissory note in the form attached to the Contribution and Cooperation Agreement, except those Contributing Entities which, prior to the execution of this Agreement, have paid into the Settlement Fund the full amount of their contribution as set out in the attached Schedule "B", and the execution of a General Synod Support Agreement with each Diocese, are conditions precedent to this Agreement being binding on the Government. In the event of failure to fully comply with one or more of Sections 3.1, 3.4 and 3.9.1 or default under one or more of such Sections or failure to execute the promissory notes or General Synod Support Agreements referred to above, the Government may, by notice in writing to the General Synod, the Missionary Society and the Corporation, declare this Agreement void and, in such event, this Agreement shall be deemed to be and is thereupon void.
- 3.13 Section 3.12 is intended for the benefit of the Government, which may in its sole and unfettered discretion waive compliance with it by one or more Anglican Entities, without prejudice to its rights under Section 3.12 in relation to other Anglican Entities.
- 3.14 This Agreement comes into force on the third day following the completion of the last act of compliance set out in Section 3.12, excluding Section 3.4 and any act of compliance which the Government has waived pursuant to Section 3.13.

**PART IV
APPORTIONMENT AND PAYMENT OF COMPENSATION**

- 4.1 Upon the resolution of an IRS Abuse Claim by:
- 4.1.1 a final decision of an ADRP or other Resolution Process;
 - 4.1.2 a settlement agreement signed by the Government pursuant to Part V; or
 - 4.1.3 a trial or appellate judgment when counsel for the Government certifies that this Agreement applies;

and, where any applicable appeal or review period has lapsed without an appeal or review being filed and where, or as soon as, there are sufficient funds in the Settlement Fund pursuant to Sections 3.5 and 3.6, the Corporation shall, in the order in which they are received, within 60 days pay to the Claimant of the Validated Claim or such Claimant's counsel, an amount equal to 30% of the Compensation set out in the decision, settlement agreement or judgment and the Government shall pay to the Claimant or such Claimant's counsel an amount equal to 70% of such Compensation.

- 4.2 Where counsel for the Government informs the Corporation that all or part of the Compensation awarded at a trial relates only to an intentional tort committed prior to May 14, 1953, the Corporation shall pay the Claimant 100% of such Compensation, and Section 4.1 shall apply only to the balance of such Compensation if any.
- 4.3 Where counsel for the Government informs the Corporation that Compensation is payable to a Claimant whose Validated Claim is based on one or more events the first of which occurred on or after April 1, 1969, Section 4.1 shall not apply. In such circumstances, as between the Government and the Anglican Entities, the Government shall be responsible for and pay 100% of the Compensation and no payment shall be made from the Settlement Fund for such claim.
- 4.4 Notwithstanding Sections 4.1 and 4.3, where, following the establishment of the Settlement Fund, counsel for the Government certifies to the Corporation that, before the date on which this Agreement came into force, an IRS Abuse Claim was settled by the Government without contribution from any Anglican Entity, on terms which do not release the Anglican Entities from potential liability to the Claimant, and for an amount representing a fixed reduction from the assessed Compensation, the Corporation shall within 30 days of such certification offer to pay the balance of the assessed Compensation to the Claimant, subject to Sections 3.5 and 3.6. Provided, however, that no amount shall be paid to a Claimant pursuant to this Section until the Claimant agrees to accept such amount in full and final satisfaction of his or her claim against the

Anglican Entities, and to release the Anglican Entities from any and all claims connected with his or her attendance at an IRS.

- 4.5 Notwithstanding any other obligation of the Fund, the Corporation shall make the following payments from the Settlement Fund:
- 4.5.1 \$485,361.03 to be paid to the Government on December 31, 2003, and \$1,000,000.00 to be paid to the Government on December 31, 2004, both representing monies owed to the Government by Anglican Entities for Compensation paid on their behalf for IRS Abuse Claims prior to the coming into force of this Agreement, both payments subject to Section 3.5 and 3.6; and,
- 4.5.2 \$181,359.46 to be paid to the General Synod on December 31, 2007 and \$180,000.00 to be paid to the General Synod on June 30, 2008, in respect of Compensation paid by Anglican Entities for IRS Abuse Claims resolved prior to the coming into force of this Agreement, both payments subject to Section 3.5 and 3.6. These amounts are subject to adjustment to reflect any additional payments before the Agreement is executed.
- 4.5.3 No interest is payable on the payments set out in Sections 4.5.1 and 4.5.2 if payment is made in accordance with Sections 4.5.1 and 4.5.2.
- 4.6 The Parties hereto agree that the Anglican Entities' liability for all Compensation for IRS Abuse Claims shall not exceed the amount of the Settlement Fund set out in Section 3.3 and in the event that all funds are paid into and out of the Settlement Fund pursuant to the terms hereof, other than Section 4.7, any remaining liability the Anglican Entities have for IRS Abuse Claims shall be paid by the Government. The following Parts and Sections of this Agreement shall thereafter have no further force and effect: all of Part II except Sections 2.2, 2.3, 2.5, 2.6, 2.17, and 2.19; all of Part III; all of Part IV except Sections 4.6, 4.8, and 4.9; and Sections 5.5, 5.7.2 and 5.7.3.
- 4.7 In the event that on January 1, 2020, there are no IRS Abuse Claims pending or, two years from the date that there are no IRS Abuse Claims pending, whichever comes first, any balance in the Settlement Fund shall be paid to the General Synod. Should any IRS Abuse Claims arise after the balance in the Settlement Fund has been released to the General Synod, the Anglican Entities' liability for such IRS Abuse Claims shall be limited to returning to the Settlement Fund the amount of the Settlement Fund released to the General Synod.
- 4.8 In the event that all IRS Abuse Claims have been settled, or in the event that all funds have been paid into and out of the Settlement Fund pursuant to the terms hereof other than Section 4.7, then notwithstanding anything to the contrary herein or elsewhere contained, the Government will release and forever discharge the Anglican Entities from

any and all causes of action, claims or demands for damages for IRS Abuse Claims. In such event the Government will also agree not to make any claims or demands or commence, maintain or prosecute any action, cause or proceeding for damages, compensation, loss or any other relief whatsoever against the Anglican Entities arising directly or indirectly from any IRS Abuse Claim.

