

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

RESOLUTION AUTHORIZING THE ISSUANCE AND SALE BY THE THREE AFFILIATED TRIBES OF GENERAL OBLIGATION BONDS, SERIES 1999, DATED MARCH 1, 1999, IN THE AGGREGATE PRINCIPAL AMOUNT OF \$3,045,000 FOR THE PURPOSE OF FINANCING LAND AND BUFFALO BREEDING STOCK AND AUTHORIZING THE EXECUTION OF DOCUMENTS RELATING THERETO.

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 (the "Tribe") 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 Tribe and of the enrolled members thereof; and

WHEREAS, The Tribe has need for and desires to finance land for park, open space and recreation purposes and for wildlife preservation purposes (the "Project") in order to promote the health, welfare, safety, convenience and prosperity of the Tribe; and

WHEREAS, the Tribe is authorized by its Constitution and Bylaws to borrow money in furtherance of the purposes set forth therein by resolution of the Tribal Business Council of the Tribe (the "Council"), and the Council has so interpreted the Tribe's Constitution and Bylaws by a resolution (the "Interpretive Resolution") duly adopted by the Council pursuant to the sovereign authority of the Tribe; and

WHEREAS, in order to finance the Project the Tribe proposes to issue and sell its General Obligation Bonds, Series 1999, dated March 1, 1999, in the aggregate principal amount of \$3,045,000 (the "Bonds"); and

WHEREAS, through the efforts of Government Capital Corporation ("Government Capital") the Tribe has received a proposal for the purchase of the Bonds on terms favorable to the Tribe from Crews & Associates, Inc. (the "Private Placement Agent") on behalf of the purchasers of the Bonds (the "Purchasers"); and

WHEREAS, forms of the following documents prepared in reliance on the Interpretive Resolution have been submitted to the Council and have been filed with the Secretary of the Council:

- (a) a Loan and Escrow Agreement, dated as of March 1, 1999 (the "Loan and Escrow Agreement"), among the Tribe, Bank One, Colorado, N.A., Denver, Colorado (the "Escrow Bank"), and the Private Placement Agent;
- (b) a Bond Purchase Agreement, dated its date of execution and delivery (the "Bond Purchase Agreement"), between the Tribe and the Private Placement Agent;
- (c) a Mortgage, dated as of March 1, 1999 (the "Mortgage"), from the Tribe to the Escrow Bank, as paying agent for the Bonds, for the benefit of the registered owners of the Bonds;
- (d) an Assignment of Income, dated as of March 1, 1999 (the "Assignment of Income"), executed by the Tribe, approved by the United States Department of the Interior, Bureau of Indian Affairs, and accepted by the Escrow Bank, as paying agent for the Bonds; and
- (e) Investment Letters, dated their dates of execution and delivery (the "Investment Letters"), to be signed by the Private Placement Agent, each Purchaser and each subsequent transferee of the Bonds; and

WHEREAS, it is necessary to authorize the issuance of the Bonds by resolution (this "Resolution") and to approve the form and authorize the execution of the aforementioned documents hereby;

NOW, THEREFORE, BE IT RESOLVED by the Tribal Business Council of the Three Affiliated Tribes as follows:

ARTICLE I

AUTHORITY AND FINDINGS

1.1 Authority

The Tribe is a sovereign Indian tribe and is authorized by its Constitution and Bylaws to issue and sell the Bonds for the purpose, in the manner and upon the terms and conditions set forth in this Resolution and in the Loan and Escrow Agreement.

1.2 Findings

It is hereby found, determined and declared that the financing of the Project and the issuance and sale of the Bonds therefor will promote the health, welfare, safety, convenience and prosperity of the Tribe.

ARTICLE II

PROJECT

2.1 Authorization of Project

The Tribe hereby authorizes the acquisition of the Project and the payment of the costs thereof by such means as shall be available to the Tribe and in the manner provided herein and in the Loan and Escrow Agreement.

ARTICLE III

BONDS

3.1 Acceptance of Proposal.

The proposal for the purchase of the Bonds by the Private Placement Agent on behalf of the Purchasers is hereby accepted.

3.2 Authorization and Description of Bonds

The Tribe shall issue the Bonds for the purpose, in the form and upon the terms set forth herein and in the Loan and Escrow Agreement. The aggregate principal amount of the Bonds shall be \$3,045,000; the interest rate on the Bonds shall be the rate specified in the Bond Purchase not greater than 6.75% per annum; and the final maturity date of the Bonds shall be November 15, 2010. The Bonds shall be sold to the Private Placement Agent for a purchase price equal to the aggregate principal amount of the Bonds less a discount the discount specified in the Bond Purchase Agreement plus accrued interest. The Private Placement Agent shall withhold from the purchase price the sum specified in the Bond Purchase Agreement to be paid by the Private Placement Agent to Government Capital as compensation to include legal fees and related expenses and all other expenses incurred by Government Capital in connection with the issuance of the Bonds.

