



Resolution #04-085-RP

**RESOLUTION OF THE TRIBAL BUSINESS COUNCIL OF
THE THREE AFFILIATED TRIBES OF THE
FORT BERTHOLD RESERVATION**

A Resolution entitled "Approval of Lease Agreement with Department of Interior and Sublease Agreement with Mandaree School District No. 36"

- WHEREAS,** This Nation has 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,** The has previously entered into a loan agreement to borrow \$2,753,000 (the "Interim School Loan") on an interim short-term basis to finance certain capital costs associated with the remodeling and construction of an expansion to the Mandaree Public School building located on the Tribe's reservation, together with related costs of issuance, a Loan Agreement approved by Resolution No. _____ of the Tribal Business Council on _____, 2002 all in anticipation of a long-term refinancing expected to be arranged by Marshall Investments Corporation (the "Marshall"); and
- WHEREAS,** The Tribal Business Council has previously approved by Resolution No. _____ a longer-term loan agreement with Marshall Investments Corporation on _____, determining that it would be in the best interests of the Tribe to borrow on a long-term basis an amount sufficient to refinance the Interim School Loan and pay costs associated with such financing (the "Long Term School Loan"); and
- WHEREAS,** It is intended that a significant portion of principal and interest on the Long Term School Loan will continue to be paid by Mandaree Public School District No. 36 (the "School District") pursuant to a written agreement between the School District and the Tribe, in which the school will be subleasing from the Tribe, the property on which the new school building financed with the loan approved by the Tribe is located (the "School Lease Agreements"), and the Tribe will be

leasing from the Department of Interior the land on which the school building is located, with such leasing arrangement to last 25 years with one automatic 25 year renewal for a total of 50 years; and

WHEREAS, The principal terms of the lease between the Tribe and the Department of Interior is that there will be nominal consideration required from the Tribe each year of the lease; and the principal terms of the lease between the Tribe and Mandaree School District No. 36 is that the Mandaree School District No. 36 will be required to repay the Long Term School Loan directly to Marshall Investments Corporation on a monthly basis on the basis of invoices provided to Mandaree School District No. 36 by Marshall, reduced by the amounts that the Tribe has previously agreed to provide to the school of \$300,000 in one lump sum and an amount of \$45,000 per year starting in 2004, such invoices being approximately \$23,000 per month for a period of 15 years; and

WHEREAS, The Leases involved require a limited waiver of sovereign immunity by the Tribe to the extent necessary to enforce, through injunctive relief, the terms of the Sublease with Mandaree School District No. 36, but the lease with the Department of Interior does not require any waiver of sovereign immunity, and the Tribal Business Council has determined that this limited waiver of sovereign immunity is in the best interests of the Three Affiliated Tribes and its members; and

NOW, THEREFORE, BE IT RESOLVED by the Tribal Business Council of the Three Affiliated Tribes that the attached leases between the Tribe and the Department of Interior and between the Mandaree School District No. 36 and the Tribe are hereby approved, and subject to the condition that in any year in which Mandaree School District cancels the lease pursuant to the terms Paragraph 3 of the Sublease, the Tribe approves reexecuting such Sublease without further action by the Council, and subject to the approval of the Department of Interior of these leases, and subject to any changes made necessary by either review by the Department of Interior or by legal counsel for the Tribe; and

NOW, THEREFORE, BE IT FURTHER RESOLVED that the Chairman or Vice-Chairman of the Tribe hereby is authorized to execute the leases attached hereto, subject to any changes that may be required pursuant to review by legal counsel for the Tribe and by the Department of Interior.

CERTIFICATION

I, the undersigned, as Secretary of the Tribal Business Council of the Three Affiliated Tribes of the Fort Berthold Indian Reservation hereby certify that the tribal Business Council is composed of seven (7) members of whom five (5) constitute a quorum, _____ were present at a _____ Meeting thereof duly called, noticed, convened and held on the ___ day of _____, 2004,

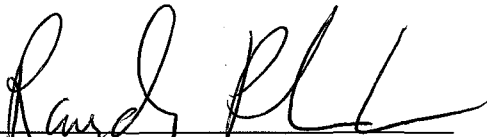
that the foregoing Resolution was duly adopted at such meeting by the affirmative vote of 7 members, 0 members opposed, 0 members abstained, 0 members not voting, and that said Resolution has not been rescinded or amended in any way.

Chairman [] Voting. [] Not Voting.

Dated this 21 day of MAY, 2004.

ATTEST:

Chairman, Tex G. Hall
Tribal Business Council



Executive Secretary, Randy Phelan
Tribal Business Council