- 4.9 The Government agrees that payment into and payment out of the Settlement Fund in accordance with this Agreement, other than Section 4.7, shall operate conclusively as an estoppel in the event of any such claim, action or proceeding and may be pled as such, and further agrees to indemnify and save harmless the Anglican Entities from any and all claims or demands for damage and assessed costs and disbursements payable to any party other than an Anglican Entity in any IRS Abuse Claim.

**PART V
ALLOCATION OF RESPONSIBILITIES TO VALIDATE
AND SETTLE IRS ABUSE CLAIMS**

- 5.1 In this Part, except Sections 5.9 and 5.10, Anglican Entities means the General Synod, the Missionary Society, and the Named Entities.
- 5.2 It is the Government's intention to defend and resolve all IRS Abuse Claims in which it is a named party. For claims based on intentional torts arising prior to May 14, 1953, the Government will assert immunity if the matter proceeds to trial and will play no role in the defence after a court finds such immunity. The Government will provide written notice of its intention to any named Anglican Entity not later than 30 days before the start of such trial.
- 5.3 The Anglican Entities may elect not to participate in the validation, resolution or defence of IRS Abuse Claims, but Compensation will be paid as provided for in this Agreement. Where the Anglican Entities participate in validation, resolution or defence of an IRS Abuse Claim, it shall be at their own expense.
- 5.4 The Government and the Anglican Entities each accept and acknowledge that their respective representatives and counsel are instructed by, act for, and represent only their principal.
- 5.5 The Anglican Entities and the Government agree that instructions given to their respective counsel will be consistent with the intent and terms of this Agreement.

- 5.6. Where the Anglican Entities elect not to participate in the validation, resolution or defence of IRS Abuse Claims, then the General Synod, and subject to the request being made via the General Synod, any Contributing Entity will at its own expense:
- 5.6.1 comply with all reasonable requests from the Government for information and assistance during the proceedings;
 - 5.6.2 provide counsel for the Government, and any researchers or experts retained by them, with full access to all relevant files and databases, excepting documents with respect to which solicitor-client privilege or other lawful privilege applies and is asserted. Any information obtained from records pursuant to this Section will be used exclusively for the defence of the IRS Abuse Claim or Claims for which the information was sought unless otherwise agreed in writing;
 - 5.6.3 through a representative or one or both of them, participate in any apologies, reconciliation or closure ceremonies that are agreed to as part of the resolution of an IRS Abuse Claim or Claims, and, provided the terms of this Agreement have been followed, collectively support the result achieved as if they had been represented by counsel and had defended the Claim or Claims;
 - 5.6.4 provide disclosure and production of relevant documents in their possession or control, provide witness statements on request, attend at the discovery of their witnesses, and otherwise facilitate the testimony of witnesses within their employ; and
 - 5.6.5 accommodate a Claimant's reasonable request that a representative of the Anglican Entities attend a hearing while a Claimant is giving evidence or otherwise relating his or her experience at an IRS.
- 5.7 Where the Anglican Entities elect not to participate in the validation, resolution or defence of IRS Abuse Claims, the Government:
- 5.7.1 will facilitate all reasonable requests to ensure that where employees or former employees of the Anglican Entities or a Contributing Entity are the subject of an IRS Abuse Claim or Claims, such employees or former employees will have an opportunity to have their account of events heard in any resolution process. The Government will not be responsible for any expense related to the participation of the employee or former employee of the Anglican Entities or a Contributing Entity unless the Government requires the participation of such employee or former employee for its purposes;
 - 5.7.2 intends to participate in trials, ADRPs and other resolution processes as necessary to ensure that appropriate inquiries are made of the Claimants and any other

witnesses, to lead such evidence as may be admissible and appropriate, and to make submissions; and

- 5.7.3 where an ADRP or other Resolution Process does not provide for a decision on Compensation, or in any out-of-court settlement, will participate in and may conclude negotiations to determine the amount of Compensation, provided the amount of Compensation is consistent with any standards and levels agreed to by the Government and the Anglican Entities.
- 5.8 The Government agrees to co-operate with the Anglican Entities to minimize the circumstances in which the Claimant pursues independent causes of action or theories of liability against the Anglican Entities.
- 5.8.1 The Government or the Anglican Entities will advise a Claimant and may advise the court that if either is liable for any portion of an IRS Abuse Claim, such Claimant will receive 100% of the Compensation, and no issue of apportionment between them need be litigated to secure full Compensation.

