



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

A Resolution entitled, "Expressing Official Intent to Reimburse Certain Project Costs from Proceeds of Tribal Economic Development Bonds."

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 Tribes 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, Section 7871 of the Internal Revenue Code (Code) of 1986, as amended, adopted as part of the federal Indian Tribal Governmental Tax Status Act of 1982 (Title II of Pub. L. No. 97-7473), permits an Indian tribal government to be treated as a State for certain purposes; and

WHEREAS, under Section 7701(a)(40)(A) of the Code, the term "Indian tribal government" means the governing body of any tribe, band, community, village, or group of Indians, or (if applicable) Alaska Natives, which is determined by the Secretary of the Treasury, after consultation with the Secretary of the Interior, to exercise governmental functions; and

WHEREAS, Revenue Procedure 2002-64 of the United States Department of the Treasury evidences a determination by the Secretary of the Treasury that the Nation exercise governmental functions, and thus constitutes an Indian tribal government for purposes of Section 7871 of the Code; and

WHEREAS, except as described below, Section 7871 (c) of the Code restricts an Indian tribal government's right to issue Tax-Exempt Debt to those financings in which substantially all of the proceeds of the debt are used in the exercise of an essential governmental function of the Indian tribal government, and Section 7871(e) of the Code excludes from the meaning of "essential government function" any function which is not customarily performed by state and local governments with general taxing powers, and Section 7871(c)(2) of the Code limits the right of Indian tribal governments to issue Tax-Exempt Debt to finance private activities described in Section 141 of the Code; and



WHEREAS, Section 1402 of Title I of Division B of the American Recovery and Reinvestment Act of 2009, Pub. L. No. 115-5, 123 Stat. 115 (2009) added § 7871(f) (Code); and

WHEREAS, the foregoing restriction of Section 7871(c) will not apply to an issue of obligations by the Nation that would be tax exempt if issued by a state or local government if in compliance with Section 7871(f) of the Code (a) the Nation designates the obligations as “tribal economic development bonds” within the meaning of Section 7871(f), (b) the aggregate face amount of the obligations do not exceed the amount of national tribal economic development bond limitation allocated to the Nation, and (c) no portion of the proceeds of the issue are used to finance (i) any portion of a building in which Class II or Class III gaming (as defined in Section 4 of the Indian Gaming Regulatory Act) is conducted or housed or any other property actually used in the conduct of such gaming, or (ii) any facility located outside the Nation’s Indian reservation (as defined in Section 168(j)(6) of the Code); and

WHEREAS, Treasury Regulation Section 1.150-2 (“Reimbursement Regulation”) regulates the use of proceeds from a Tax-Exempt Debt to reimburse an issuer for expenditures incurred and paid prior to issuance of the Tax-Exempt Debt, among other things generally permitting a reimbursement of capital costs paid no earlier than 60 days prior to the date the issuer adopts an “official intent” for such expenditures in accordance with the requirements of the Treasury Regulation (exclusive of certain “preliminary expenditures” for such items as architectural, engineering, surveying, soil testing, reimbursement bond issuance, and similar costs incident to commencement of construction); and

WHEREAS, The Nation presently desires to issue Tax-Exempt Debt to finance the cost of construction of the Thunder Butte Petroleum Services, Inc., Clean Fuels Refinery (the “Project”), for the welfare and benefit of the MHA Nation and its members; and

WHEREAS, the Nation desires to express its official intent within the meaning of the Reimbursement Regulation to permit the Nation to receive reimbursement from the proceeds of the Tax-Exempt Debt for Project expenditures made prior to the issuance of the Tax-Exempt Debt.

NOW, THEREFORE, BE IT RESOLVED, that the Tribal Business Council hereby states that the Nation directly or through an instrumentality of the Nation reasonably expects to undertake and complete the Project and that the Nation or an instrumentality of the Nation will issue Tax-Exempt Debt to reimburse the Nation or an instrumentality of the Nation for original expenditures relating to the Project; and

BE IT FURTHER RESOLVED, that the Nation reasonably expects that the total amount of Tax-Exempt Debt expected to be issued for the Project will be Three Hundred Sixty Million Dollars (\$360,000,000) (“Expected Debt”); and



BE IT FURTHER RESOLVED, the Business Council determines that the Project can be financed by Tribal Economic Development Bonds; and

BE IT FURTHER RESOLVED, that the Nation has not in the past declared “official intents” within the meaning of the Reimbursement Regulation as a matter of course or in amounts substantially in excess of the amounts expected to be necessary for the related project or projects; and

BE IT FURTHER RESOLVED, that the Nation has not engaged in a pattern of failure to reimburse actual original expenditures covered by official intents (other than extraordinary circumstances); and

BE IT FURTHER RESOLVED, that this Resolution shall become effective as of the date and time of its passage and approval by the Business Council; and

BE IT FINALLY RESOLVED, that the Chairman is hereby authorized to take such further actions as are necessary to carry out the terms and intent of this resolution.

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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, 5 were present at a Regular Meeting thereof duly called, noticed, convened and held on the 9th day of August, 2012, 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.

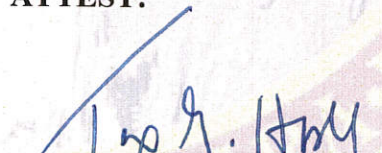
Chairman Voting. Not Voting.

Dated this 9th day of August, 2012.

ATTEST:



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



Tribal Chairman, Tex Hall
Tribal Business Council
Three Affiliated Tribes