

**RESOLUTION OF THE GOVERNING BODY OF
THE THREE AFFILIATED TRIBES OF THE
FORT BERTHOLD RESERVATION APPROVING INTERIM LOAN AND
ASSIGNMENT OF TRUST INCOME AS SECURITY**

- WHEREAS,** This Nation having accepted the Indian Reorganization Act of June 18, 1934, and the authority under said Act; and
- WHEREAS,** The Constitution of the Three Affiliated Tribes (the “Tribe”) generally authorizes and empowers the Tribal Business Council to engage in activities on behalf of and in the interest of the welfare and benefit of the Tribe and of the enrolled members thereof; and
- WHEREAS,** Article VI, Section 5(c) of the Constitution of the Tribe specifically authorizes and empowers the Tribal Business Council of the Tribe to administer the funds within the exclusive control of the Tribe and to make expenditures from available tribal funds for public purposes of the Tribe; and
- WHEREAS,** In accordance with Public Law 102-575, entitled “Three Affiliated Tribes and Standing Rock Sioux Tribe Equitable Compensation Act,” as amended (the “Act”), income from the Recovery Fund therein defined (“Trust Income”) is permitted to be paid to the Tribe for educational, social welfare, economic development and other programs, subject to the approval of the Secretary; and
- WHEREAS,** The Tribe has determined that it would be in the best interests of the Tribe and its enrolled members to borrow funds of approximately \$3,052,500 (the “Interim Loan”) on an interim short-term basis to finance certain capital costs associated with the Tribe’s exercise of customary essential governmental functions, together with related costs of issuance, all in anticipation of a long-term tax-exempt refinancing expected to be arranged by the Servicer (the “Take-Out Loan”); and
- WHEREAS,** The Tribe has determined that payment of principal and interest on the Interim Loan should be secured by an assignment of Trust Income in an amount sufficient to pay the Interim Loan, plus interest thereon; and
- WHEREAS,** The Tribe has determined that the contemplated uses of the funds to be borrowed under the Interim Loan are within the stated purposes for which Trust Income may be used in accordance with the Act; and
- WHEREAS,** The Interim Loan shall be structured as follows: 1) the principal amount of the Interim Loan shall equal approximately \$3,052,500; 2) the Interim Loan is expected to be repaid as quickly as possible, but in any event within six months by the Take-Out Loan, so only interest will be required to be paid for the first six months of the Interim Loan; 3) to provide flexibility so that if for any reason the Take-Out Loan does not occur, the Interim Loan will not have a final maturity for approximately forty-two months (i.e. 36 months after the interest-only

period); 4) if the Interim Loan is not repaid within six months, during the last 36 months, monthly payments will fully amortize the principal amount of the Interim Loan; 5) the interest rate for the of the Interim Loan shall be adjusted monthly to equal the prime rate of interest as quoted in the Wall Street Journal, plus 2.10% (which includes a fee payable to the Servicer of .10%); 5) the terms of the Interim Loan will be set forth in a Loan Agreement, a draft of which has been received by the Tribe (the "Loan Agreement") and evidenced by promissory notes of the Tribe in the form attached to the Loan Agreement, payable to the lenders identified in the Loan Agreement (the "Lenders"); 6) the written absolute assignment of Trust Income to pay and secure the Notes and obligations of the Tribe under the Loan Agreement (the "Assignment") will be in a form approved by the Office of Trust Fund Management and the Bureau of Indian Affairs, and will be subject to any prior assignments securing debt of the Tribe remaining outstanding after incurrence of the Interim Loan; 7) under the Loan Agreement, the Tribe will have the right to pay each monthly payment of principal or interest fifteen days in advance to avoid using Trust Income for payment of the Loan; and 8) a security interest in the Trust Income will be recorded by the filing of financing statements; and

WHEREAS, The Servicer has agreed to use its best efforts to arrange the Interim Loan, and it is proposed that the Servicer be engaged to arrange the Loan in accordance with the terms of a placement agreement (the "Placement Agreement"), a form of which has been received by the Tribe; and;

NOW, THEREFORE, BE IT RESOLVED, That the Tribal Business Council hereby provides as follows:

