

**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, including management of the economic affairs of the Tribe; and
- WHEREAS,** The Tribal Business Council (The "Council") has determined that it would be in the best interests of the Tribe and its enrolled members to acquire funds to supplement the needs of the Tribe relating to education, social welfare, economic development and other purposes, including immediate operational needs of the Tribal government through the end of calendar year 1999, and also including refinancing of certain indebtedness now due and owing by the Tribe to Community First National Bank; and
- WHEREAS,** The indebtedness to be refinanced includes, but is not limited to, \$100,400 in a line of credit used by the Fort Berthold Development Corporation and guaranteed by the Tribe; a note due and payable June 1, 1999 with a balance owing of \$368,794 used to finance tribal operations; a note in the amount of \$91,067.33 used to finance the Tribe's buffalo operation; and a note in the amount of \$349,663 used to assist the Fort Berthold Community College and to refurbish a building for additional Tribal offices; and
- WHEREAS,** The Tribal Business Council desires to enter into a loan agreement with Community First National Bank of Dickinson, North Dakota for the above purposes, and also for the purpose of providing additional funds for Tribal operations, in an amount up to \$3,000,000 at an interest rate not to exceed 8.75% for a term of 3 1/2 years, with no prepayment penalties and with the final payment being due on January 1, 2002, and with monthly payments due of \$50,000 and in addition to the monthly payments, annual payments of all interest owing to the Tribe derived from those funds generally known as "Docket Funds" as described below; and
- WHEREAS,** The specific security for the loan being obtained is a pledge of the interest derived on an annual basis from what are generally known as "Docket Funds", including the following specific funds: Docket 350-C/D, 350-F and 350-G, which in 1999 are expected to earn interest in a total amount of approximately \$680,000; and

WHEREAS, The Tribe desires to reprogram those funds for the purpose of providing security for the loan amount stated in this resolution of \$3,000,000, with the understanding that the Tribe will make every effort to repay the loan early so as to allow the Docket Funds to be used for those program purposes previously designated by the Tribal Business Council; and

WHEREAS, In order to acquire the loan from Community First National Bank (the "Lender"), the Council must execute a Loan Agreement, Promissory Notes, Security Agreement, UCC-1 form and related documents and instruments referred to therein as well as an Assignment of the Docket Funds for which specific approval by an appropriate official of the U.S. Department of Interior is required, and such other documents as may be required by the Lender or the Secretary of Interior; and

WHEREAS, The Loan Agreement requires that the Tribe provide a limited waiver of sovereign immunity, limited to the amount owing pursuant to the Loan Agreement at the time the Lender seeks to invoke the limited waiver and limited also to whatever remedies are available to the Lender pursuant to the Loan Agreement; and in addition, the Loan Agreement requires that the Tribe consent to the jurisdiction of either Federal court or Tribal court, whichever is appropriate; and

WHEREAS, The Tribal Business Council has determined that the limited waiver of sovereign immunity and the consent to jurisdiction described in the foregoing paragraph are in the best interests of the Tribe and the Council represents that it has been advised by legal counsel regarding these matters;

NOW, THEREFORE, BE IT RESOLVED, that the form, terms and provisions of that certain Loan Agreement, regarding a loan of up to \$3,000,000 (the "Loan"), between the Tribe and the Community First National Bank; those certain Promissory Note or Notes, totaling up to \$3,000,000 payable to the order of the Community First National Bank; that certain Security Agreement between the Tribe and Community First National Bank, and the UCC-1 form (collectively referred to as the "Loan Documents"), substantially in the form reviewed by the Council, and the performance of its obligations under the Loan Documents be, and hereby are, in all respects, approved;

NOW, THEREFORE BE IT FURTHER RESOLVED, that the Chairman of the Tribe and of the Council, Tex G. Hall., and the Treasurer thereof, Marcus Wells, Jr., be and hereby are, authorized and directed to execute and deliver the Loan Documents in the name and on behalf of the Tribe, substantially in the form approved, with such changes therein and modifications and amendments thereto as they may in their sole discretion approve, which approval shall be conclusively evidenced by their

execution thereof, and that the signatures of both of the above-named officers shall be sufficient to bind the Tribe. The Chairman and the Treasurer are hereby specifically authorized and directed to enter into those portions of the Loan Documents concerning the waiver of sovereign immunity and consent to jurisdiction as described above; and

NOW, THEREFORE BE IT FURTHER RESOLVED, that the Tribal Business Council hereby authorizes and directs the Chairman and Treasurer of the Council to arrange for and enter into an Assignment of Docket Funds, including Dockets 350-C/D, 350-F, and 350-G, in favor of Community First National Bank for the period covered by the Loan, and further, the Tribal Business Council authorizes the Chairman and Treasurer of the Council to seek approval for such Assignment of the Docket Funds from appropriate officials of the U.S. Department of Interior, and that the signature of both the above-named Tribal officers shall be sufficient to bind the Tribe on the Assignment and on any other document associated with this Loan as may be described or mentioned herein; and

NOW, THEREFORE BE IT FURTHER RESOLVED, that the Tribal Business Council agrees to request approval from appropriate officials of the U.S. Department of the Interior for a reprogramming of Docket Funds in conjunction with the Assignment of Docket Funds as described in this Resolution, and it is understood by the Tribal Business Council that obtaining proceeds of the anticipated loan is dependent upon approval by the Secretary of the Department of Interior of both the Assignment of Docket Funds and reprogramming of Docket Funds contemplated by this Resolution; and

NOW, THEREFORE BE IT FURTHER RESOLVED, that the Chairman and the Treasurer of the Tribe are hereby authorized and directed to take all such further actions as may be necessary to seek and obtain any additional required approval for this transaction from the Secretary of the Department of Interior and to execute and deliver any and all such supplemental documents as may be required to obtain such approval, which in their sole judgment be necessary, proper or advisable in order to obtain such approval.

NOW, THEREFORE BE IT FURTHER RESOLVED, that the obligations incurred by the Tribe in the Loan Documents are general obligations of the Tribe, secured as provided in the Security Agreement between Community First National Bank and the Tribe, and that in no event is the Tribe pledging as security for this loan the funds derived from accumulated interest on the Three Affiliated Tribes Economic Recovery Fund established by Title 35 of P.L. 102-575, 106 Stat. 4731; commonly known as "JTAC" funds.

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 3rd day of June, 1999; that the foregoing Resolution was duly adopted at such Meeting by the affirmative vote of 5 members, 2 members opposed, 0 members abstained, 0 members not voting, and that said Resolution has not been rescinded or amended in any way.

Dated this 3rd day of June, 1999.

Daylon Spotted Bear
Daylon Spotted Bear
Secretary, Tribal Business Council

ATTEST:

Tex G. Hall
Tex G. Hall
Chairman, Tribal Business Council