Reciprocal Releases and Indemnities

- 5.9 The Anglican Entities agree that they will bring no action or claim whatsoever against the Government or its counsel related in any way to the validation, resolution or defence of any IRS Abuse Claims, and agree that this Section shall operate as a full and complete defence to any such claim and that the Anglican Entities shall be barred from recovering any and all amounts claimed by way of damages, interest, costs or expenses in any way related to such claims. The Anglican Entities further agree to jointly and severally indemnify the Government for any and all costs, expenses and damages suffered by the Government as a result of such action or claim being brought against the Government or its counsel by any of them.
- 5.10 The Government agrees that it will bring no action or claim whatsoever against the Anglican Entities or their counsel related in any way to the validation, resolution or defence of any IRS Abuse Claims, and agrees that this Section shall operate as a full and complete defence to any such claim and that the Government shall be barred from recovering any and all amounts claimed by way of damages, interest, costs or expenses in any way related to such claims. The Government further agrees to indemnify the Anglican Entities for any and all costs, expenses and damages suffered by the Anglican Entities as a result of such action or claim being brought against the Anglican Entities or their counsel by the Government.
- 5.11 Section 5.9 and 5.10 do not operate to prevent the Government or the Anglican Entities bringing actions to enforce the provisions of this Agreement.

**PART VI
OTHER CLAIMS**

- 6.1 In addition to meeting their obligations under this Agreement, the Government and the Anglican Entities will be continuing their own programs to address the need for healing and reconciliation arising from the Indian Residential Schools. They will share information, and where feasible and appropriate, co-operate in their programs.
- 6.2 The Government and the Anglican Entities have individually determined that no basis exists at law to found a cause of action for loss or diminution of aboriginal language or culture arising from or connected to the operation of an IRS.
- 6.3 The Government and the Anglican Entities agree that efforts to assert claims referred to in Section 6.2 and any other claim arising from or connected to the operation of an IRS which is not an IRS Abuse Claim (hereinafter collectively referred to as a “Section 6.3 Claim”), will be vigorously opposed by them and they agree to co-operate in the defence of such claims.
- 6.4 Where a plaintiff in a Section 6.3 Claim is proceeding against only the Government as a defendant and not against one or more Anglican Entities then the Government will defend the claim against the Government.
- 6.4.1 Where the Government is of the opinion that one or more Anglican Entities are partially or wholly responsible for any liability arising from such claim, the Government shall, as early as reasonably possible, deliver written notice to the General Synod setting out a description of the Section 6.3 Claim and the basis upon which the Government asserts an Anglican Entity is responsible for the Section 6.3 Claim;
- 6.4.1.1 The General Synod may, following efforts to resolve the matter through Part VII, bring a motion in the proceedings to strike the notice on the basis that it does not disclose a reasonable cause of action.
- 6.4.2 The General Synod and the Missionary Society agree that as early as reasonably possible and no later than the start of trial, their counsel will attend in court and will consent to an order adding them as a party to the action and to the issuance of a judgment against them and in favour of the Government for contribution in the event the Government is found liable to the plaintiff. The extent of contribution required of the General Synod and the Missionary Society under the contribution judgment will be determined in accordance with Section 6.10 hereof, and the contribution maybe nominal or greater.

- 6.4.3 The General Synod and the Missionary Society will also advise the court that for the purpose of the trial and a judgment for contribution they accept joint and several responsibility for themselves, their employees and agents, and any Diocese whose territorial jurisdiction includes, or at the relevant time included, an IRS to which the claim pertains, and its employees and agents.
- 6.4.4 If the Government is found liable to the plaintiff, the General Synod on behalf of Anglican Entities shall then resolve the apportionment of liability for such action in accordance with the terms of Section 6.10. In support of this, the Government, the General Synod and the Missionary Society will advise the court of the terms of Section 6.10 no later than the outset of the trial, and will ask the court, to the extent consistent with determining the plaintiff's claim, including the defence thereof, to refrain from making findings as to apportionment of liability as between the Anglican Entities and the Government. Nothing herein shall restrict the evidence that the Government, the General Synod, or the Missionary Society may present at the trial of the plaintiff's claim.
- 6.5 Where the plaintiff in a Section 6.3 Claim has named the Government and any one or more Anglican Entities, and asserts that they are jointly and severally liable, the Government accepts that the Anglican Entities may seek the plaintiff's agreement to discontinue against them, but where the plaintiff does not, then the General Synod and the Missionary Society, where named, will advise the court that they consent to a judgement for contribution against them in favour of the Government, and where not named, agree to proceed as set out in Section 6.4.2. In either event, if a Diocese whose territorial jurisdiction includes, or at the relevant time included, an IRS to which the claim pertains, is not a party to the action, the General Synod and the Missionary Society agree to proceed as set out in Section 6.4.3.
- 6.5.1 The Government and the Anglican Entities will no later than the outset of the trial inform the court that it is not necessary to consider apportionment pending their efforts to resolve that issue pursuant to this Agreement. The Government and the Anglican Entities will inform the court of the terms of Section 6.10, and ask the court, to the extent consistent with determining the plaintiff's claim, including the defence thereof, to refrain from making findings as to apportionment of liability as between the Anglican Entities and the Government. They will also inform the court of a mechanism for the payment of the damages to the plaintiff subject to any stay or appeal. Nothing herein shall restrict the evidence that the Government and the Anglican Entities may present at the trial of the plaintiff's claim.
- 6.5.2 The extent of contribution required of the General Synod and the Missionary Society under the contribution judgment will be determined in accordance with Section 6.10 hereof and the contribution may be nominal or greater.

