

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

- WHEREAS, This Nation having accepted the Indian Reorganization Act of June 18, 1934, and the authority under 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, The "Declaration Of Policies And Plan Of Operation Of The Tribal Small Loans Program" was adopted in 1976 and was last amended in 1980; and
- WHEREAS, The policies are outdated and have been seldom used; and
- WHEREAS, The Small Loans Program has been reorganized in 1988 to provide a more comprehensive service delivery and deal with more complex finance issues and as a result the Small Loans Program should be formally recognized in the policy document; and
- WHEREAS, On November 16, 1988 the Three Affiliated Tribes Credit Consultant reviewed and approved the Draft Revised Document,
- NOW, THEREFORE, BE IT RESOLVED, The Three Affiliated Tribes Business Council hereby approves and adopts the document "Declaration Of Policies And Plan Of Operation Of The Tribal Small Loan Program" (Attached) and directs the Credit Committee and Small Loans Staff to implement it immediately.

C E R T I F I C A T I O N

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, 7 were present at a Regular Meeting thereof duly called, noticed, convened, and held on the 15th day of December, 1988; that the foregoing Resolution was duly adopted at such Meeting by the affirmative vote of 5 members, 1 members opposed, 0 members abstained, 1 members not voting, and that said Resolution has not been rescinded or amended in any way.

Dated the 15th day of December, 1988.

[Signature]
Secretary, Tribal Business Council

ATTEST:

[Signature]
Chairman, Tribal Business Council

DECLARATION OF POLICIES AND PLAN OF OPERATION

TRIBAL SMALL LOAN PROGRAM

1. DEFINITIONS

- (a) "SUPERINTENDENT" means the Superintendent or other officer in charge of the Fort Berthold Agency.
- (b) "AGENCY OFFICE" means the headquarters office of the Fort Berthold Agency.
- (c) "TRIBE" means the Three Affiliated Tribes.
- (d) "TRIBAL COUNCIL" means the governing body of the Tribes consisting of seven members of the Tribe elected in accordance with Article IV of the Tribe's constitution approved.
- (e) "DECLARATION" means this Declaration of Policies and Plan of Operation.
- (f) "TRIBAL SMALL LOAN" means any and all acceptable expenses on a reasonable standard, and to repay of loan over a reasonable period of time. Hereinafter referred to an Emergency Medical Loan, Emergency Living Loan and Funeral Loan.
 - a) Emergency Living Loan-must be accompanied by a letter from bank or other lending institution turning client down.
 - b) Emergency Medical Loan-must be accompanied by letter from health association.
 - c) Funeral Loan-siblings, father, mother, grand-parents, children of deceased. If funds are sufficient for other relatives could be waived.

PURPOSE

The purpose of this Declaration is to establish procedure to govern all loans made through this program. This Declaration will be used by the Tribe in their day-to-day Tribal Small program operations.

3. POLICY

The policy of the Small Loan program is to help the applicant in a bonafide emergency situation. Loans heretofore made by the tribe will not be disturbed so long as the individuals adhere to their loan agreement.

Loans will be made for the purpose of raising the social and economic status of members of the Tribe to a point where they can look to the same sources of financing as are looked to by other citizens. It must meet the emergency need of the tribal members. Loans may be made only upon determination that repayment can be made. Based upon accepted loan analyses, to those persons unable to obtain financing elsewhere, on reasonable terms and conditions.

4. SCOPE

This Declaration will apply to all Tribal Small Loan program funds heretofore or hereafter advanced by the Tribe for loan purposes.

5. REGULATIONS AND INSTRUCTIONS

All Tribal Small Loan activities of the Tribe will be governed by the regulations in this Declaration and applicable amendments thereto, and, except as otherwise provided here, applicable amendments thereto and revisions thereof.

6. TRIBAL SMALL LOAN COMMITTEE

All Tribal Small Loan activities of the Tribe will be administered by the Tribal Credit Committee. The committee shall consist of three Tribal Council members selected by the Tribal Business Council.

