

**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 has heretofore chartered the Twin Buttes Manufacturing Company ("TBMC") to undertake the financing, development, construction and operation of a modular homes manufacturing facility ("Project") for the benefit of and as an entity wholly owned by the Twin Buttes Community Association; and

WHEREAS, Pursuant to Resolution No. 97-141-DSB, dated June 16, 1997, the Tribal Business Council expressed its willingness to issue a general obligation Tribal guaranty in favor of Miller & Schroeder Investments Corporation ("M&S") as lender to guaranty repayment of the indebtedness to be incurred by TBMC for Project financing; and

WHEREAS, TBMC desires to borrow the principal amount of up to \$187,000 from M&S as interim financing to temporarily finance costs associated with the development and construction of the TBMC modular homes manufacturing facility pursuant to the terms and conditions of TBMC's Promissory Note in favor of M&S and an accompanying Loan Agreement; and

WHEREAS, M&S has agreed to make said loan to TBMC upon the condition that the Tribes execute and deliver a Tribal guaranty to guaranty repayment of the indebtedness incurred by TBMC under said Promissory Note and Loan Agreement; and

WHEREAS, The Tribes' advisors have reviewed said Promissory Note and Loan Agreement, as well as the Guaranty Agreement attached hereto; and

WHEREAS, The Tribal Business Council desires to authorize and approve the execution, delivery and performance by the Tribes of said Guaranty Agreement.

NOW, THEREFORE, BE IT RESOLVED, That the Tribal Business Council of the Three Affiliated Tribes of the Fort Berthold Reservation does hereby authorize and approve the execution, delivery and performance of that certain Special Guaranty Agreement,

GUARANTY AGREEMENT

THIS GUARANTY AGREEMENT (the "Guaranty") dated as of the 12th day of August, 1997, between the undersigned Three Affiliated Tribes of the Fort Berthold Indian Reservation ("Guarantor") and Miller & Schroeder Investments Corporation, a Minnesota corporation ("M&S").

W I T N E S E T H

WHEREAS, TWIN BUTTES MANUFACTURING COMPANY ("TBMC"), a corporation chartered by the Three Affiliated Tribes of the Fort Berthold Indian Reservation, has requested M&S to lend it the principal sum of up to One Hundred Eighty-Seven Thousand Dollars (\$187,000.00) to be evidenced by TBMC's promissory note ("Note") in said amount bearing interest as set forth in the Note and to be secured by a loan agreement (collectively, the "Loan Documents"); and

WHEREAS, M&S has agreed to make the loan evidenced by the Note upon the condition that the Guarantor execute and deliver this Guaranty to M&S, and the Guarantor has agreed to execute and deliver this Guaranty to induce M&S to make the loan and to provide additional security for the payment and performance of TBMC's obligations under the Loan Documents.

1. The Guarantor hereby absolutely and unconditionally guarantees to M&S the prompt and unconditional payment when due, whether by acceleration or otherwise, of the unpaid principal balance of, and accrued interest on, the Note, and any and all other liabilities (including all renewals, extensions and modifications of the Note) of TBMC to M&S under the Note and the Loan Documents; provided that, notwithstanding anything to the contrary in this Guaranty or in the Note and the Loan Documents, the Guarantor shall at no time be or become primarily liable under the Note or the Loan Documents; and provided further that, notwithstanding anything to the contrary in this Guaranty, or in the Note and the Loan Documents, the following terms shall constitute conditions precedent to any and all obligations of the Guarantor hereunder:

- a. Should TBMC fail to make timely payment of any installment of principal and interest under the Note, fail to make timely payment of any other amount owing under the Note or Loan Documents and/or fail to perform any other obligation under the Note or Loan Documents, then M&S shall immediately notify the Guarantor in writing of the default.
- b. In the case of a payment default by TBMC, the Guarantor shall have ten (10) business days subsequent to receipt of said written notice from M&S within which to

bring the delinquent payment current. So long as the Guarantor shall bring the delinquent payment current within said ten (10) day period, the Note, and/or any other payment obligations of TBMC under the Note and Loan Documents, shall not be accelerated, and the payment default by TBMC shall be deemed to be cured.

c. In the case of a non-monetary default by TBMC, the Guarantor shall have thirty (30) days subsequent to receipt of said written notice from M&S within which to effectuate a cure (provided, however, that if such default is not reasonably capable of cure within said thirty (30) day period, then Guarantor may commence the cure within said thirty (30) day period and diligently prosecute the cure to completion no later than ninety (90) days subsequent to receipt of said written notice from M&S). So long as the Guarantor shall cure the non-monetary default within said thirty (30) day period (or within said ninety (90) day period if applicable), the Note, and/or any other payment obligations of TBMC under the Note and Loan Documents, shall not be accelerated, and the non-monetary default by TBMC shall be deemed cured.

2. The Note and the Loan Documents are made a part of this Guaranty by reference thereto with the same force and effect as if fully set forth herein.

3. With respect to the Note and any instruments securing the same, to the extent applicable, the Guarantor waives presentment, protest, notice of dishonor, demand for payment, extension of time of payment, notice of acceptance of this Guaranty, non-payment at maturity and indulgences and notices of every kind, and consents to any and all forbearances and extensions of the time of payment, and to any and all substitutions, exchanges or releases of all or any part of the collateral therefor; it being the intention hereof that the Guarantor shall remain liable hereunder until the full amount of the principal of the Note, with interest thereunder, and any other sums due or to become due thereunder shall have been fully paid by TBMC.