- 6.6. In the event of a breach of one or more of Sections 6.4.2, 6.4.3, and 6.5 by the General Synod or the Missionary Society, the Government may, by notice in writing to them, make a claim of default and require that it be rectified within 10 days. If such breach is not rectified within 10 days of delivery of such notice, or if within that time period the General Synod or the Missionary Society has not brought an application returnable on no more than 10 days' notice, for relief from the application of this Section in the specific instance, the Government may declare Part VI of this Agreement to be of no force and effect from and after expiry of 10 days following the date of delivery of such notice and Part VI shall thereupon be deemed to be and will thereupon be of no force and effect.
- 6.6.1 In addition to the provisions of Section 8.4, in the event the Government makes a declaration under Section 6.6, Part VI of this Agreement is severable from the other Parts of this Agreement which remain in full force and effect, but the obligations of the Anglican Entities under the General Synod Support Agreement shall apply only to Section 6.3 Claims in which trials had commenced before the date on which Part VI ceased to have force and effect pursuant to Section 6.6.
- 6.7 Where a plaintiff in a Section 6.3 Claim has named only an Anglican Entity as a defendant and not the Government and where the General Synod is of the opinion that the Government is partially or wholly responsible for any liability arising from such claim, then, as early as reasonably possible, the General Synod shall deliver a written notice to the Government setting out a description of the Section 6.3 Claim and the basis upon which the General Synod asserts the Government is responsible for the Section 6.3 Claim. In such circumstances, the Government will not oppose being added as a party defendant, third party or defendant by cross-claim in a Section 6.3 Claim, as the case may be, at the instance of the General Synod notwithstanding the discontinuance of and prohibition against third party claims and cross-claims set out in Section 6.11. The Government will be at liberty to raise in defence to an action or the third party claim or cross-claim all defences that were or are available to the plaintiff's claim and all defences available in a claim for contribution or indemnity.
- 6.8.1 Sections 6.4, 6.5 and 6.11, in their entirety, do not apply in a Section 6.3 Claim where a claimant sues in a representative capacity or where a party in a Section 6.3 Claim seeks to have the action certified as a class action or a court of competent jurisdiction has certified the action as a class action (hereinafter collectively referred to as a "Section 6.3 Class Action").
- 6.8.1.1 Any of the Government or one or more Anglican Entities may commence or continue, as the case may be, third party proceedings or cross-claims against each other in a Section 6.3 Class Action.

- 6.8.1.2 The Government and the Anglican Entities will participate in the defence of a Section 6.3 Class Action and, to the extent possible and consistent with each of the Government and one or more Anglican Entities representing its own interests, the Government and the Anglican Entities will cooperate with each other in the defence of a Section 6.3 Class Action.
- 6.8.2 Sections 6.1, 6.2, 6.3, 6.9 and 6.12 to 6.17, inclusive, apply in their entirety *mutatis mutandis* to a Section 6.3 Class Action.
- 6.8.3 In the event the Government obtains judgment against one or more Dioceses in a Section 6.3 Class Action, the General Synod and the Missionary Society, jointly and severally, will accept liability for such judgment.
- 6.8.4 Where the General Synod and the Missionary Society accept joint and several liability for a judgment against a Diocese in a Section 6.3 Class Action, the Government will only enforce such judgment against the General Synod and/or the Missionary Society and not against the Diocese.
- 6.8.5 In the event the Government obtains judgment against one or more Anglican Entities in a Section 6.3 Class Action, then the criteria set out in Section 6.10.1 apply to determine the amount of payment to be made by the General Synod and the Missionary Society on the judgment and the enforcement of the contribution shall be subject to Sections 6.10.7 and 6.10.8.
- 6.9.1 The Anglican Entities acknowledge that in Section 6.3 Claims the Government will be defending the claim against the Government only and in so doing will not be acting for the Anglican Entities and will defend the claim as it sees fit, whether or not its defence conflicts with the interests of the Anglican Entities, and the Government acknowledges that the Anglican Entities where they participate in the defence of these claims, will proceed on the basis of acting for themselves and not the Government.
- 6.9.2 Where the General Synod and the Missionary Society are not named by a plaintiff in a Section 6.3 Claim, but have agreed to judgment for contribution against themselves in accordance with this Agreement they may, but are not required to, participate in the trial of the plaintiff's claim. Whether or not they participate in the trial of the Plaintiff's claim, an affected Anglican Entity, to the extent possible without prejudicing its own interests, shall fully co-operate in the defence of the Section 6.3 Claim.
- 6.9.3 An Anglican Entity named as a party in a Section 6.3 Claim will provide production of documents, will produce its representatives for discovery and its witnesses at trial in accordance with the applicable rules of court and, to the extent possible without prejudicing its own interests, shall fully co-operate in the defence of the action. Anglican

Entities who are not named as a party in a Section 6.3 Claim will, at the request of the Government or the General Synod, provide production of documents, and produce their representatives for pre-trial examination and their witnesses at trial in accordance with the applicable rules of court for production from non-parties to a court proceeding.

6.10 Subject to any stay or appeal, where a court has imposed liability in an action set out in a Section 6.3 Claim, the Government and the Anglican Entities agree that the apportionment of their respective responsibilities to pay such liability shall be determined as follows:

6.10.1 The Government, the General Synod and, at its option, any Anglican Entity that is a party to a trial of a Section 6.3 Claim will in good faith negotiate an apportionment of such liability based on the following criteria:

- 6.10.1.1 A fair apportionment of moral, legal and financial responsibilities;
- 6.10.1.2 The voluntary nature of the Anglican Entities practising the Anglican religion in Canada;
- 6.10.1.3 The collective viability and sustainability of the Anglican Entities practising the Anglican religion in Canada;
- 6.10.1.4 The legal basis on which liability was found;
- 6.10.1.5 The level of participation of any part of the Anglican Entities in the development, administration or operation of any IRS from which the successful Section 6.3 Claim arises; and
- 6.10.1.6 The importance of sustaining the General Synod as an integral part of the Anglican Church of Canada.

