

**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 Tribe has the authority, under Article VII, Sections (1), (3), and (5) of the revised Constitution and Bylaws of the Three Affiliated Tribes to: (i) negotiate with, and approve contracts with Tribal members to establish procedures for the conduct of all tribal government and business operations which promote the health, peace, morals, education and general welfare of the Tribe and its members and (ii) to do such acts of a governmental and public nature as it believes are in the best interest of the Tribe; and
- WHEREAS,** The Tribe has the authority, under Article VII, Sections (1), (3), and (5) of the revised Constitution and Bylaws of the Three Affiliated Tribes to lease land from tribal members for the conduct of all tribal government and business operations in order to promote the health, peace, morals, education and general welfare of the Tribe and its members, and to do such other acts of a governmental and public nature as it believes are in the best interest of the Tribe; and
- WHEREAS,** TAT is a federally recognized Indian tribe organized under Section 16 of the Indian Reorganization Act of 1934, 25 U.S.C. 461 et seq. and has the authority, and does conduct gaming on the northwestern portion of its reservation lands pursuant to: (i) the Indian Gaming Regulatory Act of 1988, P.L. 100-497, 25 U.S.C. §2701 et. seq. ("IGRA"), and (ii) a Class III compact entered into between the Tribe and the State of North Dakota, approved by the Secretary of Interior as published in the Federal Register on December 11, 1992; and
- WHEREAS,** The Tribe previously has approved, in Resolution #98-69-DSB, a lease with Dale Little Solder d/b/a Lake Sakakawea and Associates and has indicated in that resolution its willingness to continue the development at the leased site of a Class III gaming operation to be known as Lake Sakakawea Casino and Resort Project pursuant to the Tribal-state Gaming Compact presently in effect, provided that an appropriate financial arrangement could be obtained which would not require a Tribal guarantee of the financing; and

- WHEREAS,** Dale Little Soldier has obtained an appropriate financing arrangement with VLC, a Powerhouse Company, which is a highly capitalized vendor of gaming devices that is willing to both finance the construction of the gaming facility and equipment needed in the facility as specified in the attached Term sheets; and
- WHEREAS,** VLC is willing to go forward with the financing, including up to \$3 million for construction financing, and up to \$2 million for Equipment financing, upon obtaining all necessary approvals and upon completion of the final loan documents, which will contain substantially all of the terms contained in the Term sheets for the Construction and Equipment Loan;
- WHEREAS,** The Construction Loan will be directly with Dale Little Soldier, and, provided that the necessary approvals can be obtained, the Equipment Loan will also be with Dale Little Soldier for the purchase of at least 200 electronic gaming devices; while the Tribe will have a lease purchase agreement with Dale Little Soldier, upon the terms and conditions which are the same as the attached term sheets describing the Equipment Loan, except that the Tribe will own the equipment at the conclusion of the lease period; and
- WHEREAS,** Should the approving agencies require that the Equipment be owned by the Tribe, the alternative will be an Equipment loan with the Tribe, in accordance with the terms provided in the attached Term sheet for an Equipment Loan with the Tribe; and
- WHEREAS,** Both the Construction and the Equipment Loans do not require any guarantee by the Three Affiliated Tribes; as in the preferred alternative for financing recourse on both the Equipment Loan and the Construction Loan will be against Dale Little Soldier, except in the event the Equipment Loan is directly with the Tribe as described below; and
- WHEREAS,** The Equipment Loan, whether with Dale Little Soldier or the Tribe, requires a limited waiver of sovereign immunity, limited to allowing VLC the right to enter the Fort Berthold Reservation for the purposes of repossessing any equipment which is collateral for the Equipment Loan and, in the event the Equipment Loan must be with the Tribe, such other rights as may be afforded to VLC pursuant to the Term sheet, with the express understanding that in no event shall the Tribe be liable for anything more than the actual cost of the Equipment financed by VLC that remains unpaid, less the value of the machines repossessed by VLC; and

