



Resolution #03-201-RP

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

A resolution entitled "The Provision of the Allocation of Federal Education Funds for Funding of Tribal Construction Loan for the Mandaree School District Upon The School District's Failure to Allocate Funds For Loan Repayment."

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 Tribes and of the enrolled members thereof; and

WHEREAS, Pursuant to Resolution No. 03-179, the Tribe has approved a loan with Marshall Investments Corporation as lender in the amount of \$2,808,101 for construction of new school buildings for the Mandaree School District (the "School District") located on the Fort Berthold Reservation, which loan is guaranteed by the Tribe; and

WHEREAS, As a condition of the loan, the Tribe has requested the School District to enter into an agreement to set aside sufficient funds on an annual basis to repay the loan so that the Tribe does not have to make the payments on the loan out of its own funds; and

WHEREAS, It is the understanding of the Tribe that the School District has agreed to set aside, on an annual basis, the amount needed to repay the portion of the loan not being repaid by the Tribe; and

WHEREAS, In general, the loan is amortized over a fifteen year period, with a balloon payment due after seven years, at an annual interest rate of 5.125%, with a monthly payment due from the School District of \$22,206.28 after deductions are made for the amounts the Tribe has agreed to pay on the loan; and

WHEREAS, The School District now receives funds from the Federal government for use by the school for various purposes, pursuant to resolution of the Tribe; and

WHEREAS, The Tribe, by previous resolution, has made those funds available to the School District without restriction; and



WHEREAS, pursuant to Public Law 100-297, the Tribe is now seeking to control, to a limited extent, and to the extent permitted under Federal law, the uses of those funds that are provided to the school, in order to ensure the repayment of the Tribe's loan for school construction for the Mandaree School District; and

WHEREAS, In the event the School District does not allocate adequate funds from available funds for repayment of the school construction loan described herein, the Tribe wishes to ensure the repayment of the school construction loan by using Federal funds otherwise allocated to Mandaree School District to pay for the construction loan;

NOW THEREFORE BE IT RESOLVED, that to the extent permitted by Federal law, and notwithstanding any other resolution to the contrary, and notwithstanding any provision of any agreement between the Tribe and the Mandaree School District, in the event that the Mandaree School District does not make available to the Tribe the annual funds necessary to repay the loan between the Tribe and Marshall Investments Corporation in the amount of \$2,808,101, the Tribal Business Council of the Three Affiliated Tribes shall immediately reassume Federal funds provided pursuant to any funding agreement or grant for the benefit of Mandaree Public School District which are presently provided directly to the school pursuant to a resolution of the Tribal Business Council. The Tribe shall withhold such funds as are necessary to repay the construction loan provided to the School District by the Tribe, or, in the alternative, withhold such funds from the Mandaree School District until such time the School District provides assurance satisfactory to the Tribe that the funds needed to repay the construction loan will be available at the time loan payments are due.

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, 5 were present at a Regular Meeting thereof duly called, noticed, convened, and held on the 27th day of June, 2003; that the foregoing Resolution was duly adopted at such Meeting by the affirmative vote of 5 members, members opposed, 0 members abstained, 0 not voting, and that said Resolution has not been rescinded or amended in any way.

Chairman Voting. [] Not Voting.

Dated this 27th day of June, 2003.

Randy Phelan
Secretary, Randy Phelan
Tribal Business Council

ATTEST: Tex G. Hall
Chairman, Tex G. Hall
Tribal Business Council