6.10.2 If the Government and the Anglican Entities do not agree to an apportionment of liability under Section 6.10.1, then either may commence proceedings to determine the issue of contribution. In such proceedings, Section 6.4.3 applies.

6.10.3 In such proceedings, the Government and the Anglican Entities agree that the evidence in the trial of the plaintiff's action shall be evidence, together with any further evidence led by the Government or one or more Anglican Entities. The Government and the Anglican Entities also agree that the Reasons for Judgment in the plaintiff's action shall be available to and may be relied upon by the judge in the new proceedings, provided that findings made in the first trial shall not be binding upon the judge in the new proceedings, where, as a result of further evidence led in the second proceedings the judge determines that such findings

should not be relied upon in the second proceedings. The Anglican Entities and the Government agree that the only issue for determination in the proceedings is the extent of contribution to be paid. In such proceedings the Government shall only seek to impose liability to contribute against the General Synod and the Missionary Society who jointly and severally accept responsibility for themselves, their employees and agents and for any Diocese whose territorial jurisdiction includes, or at the relevant time included, an IRS to which the claim pertains, and its employees and agents.

- 6.10.4 In proceedings commenced under Section 6.7 and 6.10.2 the Government, and the General Synod and the Missionary Society on behalf of themselves and any other Anglican Entity, will be entitled to raise all defences as to the extent of contribution that were available to the plaintiff's claim in the first proceedings, and in determining whether the contribution shall be nominal or greater, the court shall have regard to all available defences. The Government will not rely on the terms of this Agreement to resist a defence asserted by or on behalf of an Anglican Entity.
- 6.10.5 For the purposes of an apportionment proceeding under Section 6.10.2, the Government will not oppose a Diocese in relation to whom the Government has given notice under Section 6.4.1, or that was named as a defendant in a Section 6.3 Claim, being a party to the apportionment proceeding for the following purposes only:
- 6.10.5.1 to provide documents and pre-trial and trial testimony for the purposes of the apportionment proceedings; and
 - 6.10.5.2 to allow the court to determine the legal responsibility of the Diocese, if any, for the purpose of determining contribution under Section 6.10.2.
- 6.10.6 In consideration of the Government agreeing to seek judgement to contribute only against the General Synod and the Missionary Society each Diocese shall execute a General Synod Support Agreement.
- 6.10.7 Where a court has determined the apportionment of liability as between the Anglican Entities and the Government and has awarded judgment in favour of the Government against the General Synod and the Missionary Society, and where the General Synod and the Missionary Society advise the Government that they cannot reasonably pay the judgment, they and the Government will make reasonable efforts to agree upon the amount to be paid and the terms of payment, and Sections 6.10.1 (apportionment principles) and 7.6 (mediation) apply.

- 6.10.8 Where discussions and mediation pursuant to Section 6.10.7 do not result in resolution of the amount to be paid, the Government further agrees that in any proceeding or step taken to enforce the judgment for contribution against the General Synod and the Missionary Society its recovery shall be limited to an amount determined by the court pursuant to the principles in Section 6.10.1. Such determination shall be by way of a summary application to a provincial superior court.
- 6.11 As soon as reasonably practicable, and no later than 60 days after the coming into force of this Agreement the Government and the Anglican Entities shall, on a without costs basis, discontinue all cross-claims and third party claims seeking contribution and indemnity from each other in all Section 6.3 Claims and hereby agree not to commence or continue any such cross-claims or third party claims in any Section 6.3 Claim without the consent of the other as set out herein or otherwise as provided for in this Agreement.
- 6.12 In order to minimize the expenses of the Anglican Entities, the Government, without acting for or representing the interests of the Anglican Entities, and where it can be done without compromising its own interests, will, wherever it and the Anglican Entities have a common defence position in Section 6.3 Claims:
- 6.12.1 consult with the Anglican Entities as to the best strategy to employ in the defence of the claim;
 - 6.12.2 prepare and pursue motions and procedural matters that are required, subject to the Anglican Entities continuing to be represented by separate counsel. The Anglican Entities agree to support such steps when taken by the Government;
 - 6.12.3 carry out and share with the Anglican Entities required legal, factual and historical research which is related to the plaintiff's claim and is not the subject of an applicable and asserted privilege;
 - 6.12.4 where permitted full access to Anglican Entities' files and archives, carry out the search for and production of documents;
 - 6.12.5 conduct examinations for discovery and pursue undertakings and motions arising from such discoveries;
 - 6.12.6 retain and pay experts it feels should provide evidence and lead such expert evidence at trial;
 - 6.12.7 prepare document and exhibit books for discovery and trial; and
 - 6.12.8 prepare legal research, legal argument, and briefs of case law for trial.

