



**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, The Constitution of the Three Affiliated 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 Tribes and of the enrolled members thereof; 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, 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

WHEREAS, Article VI, Section 5(c) of the Constitution of the Three Affiliated Tribes authorizes and 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 2010 which is secured by \$14 million dollar certificate of deposit with the “Bank” and said line of credit is scheduled to mature on January 21st 2011; 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 the “Bank” 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: \$13,931,542.34

Available Credit: \$68,457.66

Loan Type: Open-end, multiple-advance line of credit

Term: renewal for 52 weeks

Maturity Date: Proposing to renew for 52 weeks until March 1, 2012

Payments: Existing accrued interest due at date of renewal.
Monthly interest payments beginning March 1st, 2011

Proposed Deposit Rate: 1.65% fixed for 52 weeks

Current loan Rate: 3.40 % fixed for 52 weeks

Proposed Loan Interest Rate at renewal: 3.65% for 52 weeks

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:** CDARS account maintained at BNC National Bank with a minimum required balance of \$12,000,000 and a certificate of deposit held at BNC National Bank with a minimum balance of 2,000,000.
- 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

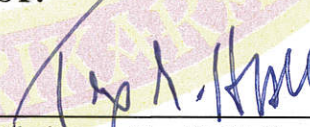
I, the undersigned, as Secretary of the Tribal Business Council of the Three Affiliated Tribes of the Fort Berthold Indian Reservation hereby certify that the Tribal Business Council is composed of seven (7) members of whom five (5) constitute a quorum, 6 were present at a Regular Meeting thereof duly called, noticed, convened and held on the 14th day of April, 2011, 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 14th day of April, 2011

ATTEST:


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


Tribal Chairman Tex G. Hall
Tribal Business Council
Three Affiliated Tribes

