



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

A Resolution Entitled, "To Approve a Loan for the Rosebud Economic Development Corporation."

WHEREAS, the Three Affiliated Tribes of the Fort Berthold Reservation, also known as the Mandan, Hidatsa and Arikara Nation, (Nation) is a sovereign government and federally recognized Indian Tribe existing pursuant to its inherent and retained sovereignty; and,

WHEREAS, the 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 Nation 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 Nation; and,

WHEREAS, the Nation believes it is in the best interest of the Nation to support the self-sufficiency of other tribal nations as they rebuild their economies, develop their reservation infrastructure and seek to retain more of their financial resources on their reservations; and,

WHEREAS, the Rosebud Economic Development Corporation (REDCO), incorporated by the Rosebud Sioux Tribe to provide financial services to Rosebud tribal members, is planning to provide employees of the Rosebud Sioux Tribe with short-term loans at rates much lower than traditional payday lenders operating on the Rosebud Reservation; and,

WHEREAS, Rosebud tribal employees are currently borrowing from traditional payday lenders at rates that exceed 500 percent annually; and,

WHEREAS, REDCO plans to offer Rosebud employees short-term loans at approximately a 65 percent annual interest rate by utilizing Automated Teller Machines (ATMs) and payment card technology developed by Master Card International that will allow the Rosebud tribal finance office to advance funds to tribal employees; and,



WHEREAS REDCO planned to finance the purchase of four ATMs and provide startup funds to lend to Rosebud employees with funding obtained through the settlement of the *Rosebud Sioux Tribe v. Salazar* case regarding the mismanagement of tribal trust funds, also known as “Salazar Funds,” however, ongoing audits of other Rosebud programs have made these funds unavailable at this time; and,

WHEREAS, the Treasurer of the Rosebud Sioux Tribe and REDCO are now asking the Nation to provide a \$100,000 loan to REDCO to finance the purchase of four ATMs and provide startup funds to lend to Rosebud employees; and,

WHEREAS, under the terms of the loan REDCO will pay the Nation 12.5 percent interest over an 18 month term, with 3 interest payments in the amount of \$6,250 paid every 6 months for a total of \$18,750 in interest; and,

WHEREAS, at the end of the 18 month term, the entire \$100,000 loan plus \$18,750 in interest will be paid to the Nation; and,

WHEREAS, REDCO assures the Nation that there is no chance of default on the loan because the funds REDCO will lend to Rosebud employees are secured through a payroll deduction program authorized by the Rosebud Sioux Tribe and, in accordance with the payroll deduction program, REDCO’s loan program will be merely allowing Rosebud employees to receive up to half of the amount of their paychecks a week early; and,

WHEREAS, additional collateral for the loan will be the income that REDCO earns by making short-term loans to Rosebud employees which is estimated to provide REDCO \$24,000 every 6 months after making interest payments to the Nation; and,

WHEREAS, the Treasurer of the Rosebud Sioux Tribe and REDCO expect that the Rosebud Sioux Tribe’s “Salazar Funds” will also soon be available to help finance paying off any remaining loan amount at the end of the 18 month term of the loan.

NOW THEREFORE BE IT RESOLVED, by the Tribal Business Council of the Three Affiliated Tribes of the Fort Berthold Reservation, that the Tribal Business Council hereby approves a \$100,000 loan to REDCO at a 15 percent interest rate over an 18 month term; and,

BE IT FURTHER RESOLVED, that interest on the loan shall be paid by REDCO in 3 payments in the amount of \$6,250 that are paid every 6 months for a total of \$22,500.00 in interest over the 18 month term of the loan; and,



BE IT FINALLY RESOLVED, at the end of the 18 month term, the entire \$100,000 loan plus \$18,750 in interest shall be paid by REDCO to the Nation.

(The remainder of this page is intentionally left blank)




CERTIFICATION

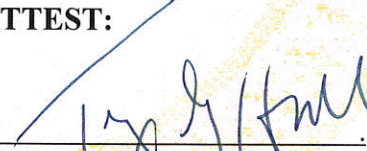
I, the undersigned, as Secretary of the Tribal Business Council of the Three Affiliated Tribes of the Fort Berthold Indian Reservation hereby certify that the Tribal Business Council is composed of seven (7) members of whom five (5) constitute a quorum, 7 were present at a Regular Meeting thereof duly called, noticed, convened and held on the 27th day of March, 2014, that the foregoing Resolution was duly adopted at such meeting by the affirmative vote of 7 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 27th day of March, 2014.



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

ATTEST:


Chairman Tex G. Hall
Tribal Business Council
Three Affiliated Tribes