Section 1. Recitals

- 1.1 The Tribal Business Council, consisting of the officials of the Tribal Business Council and the tribal representatives elected in the customary manner and in accordance with the Constitution and By-laws of the Tribe, is the governing body of the Tribe.
- 1.2 This Tribal Business Council has been advised that to receive the Loan in accordance with the foregoing, the Tribe is required to agree to various legal provisions (the "Legal Provisions") that provide for (a) a limited waiver of the Tribe's sovereign immunity by which the Tribe agrees to submit to arbitration any disputes related to the Loan or the foregoing named documents or other agreements related thereto (as more fully described in the Interim Loan Agreement, "Claims"), with enforcement related thereto required to be commenced first in the Tribal Court of the Tribe; (b) consent by the Tribe to apply the laws of a given jurisdiction in the interpretation of the foregoing documents; (c) a method of arbitrating Claims for the resolution of disputes; and (d) a restriction on the Tribe's self-management of any portion of the Trust Fund principal that could adversely affect the Lenders and a requirement to maintain interest in the Trust Fund in an amount not less than principal amount of the prior loans secured by such income..

Section 2. Approval and Authorizations

- 2.1 The Tribal Business Council hereby determines that the foregoing proposed actions are in

the public interest and promote the welfare of the Tribe, and the Tribal Business Council hereby approves the proposed actions.

- 2.2 This Tribal Business Council hereby approves the form of each of the Interim Loan Agreement, the Notes, the Assignment and the Placement Agreement (the “Loan Documents”), and hereby approves of the execution and delivery by the Tribe of each of the Loan Documents (in such form and with such modifications or changes thereto as are necessary or convenient and approved by legal counsel for the Tribe, which approval shall be deemed conclusively given upon the execution thereof by a person authorized to act on behalf of the Tribe), together with any other documents deemed by them to be necessary or convenient to be executed in connection therewith (and which shall be approved by legal counsel for the Tribe, which approval shall be deemed conclusively given upon the execution thereof by a person authorized to act on behalf of such party).
- 2.3 The following persons as the Chairman, Secretary, Treasurer, together with any other person who under the law of the Tribe is permitted to act on behalf of the Tribal Business Council in the event of the absence or incapacity of the Chairman, Secretary or Treasurer (each, an “Authorized Representative”), is hereby authorized and directed to execute the Loan Documents and any related documents on behalf of the Tribe and to take such actions as are required or desirable to effect the purposes of this Resolution.

	<u>Name</u>	<u>Title</u>
1.	Tex G. Hall	Chairman
2.	Austin Gillette	Treasurer
3.	Marcus Wells, Jr.	Secretary

Section 3. Limited Waiver of Sovereign Immunity; Jurisdiction and other Legal Provisions.

All Legal Provisions in the Loan Documents are hereby approved; more specifically and expressly:

- 3.1 The limited waivers of sovereign immunity and application of the doctrine of exhaustion of tribal remedies contained in the Loan Documents are hereby approved.
- 3.2 The Tribe is hereby authorized to submit disputes arising in connection with Claims to arbitration with the force and effect as provided for in the Loan Documents and as hereinafter provided.
- 3.3 Each of the Loan Documents shall be governed by such laws as are provided therefor in such instruments.

Section 4. Arbitration Code. Except as otherwise permitted by this Resolution, from the date of execution of any Loan Document, until all amounts owing by the Tribe to the Lenders under the Loan Documents have been fully and indefeasibly paid, the following provisions of this Section shall constitute the law of the Tribe and may be referred to as the “Arbitration Code”.

