

**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 Tribal Business Council is aware of a business opportunity that should provide employment opportunities for Tribal members who are residents of the Twin Buttes Segment and other Tribal members in the area; and
- WHEREAS,** In order to take advantage of this opportunity, the Three Affiliated Tribes intends to purchase new machine tool equipment from Productivity, Inc. of Minneapolis, Minnesota, in the amount of \$599,900 and lease it to North American Munitions Corporation which is constructing a gun manufacturing facility in Zap, North Dakota; and
- WHEREAS,** The Tribal Business Council has visited the factory of Productivity, Inc. and is satisfied that the equipment it is purchasing will meet the needs of North American Munitions Corporation and is prepared to purchase the equipment;
- WHEREAS,** Zap, North Dakota is located within 30 miles of the town of Twin Buttes, located on the Fort Berthold Indian Reservation, and therefore should be considered "on or near an Indian Reservation" within the meaning of the Civil Rights Act of 1964, as amended; and
- WHEREAS,** North American Munitions Corporation has agreed to apply Indian preference in hiring and has agreed to hire at least 50% Indian persons who are members of the Three Affiliated Tribes in its manufacturing plant at Zap, North Dakota;
- WHEREAS,** The Tribal Business Council expects to obtain a reasonable return on its investment in North American Munitions Corporation in addition to the provision of employment opportunities for the members of the Three Affiliated Tribes; and
- WHEREAS,** Investors in North American Munitions Corporation include the Small Business Administration, the Bank of North Dakota, and other substantial investors, and thus, based on their involvement, the Tribal Business Council is confident that North American Munitions Corporation can repay all of the sources of investment capital that

are being provided to allow the company to begin operations, including the lease payments for equipment to be provided by the Three Affiliated Tribes; and

**WHEREAS,** The Three Affiliated Tribes has prepared a Lease Agreement and Memorandum of Understanding between itself and North American Munitions Corporation which is now ready for consideration by the Tribal Business Council;

**NOW THEREFORE BE IT RESOLVED,** That the Tribal Business Council hereby authorizes the Tribal Chairman <sup>and</sup> or the Tribal Treasurer to execute the attached Lease Agreement and Memorandum of Understanding between the Three Affiliated Tribes and North American Munitions Corporation concerning machine tool equipment that will be leased from the Three Affiliated Tribes; and

**THEREFORE BE IT FURTHER RESOLVED,** that the Tribal Business Council hereby approves the purchase of the machine tool equipment described above from Productivity, Inc. for the total cost of \$599,900, to be leased to North American Munitions Corporation.

**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 7 members of whom 5 constitute a quorum, 7 were present at a Regular Meeting thereof duly called, noticed, convened, and held on the 18<sup>th</sup> day of June, 1996; that the foregoing Resolution was duly adopted at such Meeting by the affirmative vote of 5 members, 2 members opposed, 0 members abstained, 0 not voting, and that said Resolution has not been rescinded or amended in any way.

Dated this 18<sup>th</sup> day of June, 1996.

Dayton Spotted Bear  
Secretary, Tribal Business Council

ATTEST:

  
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Chairman, Tribal Business Council