- 6.13 The Anglican Entities agree that in Section 6.3 claims, to the extent possible without prejudicing their own interests, they will support, or not oppose, motions or arguments advanced by the Government related to limitations, laches, Crown immunity, the prospective nature of s.35 of the *Constitution Act, 1982*, or the application of the Crown policy defence.
- 6.14 The Anglican Entities hereby further acknowledge and agree that they will bring no action or claim whatsoever against the Government or its counsel related in any way to the conduct of the validation, resolution or defence of any Section 6.3 Claim, and agree that this Section shall operate as a full and complete defence to any such claim and that the Anglican Entities shall be barred from recovering any and all amounts claimed by way of damages, interest, costs or expenses in any way related to such claims. The Anglican Entities further agree to jointly and severally indemnify the Government for any and all costs, expenses and damages suffered by the Government as a result of such action or claim being brought against the Government or its counsel by any Anglican Entity or its counsel.
- 6.15 The Government acknowledges and agrees that it will bring no action or claim whatsoever against the Anglican Entities or their counsel related in any way to the conduct of the validation, resolution or defence of any Section 6.3 Claim, and agrees that this Section shall operate as a full and complete defence to any such claim and that the Government shall be barred from recovering any and all amounts claimed by way of damages, interest, costs or expenses in any way related to such claims. The Government further agrees to indemnify the Anglican Entities for any and all costs, expenses and damages suffered by the Anglican Entities as a result of such action or claim being brought against the Anglican Entities or their counsel by either the Government or its counsel.
- 6.16 The Government and the Anglican Entities agree to establish a Cultural Claims Review Steering Committee which shall meet at the request of either to (a) review issues concerning the implementation of this Part and (b) consult on the most appropriate defence strategy for any claim or group of claims to which this Part applies.
- 6.17 In a Section 6.3 Claim the Government shall be responsible for and pay compensation for any liability shared with one or more Anglican Entities where the liability as found is based on one or more acts or omissions, all of which occurred after April 1, 1969.

PART VII RESOLUTION OF DISPUTES CONCERNING THIS AGREEMENT

- 7.1 The Government and the Anglican Entities share the following objectives in the implementation of the Agreement, namely to:

- 7.1.1 co-operate with each other to develop harmonious working relationships;
 - 7.1.2 prevent, or, alternatively, to minimize disagreements;
 - 7.1.3 identify disagreements quickly and resolve them in the most expeditious and cost-effective manner; and
 - 7.1.4 resolve disagreements in a non-adversarial, collaborative and informal atmosphere.
- 7.2 The Government and the Anglican Entities agree that if any dispute arises out of, or has arisen relating to this Agreement, or the breach, validity or interpretation or subject matter thereof, they will endeavor diligently to settle the dispute through good faith negotiations.
- 7.2.1 Section 7.2 does not abrogate the rights to terminate this Agreement set out in Sections 3.12 and 6.6, nor the right to seek specific performance set out in Section 7.7.
- 7.3 If the Government and the Anglican Entities do not resolve all the issues in dispute during the course of, or as a result of the negotiations, their rights with respect to the remaining unresolved issues shall remain unaffected by the negotiations in any subsequent proceeding.
- 7.4 The Government and the Anglican Entities shall each, within (60) days of the execution date of this Agreement, appoint one person as their Nominee to an Implementation Steering Committee, for the purpose of overseeing the administration and interpretation of the provisions of this Agreement and shall provide in writing the name of their Nominee to the other. The Government shall be entitled to one Nominee and the Anglican Entities shall be entitled to one Nominee.
- 7.5 The two Nominees constituting the Implementation Steering Committee shall meet at Ottawa in the Province of Ontario, or otherwise in Canada as agreed, at least once each calendar year during the currency of this Agreement. The purpose of each meeting will be to review performance under this Agreement, and to resolve by consensus all disputes that arise or have arisen in the interpretation and implementation of this Agreement. The minutes of such meetings shall be signed by each Nominee at the conclusion of the meeting and filed with the Government and the General Synod.
- 7.6 If the Government and the Anglican Entities are unable to resolve the dispute through negotiations within 120 days, either may request the commencement of mediation to

resolve the dispute. The mediator would be a third party neutral, who has no authority to resolve the dispute, but would facilitate resolution.

7.6.1 The mediation will be conducted by one mediator jointly agreed upon by the Government and the Anglican Entities.

7.6.2 The Government and the Anglican Entities will make a serious attempt to resolve the dispute through mediation by:

7.6.2.1 identifying underlying interests;

7.6.2.2 isolating points of agreement and disagreement;

7.6.2.3 exploring alternative solutions;

7.6.2.4 considering compromises or accommodations; and

7.6.2.5 co-operating fully with the mediator and giving prompt attention to and responding to all communications from the mediator.

7.6.3 The Government or the Anglican Entities may withdraw from mediation at any time by giving at least 21 days' written notice of their intention to the other and the mediator.

7.7 Notwithstanding Section 7.6, the Government may by notice in writing request that an Anglican Entity or the Corporation comply with a commitment made in this Agreement.

7.7.1 Where the Government has delivered written request to an Anglican Entity or the Corporation in accordance with this Agreement to have the recipient comply with such request within 60 days and the request has not been complied with, the Government may apply by way of summary application to a court of competent jurisdiction where the Anglican Entity or the Corporation is located for a mandatory order that it immediately comply with its obligation.

7.7.2 The Anglican Entity or the Corporation may file responding materials to the summary application and the rules of the court having jurisdiction will thereafter determine the process to be followed in determining the summary application.

7.7.3 If the court hearing the summary application finds that an Anglican Entity or the Corporation has failed to comply with its obligations under this Agreement, the court may order that it immediately comply with its obligations.

