

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

A resolution entitled "Mandaree Electronics Marketing Assistance Funds".

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, Article VI, Section 5, of the Constitution of the Three Affiliated Tribes empowers the Tribal Business Council to adopt resolutions regulating the procedure of tribal agencies and officials on the reservation; and,

WHEREAS, Mandaree Electronics Corporation (MEC) has been a Tribally-chartered enterprise of the Three Affiliated Tribes since 1990, and this corporation is 100% Indian-owned and operated; and,

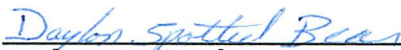
WHEREAS, MEC presently has a Mentor-Protege Agreement in place with Northrop-Grumman Corporation, but, due to recent Department of Defense cutbacks and lack of work, MEC is forced to seek more subcontracting opportunities outside of Northrop-Grumman in order to continue operating; and is hereby requesting financial support from the Tribal Business Council to pursue marketing. (See attached First American Marketing Corporation Proposal and MEC Budget.)

NOW, THEREFORE, BE IT RESOLVED that the Tribal Business Council of the Three Affiliated Tribes hereby approves \$8,280.00 for MEC for marketing purposes.


CERTIFICATION

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 seven (7) members, of whom five (5) members constitute a quorum. 6 members were present at a Regular Meeting thereof duly called, noticed, convened, and held on the 11th day of April 1996; and that Resolution No. 96-063-DSB was duly adopted at said meeting by the affirmative vote of 4 members, 1 member opposed, 0 members abstained, 1 member absent.

Dated this 11th day of April 1996.


Daylon Spotted Bear, Secretary
Tribal Business Council

ATTEST:


Russell D. Mason, Chairman
Tribal Business Council

**FIRST AMERICAN
MARKETING
CORPORATION
PROPOSAL**

FAMC

*802 9th Street South
Fargo, ND 58103
(701) 235-4838*

March 1996

FIRST AMERICAN MARKETING PROPOSAL

Over the past three years, First American Marketing (FAMC) was able to provide marketing assistance to its members free of charge. We were able to provide free assistance because our operating expenses were supported by grant funds from the Administration for Native Americans (ANA). From its inception, FAMC was set up to be self-sufficient within three years through commission and retainer charges (service charges) to member clients. Our main objective has been and will be to increase sales and profitability of our member clients. However, due to the unique situations (majority were fully operating under government contracts through the SBA 8(a) program) of our members resulting from lack of experience and knowledge about commercial markets, we needed to develop a strategy to assist them to cope with commercial market requirements. With the reduction in defense spending, our main objective was to gradually reduce their dependence on government contracts and eventually develop a balanced share of commercial and government markets. With the help of North Dakota State University Institute for Business and Industry Development (IBID), we were able to provide technical assistance (marketing and strategic planning, marketing research, grant writing, business analysis and business planning, and training in marketing planning) to our member clients. During the past three years we were able to help those members with a tangible product for the commercial markets to increase their sales drastically. Examples include Manitok Wild Rice, Nor-Tex and Turtle Mountain Manufacturing. We developed an excellent data base of government agencies and commercial companies that may have potential contracting and subcontracting opportunities for our members.

Since we are at the end of our original grant fund (April 1, 1996), the restructuring and reorganization of our staff and our operation strategy was eminent. With our new structure, the number of professional staff is reduced from 3 to 1. The

administrative assistant position will stay intact or may be reduced to part-time.

After thorough evaluation of FAMC's operations, the board of directors have decided that by reducing the staff, FAMC will be able to survive and yet provide the same type of assistance. However, more emphasis will be given to sales and sales leads. The original grant emphasized the importance of seeking assistance from universities (IBID), SBDCs, and economic development entities for technical expertise. IBID has provided continuous technical assistance to FAMC staff and member clients, and they will continue to provide the same type of assistance in the future.

The New FAMC

- The newly restructured FAMC will be governed by the board of directors, which consists of the member companies. The board of directors will play a more active role in providing guidance to the staff.

- North Dakota State University's IBID will continue to serve as advisory board (two seats).

- The main responsibility of the FAMC staff will be to provide sales assistance and facilitate technical assistance between the clients and economic development entities, specifically IBID. FAMC will continue with one professional staff member until additional staff members are needed to carry out the marketing/sales activities of our clients.

- FAMC will work as the marketing/sales arm of the member companies, therefore, the daily operation and periodic end results will be monitored by the member companies and board of directors.

- The board of directors will convene quarterly to review FAMC's operations and provide guidance. The president-elect of the board of directors will be responsible for interaction with the staff.

- The staff will be responsible to provide a quarterly, detailed report containing the work performed and measurable results of their efforts to the board of directors.

More details of the operation strategy will be developed after April 19, 1996.

The Budget

The first year operation of the restructured First American Marketing will be supported by a guaranteed SBA loan of \$65,000. The member companies are required to pay \$260 per month as a retainer fee in addition to specific commission on sales that will be agreed on between the companies and First American Marketing. The proceeds of the retainer will be allocated to the payment of the loan for the duration of the loan payment. After the loan is paid in full, the retainer fee will be deposited in an escrow account for the first year of operation.

The Operation Budget

Salary

Professional Staff	\$40,000
Secretary/Bookkeeper	12,000

Other Expenses

Office Rent	3,000
Utilities	3,000
Membership/Subscription Fees	3,000
Mailing and Labels	1,000
Office Supplies	1,000
Miscellaneous	<u>2,000</u>

Total: **\$65,000**

Memorandum of Understanding

**This is to confirm that _____
member of the board of directors of the First American Marketing Consortium
(FAMC), supports the acquisition of an SBA low DOC guaranteed loan for the first
year of operation of FAMC.**

**We also agree to pay a monthly retainer fee not to exceed \$260 to be used for loan
repayment for the duration of the outstanding balance. Once the loan is paid off,
the retainer fee will be deposited in an escrow account to partially support the
operation of FAMC.**

**We also will deposit a set commission agreed upon between this company and
FAMC in the same escrow account to further support the activities of FAMC.**

We also agree to provide monthly/weekly task orders to FAMC.

Agreed to this _____ day of _____, 19____

by _____

and

for First American Marketing Consortium

MANDAREE ELECTRONICS CORPORATION

MARKETING - COST PROJECTIONS

Membership:	
First American Marketing Corporation	\$780
Establish New 5 year Business Plan Create and Implement Action Plan Develop New Collateral Materials	(Color Brochures, Letterhead, Folder) 5,000
Attend And Exhibit At Minority Annual Conference:	
Midwest Electronics - Minn., MN May	
Registration Fee	75.00
Booth - Display	750.00
Airfare	970.00
Mileage	60.00
Lodging	255.00
Car Rental	225.00
Shipping - Display	153.50
Parking - Airport	11.50
*Total (Trade Show Expense)	<u>2,500.00</u>
Total Budget:	\$8,280