The Bonds shall be executed, shall be in such denominations, shall mature, shall bear interest and shall be subject to redemption as provided in the Loan and Escrow Agreement.

ARTICLE IV

PLEDGE AND COVENANTS

4.1 Pledge of Moneys

The Tribe hereby pledges to the payment of the principal of and interest on the Bonds its full faith and credit, which includes all legally available funds within the general fund of the Tribe, except that no funds of the Three Affiliated Tribes Economic Recovery Fund established under the Three Affiliated Tribes and Standing Rock Sioux Tribe Equitable Compensation Act (Public Law 102-575, 106 Stat. 4731 et seq.) shall be included within said pledge.

As additional security for the payment of the Bonds the Tribe irrevocably (but not necessarily exclusively) pledges, pursuant to the Loan and Escrow Agreement, the net revenues derived by the Tribe from the operation and management of its buffalo herd and the fees derived by the Tribe from the licensing of hunting on the Project for the benefit of the registered owners of the Bonds. Under the Loan and Escrow Agreement and the Mortgage the pledge of the above-described net revenues and fees and the lien upon the Project may be released if the Tribe pledges in substitution therefor income (the "Income") received from the investments of the Three Affiliated Tribes sufficient to pay when due the principal of and interest on the Bonds plus an additional twenty-five percent (25%) of principal and interest amount as additional coverage resulting in a coverage ratio of 125% of annual debt service. In such event by the Assignment of Income the Tribe shall provide for direct payment of the Income in the amounts described above to the Escrow Bank, as paying agent for the Bonds. In such event the Bonds will be secured by a lien on the Income and constitute an irrevocable and first lien (but not necessarily an exclusive first lien) upon the Income. In such event Bonds and other types of securities, in addition to the Bonds, subject to expressed conditions, may be issued and made payable from the Income having a lien thereon subordinate to the lien of the Bonds, or, subject to additional expressed conditions, having a lien thereon on a parity with the lien of the Bonds in accordance with the provisions of the Loan and Escrow Agreement.

4.2 Payment of Debt Service Requirements; Security

The Tribe covenants that it will promptly pay or cause to be paid the principal of and interest on the Bonds on the dates, from the sources and in the manner provided in the Loan and Escrow Agreement. The principal of and interest on the Bonds are payable from and secured by the moneys described in the Loan and Escrow Agreement, the Mortgage, and the Assignment of Income, if applicable.

4.3 Performance of and Authority for Covenants

The Tribe covenants that it will faithfully perform at all times any and all covenants, undertakings, stipulations and provisions contained in this Resolution, the Loan and Escrow Agreement, the Bonds and all proceedings of the Council pertaining thereto; that it is duly authorized under its Constitution and Bylaws to issue the Bonds and pledge the moneys described in the Loan and Escrow Agreement to the extent set forth in this Resolution and the Loan and Escrow Agreement; that all action on its part for the issuance of the Bonds and for the execution and delivery thereof has been duly and effectively taken; and that the Bonds are and will be valid and binding obligations of the Tribe, enforceable against the Tribe according to the terms thereof.

4.4 Limited Waiver of Sovereign Immunity; Consent to Binding Arbitration.

The Tribe is a federally recognized Indian tribe and is immune from suit unless it has granted a waiver of sovereign immunity. In order to permit enforcement of the obligations of the Tribe under the Bonds and the documents approved hereby in the event of a default by the Tribe, the Tribe hereby expressly and unequivocally grants a waiver of its sovereign immunity from suit and consents to binding arbitration in accordance with the Commercial Arbitration Rules of the American Arbitration Association and to suit in a court of competent jurisdiction to enforce the arbitration award or to remedy refusal to arbitrate. Such waiver and consent is limited to arbitration proceedings and to such suits initiated by registered owners of the Bonds or the moneys pledged to the payment thereof. The Tribe designates the Chairman of the Tribe as its authorized agent to accept service of process. Service of process on the Tribe shall be effective if made by certified or registered first-class postage prepaid mail to the Chairman of the Tribe at the address of the Tribe or personally on the Chairman of the Tribe. The Tribe further hereby accepts and consents to be bound by any final judgment entered against it awarding any equitable or declaratory relief authorized or contemplated by the documents approved hereby or any money damages to be paid from the proceeds of the Bonds or the moneys described in the Loan and Escrow Agreement with respect to claims against the Tribe under the Bonds or the documents approved hereby and to the enforcement of any such judgment by attachment, execution or other similar process.