- (a) Selection: The first three members will be appointed by the newly seated council at their first meeting. Members will continue to serve until their successors are appointed.
- (b) Members of the committee: The Tribal Business Council Treasurer will serve as the Chairman of the Committee. Two other members will also, serve one of which will act as Secretary.
- (c) Record of Appointments: A record of all appointments to the committee will be furnished to the Superintendent.
- (d) Officers: The Tribal Treasurer will be the Chairman for the Committee. Of the other two appointed members, one will act as Secretary. The Chairman and Secretary will perform duties customary to their offices.
- (e) Record of Meetings: The Secretary will keep, or cause to be kept, a full and complete record of all meetings, copies of which will be furnished to the Superintendent.
- (f) Quorum: Two members, one of which must be the Chairman, will constitute a quorum at any meeting; a uniform vote of at least two members will be required for any action to be effective.
- (g) Suspension and Removal: The Tribal Council may suspend a committee members for just cause. Notice of such suspensions, including a clear and concise statement of the charges resulting in the suspension, will be forwarded to the suspended member by registered mail and a copy furnished to the Agency Superintendent. Such member will have 30 days from the date of the notice to request a hearing before the Tribal Council. The hearing will be held at the next regular or special meeting of the Tribal Council after receipt of request for hearing. The Tribal Council may remove such member from the committee. The decision of the Tribal Council will be final.

- (h) Vacancies: Vacancies in the membership will be filled by appointment by the Tribal Council for the unexpired term.
- (i) Qualifications of Members: The members must have a reputation for dependability and be a member of the Tribal Business Council.
- (j) Restrictions of Membership: No person or spouse will be eligible for membership when he or she has a loan from the Tribe that is delinquent or in default.
- (k) Compensation: Compensation of members shall be that which is applicable to Tribal Council members.
- (l) Meetings: The committee will meet when business demands and requires its attention. Meetings may be called by the Chairman. Meetings shall be called by the chairman upon request in writing of two members of the committee, or upon request of the Superintendent or Agency Credit Officer. In the event that the Chairman fails to call a meeting within five days after receipt of written request, the other two members may call a meeting. At least three days written notice will be given of all meetings except the regular meetings unless the members unanimously agree to waive such notice. The number of meetings held will be kept to the minimum necessary to conduct the Tribes' Small Loan Business. All meetings will be in executive session and with and, with the exception of employees of the Bureau of Indian Affairs, the secretary, and a clerk to keep records in accordance with subsection (a) of this section, attendance at meetings will be held by invitation only. All voting on applications, request for modifications, declaring loans in default, disbursement authorizations, and other actions will be taken only at meetings, and the applications may be permitted to be present at the time of voting.
- (m) Signature on Actions: The Chairman is authorized to sign all approved and related actions. In the absence of the Chairman, the Secretary will have such approval authority. In the absence of the Secretary, the third member is authorized to sign. All such authorizations will be reflected in the records of the committee. A signature stamp may be obtained by the Tribe upon the appointment of a new Tribal Credit Committee Chairman. In the absence of all committee members, no action will be taken.

7. AUTHORITY AND DUTIES OF TRIBAL SMALL LOAN PROGRAM COMMITTEE

The Committee will have full authority to act for and on behalf of the Tribe in all phases of its Tribal Small Loan Program operations, except as provided in Section 6 (j). Actions related to 6 (j) will be acted upon by Full Council. Applications for Tribal Council, Loan Director will be acted upon by the full Tribal Business Council. Initial action for the Tribe on all loan matters will be taken by the committee, which will either recommend for approval, in whole or in part, conditionally or unconditionally or return the applications or request to the applicants with advice as to why the same cannot be recommended for approval. It will be the responsibility of the committee to see that loans are repaid when due and to do the necessary follow-up with each individual to see that they make proper use of funds loaned to them. If it becomes apparent that an individual will become delinquent, the committee will take steps to prevent the delinquency, either by obtaining payment or by extending the repayment terms.

Advice of the Tribal Attorney will be requested when any legal action is contemplated, (47 BIAM, Supplement 2,6,4B). The authority as placing any restrictions on the committee's authority to act for and on behalf of the Tribe in any phase of its Tribal Small Loan Program operations.

8. CREDIT OFFICER

- A. Agency Credit Officer: The Credit Officer assigned to the Fort Berthold Agency will work in close cooperation with the committee and supervise Tribal Small Loan Staff in the preparation of loan applications and other papers.
- B. Tribal Small Loans Director: Advises the committee and applicants of conformance or nonconformance to terms and agreements in applications and other papers and the provisions of this Declaration. He will attend all meetings of the committee insofar as practicable, and will advise it of action necessary. He will be responsible to see that the bookkeeping, clerical work, records, reports, securing of required forms, filing, recording, inputting data into computer and administrative detail necessary for proper operation of the Tribe's Small Loan Program, are handled properly. He will be responsible to see that minutes are kept of meetings of the committee by the Secretary or a Clerk in accordance with Section 6 (c,e). All actions of Tribal Program Staff and authorizations are adequately reflected in the minutes. The Tribal Small Loan Director will make such recommendations to the Committee or the Tribal Business Council as he may be authorized by the Superintendent. The Tribal Small Loans Director will see that individuals are notified by the Credit Committee when payments are in arrears and that these notifications are properly made in a matter of record. The Tribal Program staff will complete all assignments in a timely manner to accomplish the goals of the Tribal Credit Program.

