



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

A Resolution Entitled: " Approval of Renewal of the Existing \$ 14,000,000 Revolving Line of Credit with BNC Bank of Bismarck, North Dakota for General Operating Purposes of the Tribes and Authorization for the Chairman and Treasurer to Execute all Necessary Loan Documents."

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

WHEREAS, The Tribal Business Council finds that the revenues of the Tribe do not always coincide with tribal government expenditures and that incoming revenues are not always received by the Tribe at the same time as Tribal expenses become due and this creates budgetary shortfalls for tribal government operations; and

WHEREAS, In order to meet these budgetary shortfalls in funding tribal government operations, the BNC Bank of Bismarck, North Dakota (hereinafter, the "Bank") extended the Tribe a \$14,000,000 line of credit in 2006 which is secured by \$14 million dollar certificate of deposit with the BNC Bank and said line of credit is scheduled to mature; and



WHEREAS, The Tribal Business Council further finds that it would be a prudent and good business practice to renew the existing line of credit of \$ 14,000,000 with BNC Bank of Bismarck, North Dakota to be utilized by the Tribe for general governmental purposes in order to bridge the gap between the payment of expenses and the receipt of revenues; and

NOW, THEREFORE, BE IT RESOLVED, that the Tribal Business Council of the Three Affiliated Tribes pursuant to its constitutional authority hereby authorizes the renewal of the \$14 million revolving line of credit with BNC Bank of Bismarck, N.D. under the following terms and conditions:

Section 1. Approval and Authorizations

- 1.1 The Tribal Business Council hereby determines that the foregoing proposed actions are in the public interest and promote the welfare of the Tribe.
- 1.2 The Tribal Business Council hereby approves the Financing Terms, in so far as they require Tribal approval, and the Tribe's execution, delivery and performance of all Loan Documents, Assignment Agreements and any other related documents reasonably necessary to effect the Loans (the "Loan Documents") in such forms as are approved by the an Authorized Representative (defined below) and legal counsel for the Tribe, which approvals shall be deemed to have been conclusively given upon the execution of the Loan Document by an Authorized Representative.
- 1.3 The Chairman, Secretary, or Treasurer of the Tribe, individually or together with any other person who under the laws of the Tribe are permitted to act on behalf of the Tribe, (each, an "Authorized Representative") are hereby authorized and directed to execute the Loan Documents, and to execute such other documents and take such actions as are required or desirable to effect the purposes of this Resolution.

Section 2. Limited Waiver of Sovereign Immunity; Jurisdiction and Arbitration.

Provisions in the Loan Documents relating to the following matters are hereby expressly authorized, approved and adopted as the law of the Tribe with respect to the Loans; so long as such provisions substantially comply with the terms set forth in Exhibit A attached hereto:

- 2.1 The choice of governing laws, the limited waivers of sovereign immunity, the consents to jurisdiction and waivers of the doctrines of abstention and exhaustion of tribal remedies; and
- 2.2 The obligation to resolve disputes related to the Loans by binding arbitration.



Section 3. Minimum Terms of the Loan Documents.

- 3.1 The Chairman is hereby authorized to negotiate the terms of the revolving line of credit with BNC Bank of Bismarck, ND and execute the same along with the other authorized representatives provided that terms are included in the Loan Documents are similar or competitive with the following :

**Three Affiliated Tribes
Revolving Credit Line
Preliminary Terms and Conditions**

Borrower:	Three Affiliated Tribes of the Fort Berthold Indian Reservation
Purpose:	Renewal - revolving line of credit
Credit Limit:	\$14,000,000.00
Current Balance:	\$13,714,919.01
Available Credit:	\$285,080.99
High Balance:	\$13,931,797.74
Low Balance:	\$13,317,491.04
Average Balance:	\$13,690,981.55
Number of Days Paid Out:	0
Loan Type:	Open-end, multiple-advance line of credit
Term:	12 months
Maturity Date:	Proposing to renew until July 1, 2009
Payments:	Existing accrued interest due at date of renewal. Monthly interest payments beginning August 1, 2008
Bank CD Interest Rate:	5.50% fixed for 12 months



Loan Interest Rate: 6.75% fixed for 12 months

Origination Fee: None

Transaction Fees: All other hard costs incurred now or in the future relating to the subject financing including but not limited to legal expenses, filing fees, etc.

Security: Certificate of deposit held at BNC National Bank with a balance of at least \$14,000,000. The balance of the certificate of deposit today is \$14,783,376.67 after adding the interest income from the previous 12 months. Any balance of the certificate of deposit in excess of the \$14,000,000.00 is available to the Borrower for withdrawal.

Guarantors: None

Prepayment Penalty: None

Bank Origination Fee: None

Non-use Fee: None

Legal Fees: Renewal documents will be prepared by the Maslon law firm in Minneapolis, MN. The Borrower will be responsible for all of these costs.

Other Transaction Costs: None

Other Conditions: Mutually agreeable loan documents, including jurisdiction, venue, and application of law to be prepared by legal counsel engaged by the Bank

Identification Documents: Prior to the closing of the loan, the Borrower will provide BNC with a copy of all necessary documents demonstrating that the Borrower is a duly formed entity, in compliance with all laws and regulations that are governing the formation and existence of such entity and are legally capable of completing the project and transaction contemplated herein.



Expenses:

The Borrower agrees to pay all reasonable costs, fees, expenses, and legal fees expended by the Bank in connection with the preparation and documentation of the loan, whether or not the loan is closed.

Any fees charged for any investigative report or document in connection with this loan application will be collected by the Bank and paid to third parties. Such expenses are not fees for processing this loan application. The reports or documents and other information used to evaluate the application are the property of the Bank. This application does not establish a legal relationship of any type between the Bank and the applicant. The Bank assumes no obligation or duty to the applicant until after the loan is approved and the Bank and the applicant have signed all the documents necessary, in the Bank's sole and absolute discretion, to evidence the loan. The Bank is processing this application as a service to the applicant, and will make any and all decisions regarding this application based upon the Bank's own underwriting standards, which are subjective and within the Bank's sole and absolute discretion, and which may vary from time to time.

If the financing accommodation described in this proposal is otherwise approved, the Borrower will be required to execute and deliver all loan documents in a form and substance satisfactory to the Bank and/or the Bank's legal counsel.

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, 6 were present at a Regular Meeting thereof duly called, noticed, convened, and held on the 10 day of July 2008; 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 10 day of July 2008.

ATTEST:

Acting Tribal Secretary, Mervin Packineau
Tribal Business Council
Three Affiliated Tribes

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