WHEREAS, The Tribe desires that the gaming activity conducted in association with Dale Little Soldier will be the only gaming the Tribe will permit in the South, or Twin Buttes, Segment of the Three Affiliated Tribes on the Fort Berthold Reservation; and

WHEREAS, It is understood by the Tribe that if in any way Dale Little Soldier is incapable, or by circumstance is rendered incapable, of performing his duties under any agreement he may have with VLC, VLC may perform those duties on behalf of Mr. Little Soldier for as long as Mr. Little Soldier remains incapacitated; and

WHEREAS, Also attached hereto is a Consultant Agreement with Lake Sakakawea and Associates, such that Lake Sakakawea and Associates will provide consulting services that will enable initial operation of the gaming facility on the premises to be leased from Dale Little Soldier, and that permits Lake Sakakawea and Associates to select such additional consultants as are necessary to assist the Tribe in operation of the casino for the term of the financial arrangements; and

NOW, THEREFORE, BE IT RESOLVED that the Tribal Business Council hereby authorizes the Chairman and the Treasurer of the Three Affiliated Tribes to enter into the financial arrangement as specified on the attached Term sheets, including loans to Dale Little Soldier in the amounts of up to \$3 million for construction financing and up to \$2 million for equipment financing, and to execute final documents with terms substantially in the same form as specified on the attached Term sheets, subject to final legal review by the Legal Department of the Three Affiliated Tribes or such other counsel as may be selected by the Tribal Business Council, and subject further to the approval of the Bureau of Indian Affairs, including such approval as may be required under 25 U.S.C. Section 81 and such changes to said documents as may be required by the Bureau of Indian Affairs, and subject to review by the National Indian Gaming Commission (NIGC) and subject to such changes to said documents as may be required by the NIGC, which may include an agreement between VLC and the Tribe for the purchase of the electronic gaming devices; and

NOW, THEREFORE, BE IT FURTHER RESOLVED that the Tribal Business Council hereby authorizes the Chairman and the Treasurer of the Three Affiliated Tribes to enter into the Consultant Agreement with Lake Sakakawea and Associates in substantially the form as attached hereto, subject to final legal review by the Tribal Legal Department or such other counsel as may be selected by the Tribal Business Council, and subject further to the approval of the Bureau of Indian Affairs, including such approval as may be required under 25 U.S.C. Section 81 and such changes to said documents as may be required by the Bureau of Indian Affairs, and subject to review by the National Indian Gaming Commission (NIGC) and subject to such changes to said documents as may be required by the NIGC; and.

NOW, THEREFORE, BE IT FURTHER RESOLVED that the Tribal Business Council, having been advised by legal counsel, does hereby consent to a limited waiver of sovereign immunity in the Equipment loan as stated herein, with the express understanding that if the Equipment loan is between Dale Little Soldier and VLC, the waiver of sovereign immunity is limited to the right of VLC to repossess the electronic gaming machines, and if the Equipment loan is between the Tribe and VLC, the Tribe shall be liable for nothing more than the actual cost of the Equipment financed by VLC that remains unpaid, less the value of the machines repossessed by VLC, and that in no other respect concerning this transaction is the Tribe consenting to any waiver of sovereign immunity; and

NOW, THEREFORE, BE IT FURTHER RESOLVED, that before the final documents are submitted to the NIGC and the BIA for review, they will be made available to the Tribal Business Council; and

NOW, THEREFORE, BE IT FURTHER RESOLVED, that the Tribal Business Council will use its best efforts to obtain approval of the documents outlined in this Resolution as may be necessary from various Federal agencies, and will provide such assistance to Dale Little Soldier and VLC as may be necessary to obtain such approval, including legal assistance.

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, 6 were present at a Special Meeting thereof duly called, noticed, convened, and held on the 19th day of February, 1999; that the foregoing resolution was duly adopted at such Meeting by the affirmative vote of 5 members, 0 members opposed, 1 members abstained, 0 not voting, and that said Resolution has not been rescinded or amended in any way.

Dated this 19th day of February, 1999.

ATTEST:

Daglan Spotted Bear
Secretary, Tribal Business Council

[Signature]
Chairman, Tribal Business Council