9. LEGAL ASSISTANCE

The Tribe's attorney will handle such legal work as may be necessary in the enforcement of any Tribal Small Loan obligations to the Tribe.

10. COMPENSATION FOR TRIBAL SMALL LOAN PROGRAM EMPLOYEES

Two employees will be hired to handle the Tribal Small Loan Program. They will be compensated through the interest received on the Tribal Small Loan Program. The wages for these employees will be advanced to the Tribal Finance quarterly and they will be paid by Tribal checks. All payroll data will be furnished by the Tribal Finance to the Agency Credit Office. These records will be needed to prepare the Tribe's financial statements on their Tribal Small Loan Program. All credit employees having Civil Service Status will be paid by the U.S. Government.

11. DEPOSITORY

The depository for loan funds of the Tribe will be an Indian Money Account for the Fort Berthold Agency. When this fund reaches \$6,000.00, funds will be restricted for Documented Emergency Medical and Funeral Loans.

12. CAPITALIZATION OF FUNDS BY THE TRIBE

All loans (or grants) for Small Loan purposes will be made to the Treasurer, who will be bonded in an amount and in a manner satisfactory to the Superintendent, Tribal Business Council.

13. DISBURSEMENTS

All disbursements from the Tribe's account (Section 11) will be by check of the Superintendent. The Superintendent may make disbursement only upon receipt of written requests signed by the Chairman, Secretary, or such other committee member as may be authorized by the committee at meetings in accordance with Section 6(m) of this Declaration to sign such requests. Disbursements on loans will not be made until the loans have been properly approved in accordance with the provisions of this Declaration, nor until the loan agreements are complete.

14. REPAYMENTS

All repayments and other receipts on loans will be made direct to the Bureau of Indian Affairs' designated Collection Officer. Such officer will issue an official receipt to the remitter for the account of the organization. The remitter will receive the original receipt and a copy will be furnished the organization. All repayments and other receipts on loans will be deposited promptly in the Tribe's depository for loan funds. Insofar as the foregoing functions are concerned, they shall not be construed as placing any responsibility on the Government for the collection of funds made under this Declaration. Director of loan program shall issue a receipt to the remitter within five working days of the date of payment.

15. RECORDS, REPORTS, AND AUDITS

Records and accounts will be maintained in a manner and in accordance with an accountings system satisfactory to the Superintendent and Tribal Business Council. An annual audit of the Tribe's loan operations shall be required to be included in the Tribe's annual A-128 Audit. Copies of the audit reports will be furnished to the Tribal Council, Credit Committee and the Superintendent.

16. APPROVAL OF LOANS

Subject to the restrictions in this section below and in Section 17, applications of individuals which have been recommended for approval by the Tribe may be approved as follows:

- (a) Only individuals who are enrolled members of the Tribe.
- (b) Form: Applications are submitted on the form attached hereto as Exhibit III. The applications will be completed or filled out for them by the Tribal Small Loan staff.
- (c) Procedure: All applications will be presented to the committee Chairman, or committee. The committee Chairman or committee will approve the application which includes a repayment schedule of the loan.

17. RESTRICTIONS ON APPROVAL OF LOANS

Loans will not be acted upon for the following: a) for the period of September 15 through October 1 due to audit purposes. b) Undue risk-where the loan involves undue risk. c) Factual applications-if the applicant falsifies his application or cancels his loans. d) Delinquent loans-if the applicant is delinquent in repayment of any loans; however, an individual may request rescheduling of a delinquent loan providing that interest is paid up to date. e) Where the loan exceeds loan limits. f) Any individual who has/had a cosigned note shall make full resititution to the cosigner before becoming eligible for a new loan and payment to cosigner must be handled through the Tribal Small Loan Program.