**PART VIII
GENERAL**

- 8.1 Where the Government has concluded a settlement agreement with a denomination or church entity other than the Anglican Entities with respect to IRS Abuse Claims arising from Indian residential schools, whether before or after the execution of this Agreement, which includes provisions that in their entirety are more favourable than those contained in this Agreement in their entirety, and where such more favourable provisions are unrelated to the specific circumstances of such denomination or church entity, the Government, at the request of the Anglican Entities, shall negotiate with the Anglican Entities with a view to amending this Agreement to incorporate provisions no less favourable than those in the other settlement agreement.
- 8.2 Notice shall be given, save as otherwise specifically provided, in writing addressed to the Party for whom it is intended and shall be deemed received by the other Party on the day it is signed for if sent by certified mail, and if sent by facsimile, it shall be deemed received on the business day next following the date of transmission. The mailing and facsimile addresses of the Parties shall be:

8.2.1 As to the General Synod and the Missionary Society:

600 Jarvis Street
Toronto, Ontario M4Y 2J6

Attention: General Secretary
Fax: 416 924-0211

Copy to: Cassels, Brock & Blackwell
 Barristers & Solicitors
 Suite 2100 40 King Street West
 Toronto, Ontario M5H 3C2

Attention: John Page
Fax: 416 640-3038

Copy to: McKercher McKercher & Whitmore
 Barristers & Solicitors
 1100 - 1801 Hamilton Street
 Regina, Saskatchewan S4P 4B4

Attention: Peter A. Whitmore, Q.C.
Fax: 306 781-7113

8.2.2 As to the Corporation:

600 Jarvis Street
Toronto, Ontario M4Y 2J6

Attention: General Secretary
Fax: 416 924-0211

Copy to: Cassels, Brock & Blackwell
Barristers & Solicitors
Suite 2100 40 King Street West
Toronto, Ontario M5H 3C2
Attention: John Page
Fax: 416 640-3038

Copy to: McKercher McKercher & Whitmore
Barristers & Solicitors
1100 - 1801 Hamilton Street
Regina, Saskatchewan S4P 4B4

Attention: Peter A. Whitmore, Q.C.
Fax: 306 781-7113

8.2.3 As to the Government:

Deputy Minister
Indian Residential Schools Resolution Canada
3rd floor, 90 Sparks Street
Ottawa, Ontario K1A 0H4

Fax: 613 996-2811

Copy to: Department of Justice Legal Services,
3rd Floor, 90 Sparks Street
Ottawa, Ontario K1A 0H4

Attention: Senior Counsel
Fax: 613 996-1810

Copy to: Deputy Attorney General of Canada
Department of Justice Building
284 Wellington Street
Ottawa, Ontario K1A 0H8

Attention: Assistant Deputy Attorney General,
Aboriginal Law
Fax: 613 996-4737

or any other mailing or facsimile address as the Parties from time to time may notify each other of in writing.

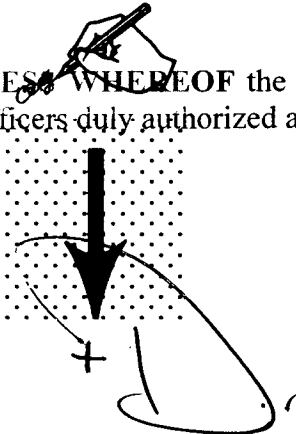
- 8.3 This Agreement shall be binding on and enure to the benefit of the General Synod, the Missionary Society, the Corporation, and their respective successors and assigns and the Government.
- 8.4 Any provision of this Agreement which is or becomes prohibited or unenforceable in any jurisdiction that governs the interpretation, applicability or enforceability of this Agreement shall not invalidate or impair the remaining provisions of this Agreement, which shall be deemed severable from the prohibited or unenforceable provision, and any prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable that provision in any other jurisdiction.
- 8.5 No amendment, supplement or waiver of any provision of this Agreement or any other agreements provided for or contemplated by this Agreement, nor any consent to any departure by a Party to this Agreement or their representative shall in any event be effective unless it is in writing and signed by the Parties to this Agreement and then the amendment, supplement, waiver or consent shall be effective only in the specific instance for the specific purpose for which it has been given.
- 8.6 No waiver or act or omission of a Party to this Agreement shall extend to or be taken in any manner whatsoever to affect any subsequent event of default or breach by that Party of any provision of this Agreement or the results or the rights resulting from it.
- 8.7 Time shall be of the essence in this Agreement.
- 8.8 No Member of the House of Commons or Senate may participate in or derive a benefit through this Agreement other than as a member or officer of an Anglican Entity or as a Claimant.
- 8.9 This Agreement constitutes the entire Agreement among the Parties and cancels and supersedes any prior agreements, undertakings, declarations or representations, written or verbal, in respect of it.
- 8.10 This Agreement shall be interpreted in accordance with the laws in force in the Province of Ontario, subject always to any paramount or applicable federal laws. Nothing in this

Agreement is intended to or is to be construed as limiting, waiving or derogating from any federal Crown prerogative.

8.11 The Government and the Anglican Entities acknowledge that their participation in the negotiations leading to the execution of this Agreement, the Contribution and Cooperation Agreement and the General Synod Support Agreement, and the execution of these agreements, does not constitute any admission by the Government or the Anglican Entities that they have any legal or financial liability to any party in relation to claims arising from or connected to the operation of an IRS. The Government and the Anglican Entities agree that they will not advance as evidence or argument, in any legal claim against each other in relation to claims arising from or connected to the operation of an IRS, the negotiations leading to and the execution of this Agreement, the Contribution and Cooperation Agreement, and the General Synod Support Agreement.

