



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

*A Resolution entitled, "Lake Sakakawea & Associates, LLC Judgment -- Resolution of Outstanding Issues"*

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

**WHEREAS,** The Constitution and By-laws of the Three Affiliated Tribes ("Tribe") was adopted by membership of the Tribe on May 15, 1936 pursuant to the Indian Reorganization Act of 1934 and duly approved by the Secretary of the Interior; and

**WHEREAS,** Article III of the Constitution of the Tribe provides that the Tribal Business Council is the governing body of the Tribe; and

**WHEREAS,** The Constitution of the Tribe 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;

**WHEREAS,** Pursuant to a Participating Lease dated as of December 9, 2002, between the Tribe and Tribal member Dale Little Soldier, later assigned to Mr. Little Soldier's company, Lake Sakakawea & Associates, LLC ("LSA"), LSA was to develop, obtain financing for, and construct a gaming and entertainment complex (the "Casino Project"); and

**WHEREAS,** On July 2, 2008, the Tribal Business Council approved Resolution 08-100-BLB, rescinding approval of the Casino Project; and

**WHEREAS,** On July 11, 2008, LSA and Mr. Little Soldier commenced arbitration against the Tribe, asserting breach of the Participating Lease; and

**WHEREAS,** The arbitration panel awarded LSA and Mr. Little Soldier \$6,145,743.95 plus interest, and ordered the Tribe to indemnify Mr. Little Soldier and LSA from a suit brought against them by Totten Builders; and

**WHEREAS,** LSA filed an action against the Tribe in the district court for Burleigh County, North Dakota, to confirm the award, *Lake Sakakawea & Associates, LLC v. Three Affiliated Tribes*, 08-09-C-01308 "LSA Case"); and



- WHEREAS,** On August 5, 2009, the court entered a judgment against the Tribe and in favor of plaintiff LSA in the amount of \$6,307,138.95, plus interest (the "Judgment"); and
- WHEREAS,** The Tribe entered into the Forbearance, Security and Settlement Agreement with LSA as of September 14, 2009, in which the Tribe agreed to increase the amount of the Judgment by \$700,000.00, as its liability for indemnification of claims against LSA by Totten Builders; and
- WHEREAS,** After LSA issued garnishment summonses for payment of the remainder of the Judgment, the Tribe made final payments on the Judgment by wire transfers on October 22 and 23, 2009; and
- WHEREAS,** The amounts paid by the Tribe on October 22 and 23, 2009, included \$109,845.95 for attorney fees and expenses to LSA that were claimed by LSA, subject to subsequent documentation by LSA; and
- WHEREAS,** LSA later provided documentation of those fees to the Tribe's attorneys, after which the Tribe's attorneys objected to some \$100,000 of the claimed fees and expenses on the grounds that they are fees to Wells Fargo Bank, and thus not recoverable by LSA; and
- WHEREAS,** LSA has asserted a claim for an additional \$59,059.95, on the grounds that \$59,059.95 in costs awarded to LSA by the arbitrators was inadvertently excluded from the Judgment; and
- WHEREAS,** The Tribe legal counsel wrote to LSA's legal counsel, rejecting the claim for \$59,059.95 on various grounds including that it was too late to amend the Judgment at this point; and
- WHEREAS,** LSA has never filed a satisfaction of judgment in the case, notwithstanding the payments by the Tribe; and
- WHEREAS,** LSA has proposed a resolution of the above issues, whereby it would agree not to pursue its claim for the additional \$59,059.95 and file a satisfaction of the judgment in exchange for the Tribe agreeing not to pursue its claim for reimbursement of the \$100,000 in attorney fees; and
- WHEREAS,** It is in the Tribe's best interests to obtain a satisfaction of the judgment; and
- WHEREAS,** LSA's proposal would resolve all outstanding issues and end the LSA Case;




**NOW THEREFORE BE IT RESOLVED**, that the Tribal Council hereby authorizes its legal counsel in the LSA Case to prepare and file a stipulation and/or other documents agreeing not to pursue the claim previously asserted by counsel for the reimbursement of some \$100,000 in attorney fees, in exchange for LSA agreeing not to pursue its claim for an additional payment of \$59,059.95, and the filing of a satisfaction of judgment by LSA.

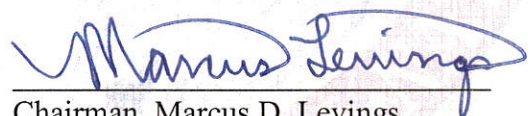
**CERTIFICATION**

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, 6 were present at a Special Meeting thereof duly called, noticed, convened and held on the 22<sup>nd</sup> day of January, 2010, that the foregoing Resolution was duly adopted at such meeting by the affirmative vote of 5 members, 1 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 22<sup>nd</sup> day of January, 2010

  
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Executive Secretary, V. Judy Brugh.  
Tribal Business Council

**ATTEST:**  
  
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Chairman, Marcus D. Levings  
Tribal Business Council