- 4.1 The Loan Documents contain provisions designating the laws that shall be applied in determining the obligations and performance of the parties thereunder, including the interpretation of matters therein (“**Applicable Laws**”). The Loan Documents further contain provisions (the “**Arbitration Provisions**”) requiring the parties thereto to submit to binding arbitration for resolution and final determination of certain matters in dispute between the parties related to such documents (“**Arbitrable Matters**”). The Arbitration Provisions, as a matter of the law of the Tribe, are hereby declared to be, and are, valid, irrevocable and enforceable as against all applicable parties in accordance with their terms.
- 4.2 The Tribe currently has a tribal court (the “**Tribal Court**”), created under the laws of the Tribe, and the following shall apply with respect to the Tribal Court (and any other court established by the law of the Tribe):
- (1) For all Arbitrable Matters, (a) the Tribal Court shall apply the procedural rules of the Tribal Court as to procedural matters, or, if no such rules exist, shall apply the then-current Federal Rules of Civil Procedure; and (b) the Tribal Court shall apply the Applicable Laws as to substantive law matters; provided that no procedural rule of the Tribal Court shall bar, delay or impair any action, proceeding or remedy where such action, proceeding or remedy would not be barred, delayed or impaired by the procedural rules of the courts of the jurisdiction whose substantive law applies.
 - (2) If any action for legal or equitable relief or any other proceeding is brought by any party concerning any Arbitrable Matter, the Tribal Court shall not review the merits of the pending action or proceeding, but shall stay the action or proceeding until an arbitration has been had in compliance with the Arbitration Provisions.
 - (3) A party to any Loan Document claiming the neglect or refusal of another party thereto to proceed with an arbitration thereunder may make application to the Tribal Court for an order directing the parties to proceed with the arbitration in compliance with the applicable Arbitration Provisions. In such event, the Tribal Court shall order the parties to arbitration in accordance with the Arbitration Provisions and the question of whether an obligation to arbitrate the dispute at issue exists shall be decided by the arbitrator.
 - (4) At any time within one year after an arbitration award has been rendered in accordance with the applicable Arbitration Provisions (the “**Arbitration Award**”) and the parties thereto notified thereof, any party to an arbitration under the Arbitration Provisions may make application to the Tribal Court for an order confirming the Arbitration Award, provided that the party shall file with the Tribal Court a true and correct copy of the Arbitration Award, a true and correct copy of the applicable Arbitration Provisions (together with any provisions modifying the same mutually agreed to by the applicable parties), a written identification of the arbitrator, any documentation material to the appointment of the arbitrator, and evidence that any other party to the arbitration proceedings shall have received notice of the filing or the intent to file an application to the

Tribal Court for confirmation of the Arbitration Award.

(5) An Arbitration Award shall not be subject to review or modification by the Tribal Court, but shall be confirmed strictly as provided by the arbitrator; provided, however, that if the Tribal Court is permitted under the applicable Loan Document to enforce any Arbitration Award, the Court may nevertheless decline to enforce any Arbitration Award if it finds that any of the following occurred:

- (a) The Arbitration Award was procured by corruption, fraud, or undue means.
- (b) There was evident partiality or corruption in the arbitrator.
- (c) The arbitrator was guilty of misconduct in refusing to postpone the hearing, upon sufficient cause shown, or in refusing to hear evidence pertinent and material to the controversy; or of any other misbehavior by which the rights of any party have been prejudiced.
- (d) The arbitrator exceeded his or her powers, or so imperfectly executed them that a mutual, final, and definite award upon the subject matter submitted was not made.

Where an Arbitration Award is so vacated and the time within which the applicable Loan Document required the award to be made has not expired, the Tribal Court may, in its discretion, direct a rehearing by the arbitrators.

(6) In any of the following cases where the Tribal Court is authorized to make an order regarding arbitration, the Tribal Court may make an order modifying or correcting the Arbitration Award upon the application of any party to the arbitration:

- (a) Where there was an evident material miscalculation of figures or an evident material mistake in the description of any person, thing, or property referred to in the award.
- (b) Where the arbitrators have awarded upon a matter not submitted to them, unless it is a matter not affecting the merits of the decision upon the matter submitted.
- (c) Where the Arbitration Award is imperfect in matter of form not affecting the merits of the controversy.

The order may modify and correct the award, so as to effect the intent thereof and promote justice between the parties.

(7) The judgment confirming an Arbitration Award shall be docketed as if it were rendered in a civil action. The judgment so entered shall have the same force and effect in all respects as, and be subject to all the provisions of law relating to, a judgment in a civil action, and it may be enforced as if it has been

rendered in a civil action in the Tribal Court. When the award requires the performance of any other act than the payment of money, the Tribal Court may direct the enforcement thereon in the manner permitted by law.