8.12 This Agreement may be signed in counterparts.

~~IN WITNESS WHEREOF~~ the Parties have caused this Agreement to be executed by their respective officers duly authorized as of the date stated above.



THE GENERAL SYNOD OF THE ANGLICAN CHURCH OF CANADA

Per: + Michael G Jerris

Per: J. Boyle

THE MISSIONARY SOCIETY OF THE ANGLICAN CHURCH OF CANADA

Per: + Michael G Jerris

Per: J. Boyle

THE ANGLICAN CHURCH OF CANADA RESOLUTION CORPORATION

Per: J. Boyle

Per: J. Boyle

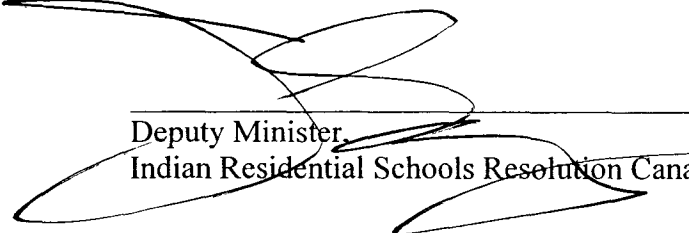
This is page 32 of the Settlement Agreement entered into as of the date first above written between Her Majesty the Queen in Right of Canada as represented by the Minister responsible for Indian Residential Schools Resolution Canada, the General Synod of the Anglican Church of Canada, the Missionary Society of the Anglican Church of Canada, and the Anglican Church of Canada Resolution Corporation

HER MAJESTY THE QUEEN IN RIGHT OF CANADA, as represented by the Minister responsible for Indian Residential Schools Resolution Canada



Minister

Witnessed by:



Deputy Minister,
Indian Residential Schools Resolution Canada

SCHEDULE "A"

INDIAN RESIDENTIAL SCHOOLS RELATED TO ANGLICAN ENTITIES

British Columbia:

St. Michael's	Alert Bay
St. George's	Lytton
Yale, (All Hallows Boarding School)	Yale Station, Fraser River
Metlakatla	Metlakatla

Yukon:

Carcross, Chooutla IRS	Carcross
St. Paul's Hostel	Dawson
Yukon Hostel	Whitehorse

Northwest Territories:

All Saints (Aklavik IRS)	Aklavik
Stringer Hall	Inuvik
Fort MacPherson Residence	Fort MacPherson
Hay River	Hay River – Treaty 8
Fort Simpson Hostel / Bompas Hall	Fort Simpson

Alberta:

Lesser Slave Lake (St. Peter's)	Lesser Slave Lake
Old Sun, (Blackfoot IRS)	Gleichen, Blackfoot Reserve

Sarcee Boarding School	Sarcee Junction
St. Cyprian	Brocket, Peigan Reserve
St. Paul's Boarding School (Blood)	Blood Reserve
Wabasca, (St. John's IRS)	Wabasca
Whitefish Lake, (St. Andrew's IRS)	St. Andrew's Mission

Saskatchewan:

Battleford Industrial School	Battleford
Gordon's Residential School	Gordon's Reserve
Lac la Ronge (Prince Albert)	La Ronge
Montreal Lake	Montreal Lake
Onion Lake (St Barnabas, Prince Albert)	Makao's Reserve
PAIRS (All Saints – Boys, St. Alban's -Girl's, PAISEC)	Prince Albert

Manitoba:

Elkhorn, (Washakada)	Elkhorn
Mackay	The Pas, Dauphin
Rupert's Land, (St. Paul's)	Near Winnipeg

Nunavut:

Coppermine Hostel	Coppermine
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Ontario:

Chapleau, (St. Joseph's, St. John's)	Chapleau
Moose Factory, (Horden Hall, Moose Fort)	Moose Island
Mohawk Institute	Brantford

Pelican Lake

Sioux Lookout

Shingwauk

Sault Ste. Marie

Quebec & Atlantic:

Fort George

Fort George

La Tuque

La Tuque

SCHEDULE "B"**PAYMENTS BY CONTRIBUTING ENTITIES**

Organization	Contribution
General Synod	\$ 2,997,000
Missionary Society (MSCC)	\$3,000
Toronto	\$5,040,000
Huron	\$2,100,000
Ottawa	\$1,600,000
New Westminster	\$1,600,000
Niagara	\$1,885,000
Nova Scotia and PEI	\$1,200,000
Ontario	\$1,100,000
British Columbia	\$1,003,399
Fredericton	\$762,000
Algoma	\$725,000
Eastern Nfld. & Lab	\$600,000
Calgary	\$200,000
Montreal	\$500,000
Rupert's Land	\$470,000
Qu'Appelle	\$400,000
Central Nfld.	\$345,000
Western Nfld.	\$345,000
The Arctic	\$466,643
Brandon	\$253,452
Edmonton	\$500,000
Saskatoon	\$300,000
Kootenay	\$274,800
Keewatin	\$185,000
Saskatchewan	\$225,000
Caledonia	\$150,000
Moosonee	\$150,000
Quebec	\$135,000
Athabasca	\$125,000
Yukon	\$76,224
Cariboo	\$10,000
Total	\$25,726,518

The Contributing Entities agree to pay the amount stated in full as provided for in the Contribution and Cooperation Agreement, over a period of five years commencing March 15, 2003. The General Synod's contribution will be paid as provided for in Section 3.4 of the Settlement Agreement.