Arbitration shall take place under the procedures set forth below:

- (a) Unless the parties agree upon the appointment of a single arbitrator, a panel of arbitrators consisting of three (3) members shall be appointed. One (1) member shall be appointed by the Tribe, and one (1) member shall be appointed by the registered owners of the Bonds asserting the claim against the Tribe. Each party to a dispute shall select an arbitrator within ten (10) business days after delivery of written notice from any party to the other party that the dispute will be submitted to arbitration. The third arbitrator shall be selected by agreement of the other arbitrators. If the other arbitrators cannot agree upon the third arbitrator within ten (10) business days after the other arbitrators have been selected, then the third arbitrator shall be selected by the Chief Judge of the United States District Court for the District of North Dakota.
- (b) Expenses of arbitration shall be shared equally by the Tribe and the claimants. Meetings of the arbitrators may be in person or, in appropriate circumstances, by telephone. All decisions of any arbitration panel shall be by majority vote of the panel, shall be in writing and, together with any dissenting opinions, shall be delivered to the Tribe and the claimants.
- (c) The arbitrators shall have the power to administer oaths to witnesses, to take evidence under oath and, by majority vote, to issue subpoenas to compel the attendance of representatives of the Tribe, representatives of the claimants and other persons necessary to resolve the controversy or claim against the Tribe and to compel the production of books, records, documents, instruments and other relevant evidence by the Tribe or the claimants. The Tribe and the claimants shall comply with such subpoenas.
- (d) After a hearing on the matter the arbitrators may enter an order granting the Tribe or the claimants temporary or preliminary injunctive relief or any other interim relief that the arbitrators deem appropriate.
- (e) The arbitrators shall hold a hearing or, if necessary, two (2) or more hearings on the controversies or claims raised by the Tribe or the claimants. The arbitrators shall give written notice of each hearing to the Tribe and the claimants. Each notice shall be delivered by first-class, postage-prepaid mail deposited at least five (5) business days prior to the date of the hearing. Appearance at a hearing constitutes waiver of any defect in the notice. The arbitrators may hear and determine the controversies and claims only upon evidence submitted at the hearing or hearings. If proper notice has been delivered for each hearing, the arbitrators may resolve the issues before them notwithstanding the failure of either the Tribe or the

claimants to appear. The Tribe and the claimants may present evidence relevant and material to the controversies and claims subject to arbitration, cross-examine witnesses appearing at the hearings and submit legal memoranda relevant to the issues subject to arbitration. At their own expense, the Tribe and the claimants may be represented by counsel at any hearing.

- (f) The arbitration panel shall be required to render any award in accordance with governing precedent and controlling law for the issues presented to the panel.
- (g) The decision of the arbitration panel shall be presumed valid and may be vacated only by a court of competent jurisdiction on one or more of the following grounds:
 - (1) The decision is not supported by substantial evidence.
 - (2) The decision was procured by corruption, fraud or undue means.
 - (3) There was evident partiality or corruption by the arbitration panel or by any member.
 - (4) The arbitration panel or any member was guilty of misconduct in refusing to hear the claim or refusing to hear evidence pertinent and material to the claim or any other clear misbehavior by which the rights of either party have been substantially prejudiced.
 - (5) The arbitration panel or any member exceeded his or her authority as described herein.
 - (6) The arbitration panel's decision is contrary to law.
- (h) Judgment on the award rendered by the arbitrators may be entered in the tribal court of the Tribe. If the tribal court fails to take the necessary steps to enforce the award within thirty (30) days following the application by the Tribe or the claimants, the Tribe or the claimant may seek enforcement of the award in any court of competent jurisdiction.

4.5 Tax Matters

The Tribe hereby designates the Bonds as "qualified tax-exempt obligations under 265(b) of the Internal Revenue Code of 1986, as amended.

ARTICLE V

MISCELLANEOUS

5.1 Authorization and Execution of Documents

The forms of the Loan and Escrow Agreement, the Bond Purchase Agreement, the Mortgage, Assignment of Income and the Investment Letters are hereby approved, and the Chairman and the Secretary of the Council are authorized to execute the Loan and Escrow Agreement, the Bond Purchase Agreement, the Mortgage and the Assignment of Income as the same may be revised and completed in the name of and on behalf of the Tribe and such other documents as bond counsel to Government Capital considers appropriate in connection with the issuance of the Bonds. In the event of the absence or disability of the Chairman or the Secretary of the Council, such officers of the Council as may act on their behalf shall without further act or authorization of the Council do all things and execute all documents required to be done or executed by such absent or disabled officers.