(8) No further appeal may be taken from an order issued by the Tribal Court pursuant to the foregoing provisions enforcing an agreement to arbitrate or an Arbitration Award.

(9) Subject to any contrary provision in the Loan Documents, the Tribal Court shall have jurisdiction over any action to enforce an agreement to arbitrate in any of the Loan Documents, to compel arbitration pursuant to the Arbitration Provisions, and to enforce an Arbitration Award; provided that in any such actions brought against the Tribe (or any agency or instrumentality thereof), the Tribe (or any such agency or instrumentality) shall have waived the defense of tribal sovereign immunity as to the Arbitrable Matters in dispute.

(10) To the extent allowed by federal law, the jurisdiction of the Tribal Court as to the foregoing matters shall be concurrent with the jurisdiction of any state or federal court permitted under the Loan Documents. Any consent to the jurisdiction of a state or federal court contained in a Loan Document shall be valid and enforceable in accordance with its terms, including any expression of a preference or priority of one jurisdiction or court over another.

4.3 The Tribe shall comply with and observe each Arbitration Award to the extent not judicially vacated or modified in accordance herewith by any court whose jurisdiction is authorized in the Loan Documents. To that end, the Tribe and the Tribal Court shall give full faith and credit to any award, order or decree rendered in any arbitration or by any federal or state court in accordance with this Section, and, to the extent reasonably necessary, shall issue such orders and exercise such legal powers as may reasonably be necessary to effectuate the same. The Tribe's police powers shall be available to secure and support any such enforcement efforts, and all police or other law enforcement officials of the Tribe shall carry out any orders that may be entered by the Tribe or the Tribal Court pursuant to this Section. The Tribe agrees that judgment enforcement remedies generally available throughout the State of North Dakota may be applied on lands held by or in trust for the Tribe or an agency or instrumentality of the Tribe with respect to any Arbitrable Matter.

Section 5. Uniform Commercial Code. So long as any amounts shall be owing or performance on the part of the Tribe shall be owing under a Loan Document, the provisions of this Section shall constitute the law of the Tribe. Article 1 (which contains general definitions and principles of construction and interpretation), Article 8 (which deals with securities accounts and other financial assets) and Article 9 (which recognizes the creation and perfection of security interests in property) of the Uniform Code as adopted and in effect from time to time as the law of the State of North Dakota (the "UCC"), together with all definitions used or sections referred to therein, but not contained, in such Articles and found elsewhere in the UCC ("UCC Provisions") shall be the law of the Tribe to provide the Lenders all rights available to a secured party having a security interest under the UCC; subject however, to the following:

5.1 The UCC Provisions shall be applicable throughout the lands under the sovereign control

of the Tribe, but shall be applicable only to the Loan, all other Secured Obligations, and all documents, agreements, moneys and property (whether tangible or intangible) evidencing or securing the same, including Pledged Revenues and the Collateral.

- 5.2 Notwithstanding the other provision of this Section or the UCC, the security interest in Pledged Revenues created by the Depository Agreement shall attach and be perfected in the Pledged Revenues (including with respect to any proceeds thereof) without possession by or on behalf of the Servicer, any Lender, the Depository (as defined in the Depository Agreement) or any Secured Payee (as defined in the Depository Agreement), the Tribe or any agent of the above, upon the receipt thereof, whether directly or indirectly, by or on behalf of the Tribe, or any agency or instrumentality of the Tribe, and shall continue while in the possession or under the control of any of the foregoing, all without the filing of any financing statement or statements.
- 5.3 Notwithstanding the other provision of this Section or the UCC, a security interest requiring the filing of a financing statement shall become effective and shall remain in effect once filed without need for further renewal or extension, (a) if filed on a Form UCC-1 presently acceptable for such purposes under the UCC, and (b) if filed in the office of the Secretary of State of the State of North Dakota, the office of the Tribal Chairman, or the appropriate filing office in the District of Columbia. The Tribal Chairman shall cause to be maintained such records available to the public as are commercially reasonable to evidence the filing of any such financing statements (and the information therein contained) and to provide notice to other creditors.
- 5.4 Notwithstanding any other provisions of this Section or the UCC, the UCC Provisions shall be applicable to the Tribe even though the Tribe may be a government as such term is defined in the UCC.