18. MAXIMUM AND MINIMUM AMOUNT

The maximum amount which may be loaned to any applicant under this program is \$500.00; the minimum loan will be \$25.00. The applicant may also cosign for an additional \$500.00 providing there are sufficient leases to secure the loan.

19. SECURITY

All loans made under this program will be fully secured in the following manner:

- a) Current cash farm lease (no cropshares)
 - b) Current leased range units
 - c) Landsales (bank assignment or small loan): 1. Money on deposit 2. Deeds signed
 - d) Oil leases (bank assignment or small loan): 1. Money on deposit, up to 25% 2) Borrowers with a qualified cosigner
 - e) Cosigners cannot use wage assignments as collateral for securing a loan. Cosigners need same security as regular borrower.
- A. Assignment of income from direct payment leases will not be accepted as security for loans unless they are modified to be paid to the Bureau of Indian Affairs.
- B. Wage assignments may be taken as security for a Tribal Small Loan under the following criteria:
- 1. (a) Be employed by the Tribe, where the Treasurer and Chairperson are required to sign off on the employees pay check.
 - (b) The tribal employee must complete the 90-day probationary period before becoming eligible for a wage assignment.
 - (c) The amount request shall not exceed the net amount earned in a pay period or \$500.00 whichever is less.
 - (d) The applicants will be required to sign an assignment of wages payable to the Three Affiliated Tribes.
 - (e) The Authorizing Officer of the Tribe shall be the Treasurer.
 - (i) The signature of the Treasurer on the wage assignment shall make it valid.
 - (ii) The Authorizing Officer shall assume the responsibility of putting the wage assignment in effect and assuring the Tribe of prompt repayment of the loan. The authority may be delegated by the authorizing officer.
2. If for any reason an applicant is not eligible for a wage assignment under Part A, the applicant would be required to get a cosigner with sufficient lease income to fully secure the loan. The Superintendent may at his discretion accept or reject any and all wage assignments upon recommendation of the Credit Officer.

20. EXTENSIONS

Extensions of the repayment terms of all loans will be subject to approval by the committee.

21. REGISTER OF INELIGIBLE MEMBERS

A register of members of the Tribes who are ineligible to receive loans under the small loan program without specific authorization by the committee will be maintained by the Small Loan Director.

22. WELFARE RECIPIENTS

Recipients of welfare assistance will not be approved without recommendations from the Branch of Social Services.

23. REFINANCING

Tribal small loans may be refinanced by another loan, provided that the repayment terms of the refinanced portion of the loan are not extended, and the interest brought up to date. Wage assignments cannot be refinanced.

24. INTEREST

The interest rate of short-term loans will be 14 percent per annum or a minimum of \$15.00 per loan, whichever is the greater.

25. STATUS OF LOANS REPORT

A monthly report on the status and collectibility of Small Loans shall be provided by the Tribal Small Loan Director to the Committee upon special request of the Committee.

26. ANNUAL BUDGET

Budgets for operating costs and loans shall be submitted by the Tribal Credit Director to the Credit Committee as per tribal budget policy.

27. DELINQUENCIES

Loans will not be permitted to remain delinquent for more than one year at any particular time, except loans which have been assigned to the United States for collection, loans which are in process of liquidation, and loans on which there are unpaid balances but which have been charged off on the Tribe's active accounting records. If an individual loan is 30 or more days delinquent, the Superintendent is requested and authorized to take action to apply any and all available trust income of a delinquent individual to the delinquent loan by invoking the provisions of any existing approved assignments of trust income. In the event of failure to comply with provisions of this section at any time, it is agreed that no further loans will be made until there is compliance on the part of the individual.

28. MODIFICATION OF DECLARATION

This declaration may be modified upon request of the Tribal Council. The Superintendent or his authorized representative will be informed of such actions. The Declaration, in compliance with the Privacy Act, shall provide that only the name, amount of loan and the date of such loan shall be given to any person or persons soliciting information regarding tribal loans.

Executed and signed for and on behalf of the Three Affiliated Tribes of the Fort Berthold Reservation as authorized by Resolution No. 76-267N adopted in January 18, 1977; Resolution No. 77-160 adopted May 17, 1977; Resolution No. 79-17 adopted January 17, 1979; Resolution No. 79-253 adopted June 14, 1979; Resolution No. 80-124 adopted July 17, 1980 and Resolution No.

DATE: 12/15/88

CHAIRMAN: *[Signature]*

DATE: _____

SECRETARY: *[Signature]*