5.2 Authorization to Make Alterations

The Chairman and the Secretary of the Council are hereby authorized and directed to make or agree to any alterations, changes or additions in the documents hereby approved as the Chairman deems necessary or proper to accomplish the purposes of this Resolution, the signatures of the Chairman and the Secretary on the instruments to be conclusive evidence of such approval; provided, however, no alteration, change or addition shall be made with respect to the aggregate principal amount, maximum interest rate, final maturity date or terms of payment of the Bonds or with respect to the limited waiver of sovereign immunity and consent to binding arbitration contained in this Resolution.

5.3 Delegated Duties

The Chairman and the Secretary of the Council and the other proper officers of the Tribe are hereby authorized and directed to take all action necessary or appropriate to effectuate the provisions of the Loan and Escrow Agreement and to comply with the requirements of law and this Resolution, including, without limitation:

- (a) Printing of Bonds The printing of the Bonds, including the printing upon each of the Bonds of a copy of the approving legal opinion of Ballard Spahr Andrews & Ingersoll, LLP, bond counsel to Government Capital, and, if necessary or desirable pending delivery of printed Bonds, the

5.5 CUSIP Numbers

CUSIP identification numbers may be imprinted on the Bonds, but such numbers shall not constitute a part of the contract evidenced by the Bonds, and no liability shall hereafter attach to the Tribe or any of the officers or agents thereof because of or on account of said numbers. Any error or omission with respect to said numbers shall not constitute cause for refusal by any person to accept delivery of and pay for the Bonds nor shall it affect the validity of such Bonds.

5.6 Resolution Irrepealable

After the Bonds are issued this Resolution shall be and remain irrepealable until the Bonds shall have been fully paid, satisfied or discharged.

5.7 Severability

If any provision of this Resolution shall be held or deemed to be, or shall in fact be, inoperative or unenforceable as applied in any particular case in any jurisdictions or in all cases because it conflicts with any provisions of any constitution or statute or rule or public policy, or for any other reason, such circumstances shall not have the effect of rendering the provision in question inoperative or unenforceable in any other case or circumstance, or of rendering any other provision or provisions herein contained invalid, inoperative or unenforceable to any extent whatever. The invalidity of any one or more phrases, sentences, clauses, paragraphs, sections or articles in this Resolution shall not affect the remaining portions of this Resolution or any part hereof.

5.8 Ratification

All action not inconsistent with the provisions of this Resolution heretofore taken by the Tribe or its officers toward the issuance and sale of the Bonds is hereby ratified, approved and confirmed.

5.9 Repealer

All resolutions or parts thereof in conflict with this Resolution are hereby repealed.

5.10 Approval of Resolution

This Resolution, as adopted by the Council, shall be approved by the signatures of the Chairman and the Secretary of the Council.

preparation of temporary typewritten Bonds in an aggregate principal amount equal to that of the Bonds, otherwise in substantially the same form and bearing the same terms, to be delivered to the Private Placement Agent and thereafter to be exchanged for printed Bonds when the same are received by the Tribe;

- (b) Execution and Delivery of Bonds The execution and delivery of the Bonds pursuant to the provisions of this Resolution and the Loan and Escrow Agreement;
- (c) Information The assembly and dissemination to the Private Placement Agent of financial and other information concerning the Tribe, the Project and the Bonds;
- (d) Closing Certificates The execution of such certificates as may be reasonably required by Government Capital, bond counsel to Government Capital or the Private Placement Agent, including, but not limited to, those relating to:
 - (1) The signing of the Bonds;
 - (2) The tenure and identity of the officers of the Tribe;
 - (3) If in accordance with fact, the absence of litigation, pending or threatened, affecting the validity of the Bonds;
 - (4) The tax treatment of interest on the Bonds under federal income tax laws; and
 - (5) The delivery of the Bonds and the receipt of the purchase price of the Bonds.

5.4 Facsimile Signatures and Seal

The Chairman and the Secretary of the Council shall forthwith, but in any event prior to the time the Bonds are delivered to the Private Placement Agent, file with the Secretary of the Council their manual signatures and the seal of the Tribe certified by them under oath. Upon such filing the Bonds may be imprinted with the facsimile signatures of said officers and the facsimile seal of the Tribe, and the Bonds so imprinted shall be deemed legally executed with the same effect as if the Bonds had been manually signed and sealed by said officers.

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 Regular Meeting thereof duly called, noticed, convened, and held on the 12th day of March, 1999; that the foregoing resolution was duly adopted at such Meeting by the affirmative vote of 4 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 12th day of March, 1999.

ATTEST:

Daylon Spotted Bear
Secretary, Tribal Business Council

[Signature]
Chairman, Tribal Business Council