



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

A Resolution entitled, "Authorization for the Issuance of Tax-exempt Bonds by the Three Affiliated Tribes to Finance Construction and Completion of the Fort Berthold Rural Water Supply System by the Fort Berthold Rural Water Program"

WHEREAS, This Nation having accepted the Indian Reorganization Act of June 18, 1934, and the authority under said Act and having adopted a Constitution and By-laws under said Act; and

WHEREAS, pursuant to Article III, Section 1 of the Constitution and By Laws of the Three Affiliated Tribes, the Tribal Business Council is the governing body of the Tribes; and

WHEREAS, pursuant to Article VI, Section 5 (c) of said Constitution and By Laws, the Tribal Business Council has the power to administer any funds or property within the exclusive control of the Tribes and to make expenditures from available Tribal funds for public purposes of the Tribes; and

WHEREAS, pursuant to Article VI, Section 5 (l) of said Constitution, the Tribal Business Council has the power to adopt resolutions regulating the procedures of the Tribal Business Council and other Tribal agencies and Tribal officials on the Reservation; and

WHEREAS, The Tribe and Tribal Business Council has established the Fort Berthold Rural Water Program whose primary responsibility is to develop effective, efficient and safe, drinking water systems for the members of the Tribe on the Reservation; and

WHEREAS, The Fort Berthold Rural Water Program receives the majority of its annual funding to construct water facilities for the members of the Tribe through the Dakota Water Resources Act pursuant to a PL 93-638 Indian Self-Determination Contract (hereinafter Contract) with the United States Bureau of Reclamation and an Annual Funding Agreement under said Contract; and

WHEREAS, The Fort Berthold Rural Water Program has developed the Final Engineering Plan for development and construction of a comprehensive water supply system on the Reservation which is known as the "Fort Berthold Rural Water Supply System" (hereinafter System) however, annual funding under the Contract is insufficient to complete the System in a reasonable and cost effective timeframe and it will take several more years to complete the System at the current rate of annual funding;



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WHEREAS, The Fort Berthold Rural Water Program has developed a plan whereby the Tribe would issue tax-exempt bonds to finance the construction of the entire System and the performance of its scope of work under the Contract and use its annual funding under the Contract to pay the financing costs, including principal, bond interest, and any cost of issuance, including without limitation, placement fees or discounts, legal fees, priority costs, and other costs incidental to the placement of the bonds; and

WHEREAS, The Tribal Business Council finds that considering the current financing interest rate environment compared to high construction cost inflation, issuance of bonds to expedite the construction of the System is the most sensible and cost effective means by which to pursue completion of the System and best serves the interests of the Tribes and its members; and

WHEREAS, The Tribal Business Council has obtained a legal opinion that provides that payment of financing costs, i.e. bond payments, would be an allowable cost under the Contract and would therefore be legal; and

WHEREAS, the Tribal Business Council further finds that it has the authority according to the terms of the Tribe's Constitution to execute a Financing Agreement and participate in the issuance of tax-exempt bonds on behalf of Fort Berthold Rural Water Program.

NOW THERE FOR IT BE RESOLVED, that the Tribal Business Council of the Three Affiliated Tribes hereby authorizes the issuance of Tax-exempt Bonds to finance the completion of the Fort Berthold Rural Water Supply System in accordance with the terms of any financing agreements or bond indenture to be negotiated between the Tribe, the Placement Agent and the bond purchasers;

BE IT FURTHER RESOLVED, that the Tribal Business Council further authorizes annual PL 93-638 Contract construction appropriations from the Dakota Water Resources Act to be used for debt service on said Bonds; and

BE IT FURTHER RESOLVED, that the Tribal Business Council authorizes DA Davidson and Company to act as Placement Agent for purpose of issuance of such tax-exempt bonds and authorizes Tribal Executive Committee to execute and sign any and all contracts, agreements or indentures including approval of all necessary terms thereof to effectuate the issuance of the tax-exempt Bonds herein authorized; and



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BE IT FURTHER RESOLVED, that the Tribal Business Council acknowledges that the Placement Agent and Purchasers of the Bonds are relying on the due and irrevocable authorization of the execution and performance of the Financing Agreements and issuances and payment of the Bonds, by the Tribal Business Council on behalf of the Tribe, as an inducement to place and purchase the Bonds; and

BE IT FINALLY RESOLVED THAT, that upon issuance of the Bonds and receipt of payment therefore, the authorization to execute and perform the Financing Agreements and issue and pay the Bonds pursuant to this Resolution shall be irrevocable, until and unless all Obligations due under the Financing Agreements are satisfied and the Bonds are paid in full in accordance with their terms and tenor, and no attempt to rescind this Resolution by the Tribal Business Council, or annul or impair the Resolution by referendum of Tribal voters, shall be effective while any Obligations or Bonds remain outstanding and unsatisfied.


CERTIFICATION

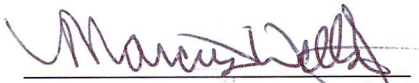
I, the undersigned, as Secretary of the Tribal Business Council of the Three Affiliated Tribes of the Fort Berthold Reservation, hereby certify that the Tribal Business Council is composed of 7 members of whom 5 constitute a quorum, 7 were present at a Regular Meeting thereof duly called, noticed, convened, and held on the 9th March 2007; that the foregoing Resolution was duly adopted at such Meeting by the affirmative vote of 5 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 9 day of March, 2007.

ATTEST:


Tribal Secretary, V. Judy Brugh
Tribal Business Council
Three Affiliated Tribes


Tribal Chairman, Marcus Wells Jr.
Tribal Business Council
Three Affiliated Tribes