

**RESOLUTION OF THE GOVERNING BODY OF
THE THREE AFFILIATED TRIBES OF THE
FORT BERTHOLD RESERVATION**

A resolution entitled “Housing Division pledge of JTAC funds or CD for 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 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 Tribes and of the enrolled members thereof; and

WHEREAS, Article VI, Section 5(c) of the Constitution of the Three Affiliated Tribes specifically authorizes and empowers the Tribal Business Council to administer the funds within the exclusive control of the Tribes and to make expenditures from available Tribal funds for public purposes of the Tribes; and

WHEREAS, There exists within the several segments of the Fort Berthold Reservation an unmet need for adequate individual family housing including single family units and multifamily dwellings; and

WHEREAS, The unmet need for housing includes low income housing and median income housing; and

WHEREAS, In order to develop housing to fill the needs of the enrolled members of the Three Affiliated Tribes, the Tribal Business Council by resolution created the Housing Division which lead to the development of the Dreamcatcher program.

WHEREAS, The Dreamcatcher program by and through the Housing Division will construct up to two hundred and fifty homes for the members of the Three Affiliated Tribes, and the homes will be financed from the proceeds of the Tribes' issuance of HUD Section 184 collateralized tax exempt bonds; and

WHEREAS, In order to issue bonds, the Three Affiliated Tribes being the bond issuer must pay closing costs including: Net Bond Issuance Costs; Negative Arbitrage Costs; and general Bond Costs of Issuance; and

WHEREAS, The bond proceeds, at first issuance being ten million dollars

(\$10,000,000.00), will be used to satisfy construction loans and eventual leasehold mortgages, for the first one hundred homes. BankOne will finance a substantial portion of the construction loans, and leasehold mortgages. The Three Affiliated Tribes will be the borrower, BankOne the lender and there will be, one loan per unit; the BankOne loans will be characterized as HUD Section 184 loans. The bond proceeds will payoff the loans, and the Three Affiliated Tribes receipt of occupant lessees' payments will be used to pay the principal and interest debt on the bonds. The tax-exempt bonds will be collateralized by HUD Section 184 loans; in the event that the Three Affiliated Tribes fail to make payments on the loans, HUD being the loan insurer will pay the debt owed to BankOne. (Hence the term: "HUD Section 184 collateralized tax exempt bonds.)

WHEREAS, There are many fascists to the sophisticated finance plan of the Dreamcatcher program however in order to secure the HUD Section 184 loans the borrower (TAT) is required by HUD to deposit monies at loan closing of each unit: Down Payments; Contingency Reserves; and first years Leasehold Mortgage Payments (also having the character of a reserve). The Contingency Reserves and the Leasehold Mortgage Payments will be escrowed and converted to a loan when used.

WHEREAS, The Housing Division has negotiated loans from the Native American Bank and also from FannieMae for loans to be used for the payment of the above-described bond closing costs and the HUD required loan closing costs and reserves. The aggregate amount of the loans from Native American Bank and FannieMae is anticipated to be approximately \$1,350,000.00 the proceeds of the loans will be placed in escrow and used only when needed in the amount needed. The borrower (TAT) will be required to pay debt service on only those portions of loan proceeds taken out of escrow and used. The loans will be revolving in nature.

WHEREAS, The finance institutions herein have given preliminary commitments to loan funds to (TAT) for the purpose of funding the Bond Closing Costs and the HUD Section 184 closing costs and reserves. The loans are subject to qualified security interests and each finance institution has agreed to accept as collateral a security interest in JTAC Economic Recovery Funds, limited to a security interest in interest earned by the JTAC funds. Also, the lenders may in lieu of JTAC Economic Recovery Funds collateral, accept Certificates of Deposit.

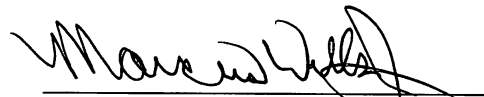
NOW, THEREFORE, BE IT RESOLVED, that the Three Affiliated Tribes hereby authorizes financial institutions entering agreements with the Three Affiliated Tribes for the purposes of providing housing by and through the Housing Division, Dreamcatcher program to obtain a security interest in the tribes' JTAC Economic Recovery Funds in an aggregate amount of up to but not to exceed \$1,350,000.00 and limited by a security interest extending only to interest earned by the JTAC funds. Also, authority is hereby

granted to pledge as necessary and fiscally possible Certificates of Deposit a collateral for security interest for loans described above. This authority is subject to the discretion of the Chairman and the Treasurer upon legal and fiscal review.

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 Regular Meeting thereof duly called, noticed, convened, and held on the 10th day of October, 2002; that the foregoing Resolution was duly adopted at such Meeting by the affirmative vote of 4 members, 2 members opposed, 1 members abstained, 0 not voting, and that said Resolution has not been rescinded or amended in any way.

Dated this 10th day of October, 2002



 Marcus Wells, Jr.
 Secretary, Tribal Business Council

ATTEST:



 Tex G. Hall
 Chairman, Tribal Business Council