



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

A Resolution Entitled: **“Authorization to pay off Loan Number XXIII, between the Three Affiliated Tribes and Bank First”, dated March 14, 2006, in the amount of \$149,786.63.”**

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 pursuant to said Act; and

WHEREAS, Article III of the Constitution of the Three Affiliated Tribes provides that the Tribal Business Council is the governing body of the Tribes; and

WHEREAS, The Constitution of the Three Affiliated Tribes 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 (l) of the Constitution of the Three Affiliated Tribes provides that the Tribal Business Council has the power to adopt resolutions regulating the procedure of the Tribal Business Council and other Tribal agencies and Tribal officials on the Reservation; and

WHEREAS, The Twin Buttes Public School District existing under the laws of the State of North Dakota (the “Twin Buttes School District”), operates within the Fort Berthold Reservation certain educational facilities in or around Twin Buttes, North Dakota, and provides educational opportunities to tribal members and others; and

WHEREAS, The Tribe and the Twin Buttes School District successfully received a Congressional appropriation in the amount of \$3,944,000 (the “Federal Grant”) under the Tribal School Construction Demonstration Program for the construction of a new elementary school in Twin Buttes, North Dakota (the “New School”) as set out Public Law 108-447, Consolidated Appropriations Act of 2004; and



- WHEREAS,** The Tribe entered into a Public Law 93-638 Contract with the Bureau of Indian Affairs to receive the Federal Grant and construct the new school; and
- WHEREAS,** Pursuant to Public Law 108-108, which established the Tribal School Construction Demonstration Program, the Tribe is required to commit a tribal match of 50 percent of the costs of construction of the New School; and
- WHEREAS,** The Tribal Business Council determined that it was in the best interest of the Tribe and its members to commit to providing the matching funds for the Twin Buttes School District by obtaining a \$4,153,000 Tax Exempt loan dated March 14, 2006 from Bank First (the “Loan”); and
- WHEREAS,** The Twin Buttes School District was required to enter into an agreement with the Tribe to pay back to the Tribe one-half of the Loan with Twin Buttes School District funds; and
- WHEREAS,** The Loan is structured as a general obligation of the Tribe, with Trust Interest held by the OST and the OTFM on behalf of the Tribe pledged to secure payment of the Loan and with a grant of authorization to the Lender to apply to the OST or OTFM, as applicable, for payment of principal and interest due as hereinafter described, but only in an amount each year that does not exceed the scheduled principal and interest due; and
- WHEREAS,** In March 2007, the 93-638 Contract between the Tribe and the BIA was terminated by the BIA; and the Tribe is currently appealing the termination; and
- WHEREAS,** The appeal period may take up to one year; and
- WHEREAS,** The outside advanced date on the loan was March 1, 2007; and
- WHEREAS,** Due to the appeal of the Federal Grant Contract termination, the balance of the Loan was not advanced on the Outside Advance Date; and
- WHEREAS,** It is in the best interest of the Tribe to prepay the balance loan; and
- WHEREAS,** The payoff amount for the Loan on September 17, 2007 will be \$149,786.63 as identified in Exhibit A Payoff Letter; and
- WHEREAS,** \$73,628.84 is being held in a reserve account with First National Bank and Trust of Williston; and
- WHEREAS,** The loan Agreement for the Loan requires a 3% prepayment penalty, which will amount to \$4,493.60; and



WHEREAS, The escrow amount will be applied to the payoff amount of the Loan; and

WHEREAS, It is in the best interest of the Tribe to allocate \$81,243.08 of Tribal funds to fully prepay the loan , and

WHEREAS, Bank First, and its affiliates have indicated that it is willing to work with the Tribe to arrange similar financing in the future if so requested, in order to secure the Tribes matching funds for the Twin Buttes School construction project.

NOW, THEREFORE, BE IT RESOLVED, that the Tribal Business Council of the Three Affiliated Tribes hereby authorizes prepayment of Loan #XXIII between the Three Affiliated Tribes and Bank First in the amount of \$149,786.63

NOW, THEREFORE BE IT FURTHER RESOLVED, that the Tribal Business Council further authorizes that the loan will be paid off by applying the escrow amount of \$73,628.84 which is held with First International Bank and Trust of Williston, N.D, and by paying the Balance of \$81,243.08 with Tribal General Funds which are hereby appropriated for such purpose.

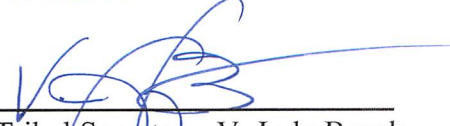
CERTIFICATION

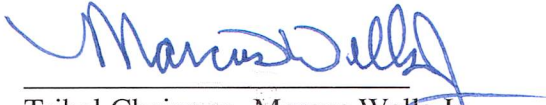
I, the undersigned, as Secretary of the Tribal Business Council of the Three Affiliated Tribes of the Forth Berthold Reservation, hereby certify that the Tribal Business Council is composed of 7 members of whom 5 constitute a quorum, 6 were present at a Regular Meeting thereof duly called, noticed, convened, and held on the 13 day of September 2007; that the foregoing Resolution was duly adopted at such Meeting by the affirmative vote of 6 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 13 day of September 2007.

ATTEST:


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


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