Section 6. Determination. The Tribal Council hereby determines that no laws, ordinances, resolutions or other actions of the Tribal Council or any of the agencies or instrumentalities of the Tribe, either written or established by custom or tradition: (a) prohibit the Tribal Council from approving the matters herein approved or the execution, delivery or performance of any Loan Documents; or (b) create any obligation of the Tribal Council to submit these matters for approval of or consent from any officer, body, agency or instrumentality of the Tribe, or any vote by members of the Tribe.

Section 7. Effect of this Resolution. So long as any amounts are owing or performance on the part of the Tribe is due or unperformed under a Loan Documents, (a) the provisions of this Resolution shall constitute the law of the Tribe and may be relied on by the Servicer, each Lender, and the successors, assigns and participants of each (the "Benefited Parties"), (b) the provisions of this Resolution shall constitute the terms of an agreement and contract between the Tribe and the Benefited Parties, and (c) any rescission, amendment or modification of this Resolution in any manner that may result in an adverse effect to a Benefited Party without the written consent of the Benefited Party that is or may be so effected, shall constitute a breach of the Interim Loan Agreement. The Tribal Council by this Resolution expressly reserves the right to adopt another uniform commercial code or another arbitration code, in replacement of the uniform commercial code provisions and arbitration code, respectively, adopted by this Resolution so long as such adoption shall not adversely affect the interests to the Lenders.

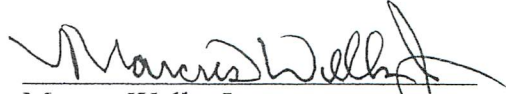
Section 8. Miscellaneous Matters.

- 8.1 Any resolutions or other actions of the Tribe, or any of its officers, employees, or agents, either written or established by tradition that are in conflict with or inconsistent with the terms of this Resolution or any provision set forth in a Loan Document are hereby to such extent repealed and annulled. This Resolution shall supersede any prior or currently existing resolutions or other actions of the Tribe, or any of its officers, employees or agents, subdivisions, agencies or instrumentalities that are contrary to the actions authorized or contemplated herein or in a Loan Document.
- 8.2 If any provision of this Resolution or the application of any provision of this Resolution to any individual, corporation, partnership, limited liability company, joint venture, association, joint stock company, trust, unincorporated organization, government or Indian tribe, or any agency, instrumentality or political subdivision thereof is held to be invalid, the remainder of the Resolution shall not be affected.
- 8.3 This Resolution shall become effective as of the date and time of its passage and approval by the Tribal Council.

CERTIFICATION

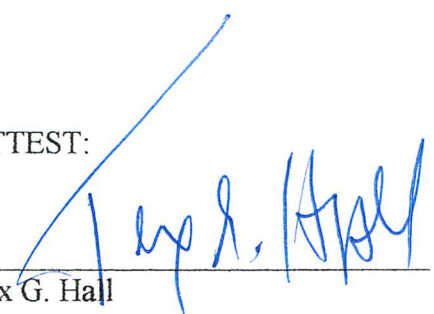
I, the undersigned, as Secretary of the Tribal Business Council of the Three Affiliated Tribes of the Fort Berthold Reservation, hereby certify that the Tribal Business Council is composed of 7 members of whom 5 constitute a quorum, 7 were present at a Special Meeting thereof duly called, noticed, convened, and held on the 22 day of October, 2001; that the foregoing Resolution was duly adopted at such Meeting by the affirmative vote of 6 members, 0 members opposed, 1 members abstained, 0 not voting, and that said Resolution has not been rescinded or amended in any way.

Dated this 22 day of October, 2001.



Marcus Wells, Jr.
Secretary, Tribal Business Council

ATTEST:



Tex G. Hall
Chairman, Tribal Business Council