4. All remedies afforded to M&S by reason of this Guaranty are separate and cumulative remedies and no one of such remedies shall be deemed to be exclusive of any one of the other remedies available to M&S and shall in no way limit or prejudice any other legal or equitable remedies which M&S may have to enforce the obligations of the parties.

5. The Guarantor specifically agrees that in the event of a foreclosure of any security held by M&S which secures any part or all of the debt evidenced by the Note, and in the event of a deficiency resulting therefrom, the Guarantor shall be liable to M&S for the full amount of such deficiency notwithstanding any other provision of such security instrument, any document or documents evidencing the indebtedness secured thereby or any other document or any provision of law which might otherwise prevent M&S from enforcing or collecting such deficiency.

6. The obligation of the Guarantor to make payment in accordance with the terms of this Guaranty shall not be impaired, modified, changed, released or limited in any manner whatsoever by any impairment, modification, change, release or limitation of the liability of

TBMC or its estate in bankruptcy resulting from the operation of any present or future or amended provision of the United States Bankruptcy Code or other similar statute, or from the decision of any court, or otherwise.

7. The Guarantor hereby waives any and all notice of the acceptance of this Guaranty, or of the creation, renewal or accrual of any and all obligations, indebtedness and liabilities of TBMC to M&S, present and future hereby guaranteed, or of the reliance of M&S upon this Guaranty.

8. In the event that the Guarantor shall advance or become obligated to pay any sum hereunder, or in the event that for any reason TBMC or any subsequent owner of the collateral is now or shall hereafter become indebted to the Guarantor, the amount of such sum and of such indebtedness shall at all times be subordinate as to lien, time of payment and in all other respects, to the amount owing to M&S under the Note or any right to participate in any way therein, or in the right, title or interest of M&S in the collateral, notwithstanding any payments made by the Guarantor hereunder, all rights of subordination and participation being hereby expressly waived and released.

9. This Guaranty shall inure to the benefit of M&S, its successors and assigns, and shall be binding upon the Guarantor and the Guarantor's successors and assigns, and shall be governed and construed in accordance with the law of the Three Affiliated Tribes of the Fort Berthold Indian Reservation.

10. The Guarantor hereby waives any and all rights or claims against TBMC by subrogation, contribution, indemnity, or otherwise for any payment or performance hereunder by the Guarantor. Neither the execution of this Guaranty, nor performance by the Guarantor hereunder shall make any Guarantor a " creditor " under 11 U. S. C. 101(9).

11. Subject to the remaining provisions of this Section 11, the Guarantor hereby expressly waives its sovereign immunity from unconsented suit for the limited purpose of permitting M&S to enforce its rights under this Guaranty and consents to be sued in a court of competent jurisdiction for said purpose. Guarantor agrees that any judgment by a court of competent jurisdiction, final by appeal or by expiration of time to appeal without an appeal being taken, in any such action or proceeding may be enforced in any manner provided by law.

The Guarantor's obligation under this Guaranty is a special obligation of the Three Affiliated Tribes of the Fort Berthold Reservation, authorized by Resolution No. 97-141-DSB, and is payable from funds which are specifically set aside for economic development purposes pursuant to a plan approved by the Secretary of Interior for the expenditure of interest income obtained by the Tribe from judgment funds known as Dockets 350-G and 54-81-L, provided however, that except as provided in this paragraph, notwithstanding anything to the contrary in this Guaranty, in no event shall any money damages be paid from any income or assets of the Guarantor which are tribal trust resources, nor shall any tribal trust property or assets be subject to attachment, garnishment, execution or similar process. In no event shall any suit arising from or related to this Guaranty be brought in the courts of any State.

12. Notwithstanding anything herein to the contrary, subsequent to the execution of the Note and the Loan Documents, no modifications, amendments or other changes to the terms of the Note, or any other document executed by TBMC in connection therewith, which materially affect the Guarantor's obligations under this Guaranty, shall be made or agreed to without the prior written consent of the Guarantor, which consent shall not be unreasonably withheld.

IN WITNESS WHEREOF, the Guarantor has duly executed this Guaranty the day and year first above written.

THREE AFFILIATED TRIBES OF THE FORTE
BERTHOLD INDIAN RESERVATION

By: 

Its: _____
Chairperson, Tribal Business Council

Pursuant to the terms of Resolution No. 97-141-D5, this Guaranty was approved by the Tribal Business Council and executed pursuant to the authority contained in Resolution No.

97-172-DSB

attached hereto and incorporated herein by reference, made by the Three Affiliated Tribes of the Fort Berthold Reservation in favor of Miller & Schroeder Investments Corporation to guaranty repayment, on the terms and conditions of said Special Guaranty Agreement, of the indebtedness incurred by the Twin Buttes Manufacturing Company for interim financing associated with the development and construction of a modular homes manufacturing facility.

BE IT FURTHER RESOLVED, That the Tribal Business Council of the Three Affiliated Tribes of the Fort Berthold Reservation does hereby authorize its Chairman, on behalf of the Tribes, to execute, deliver and cause the performance of the Special Guaranty Agreement authorized and approved hereby, and to take any additional actions necessary to the performance of the Tribes thereunder.

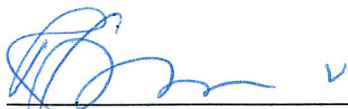
CERTIFICATION

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 of duly called, noticed, convened, and held on the 12th day of August, 1997; that the foregoing Resolution was duly adopted at such Meeting by the affirmative vote of 6 members, 0 members opposed, 0 members abstained, 1 not voting, and that said Resolution has not been rescinded or amended in any way.

Dated this 12th day of August, 1997.

Daylon Spotted Bear
Secretary, Tribal Business Council

ATTEST:



Chairman, Tribal Business Council