

**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, Article VI, Section 5(a) of the Constitution of the Three Affiliated Tribes specifically authorizes and empowers the Tribal Business Council to manage all economic affairs and enterprises of the Three Affiliated Tribes; and

WHEREAS, The Three Affiliated Tribes are authorized and empowered by Section 7871 of the Internal Revenue Code of 1986, as amended, to issue private activity bonds and use the proceeds from the sale of said bonds to defray all or a portion of the cost of acquiring, constructing, improving and equipping a "manufacturing facility" as that term is defined in the Code; and

WHEREAS, Twin Buttes Custom Homes, Inc., a wholly-owned corporation of the Three Affiliated Tribes, has heretofore been chartered by the Tribal Business Council to undertake the financing, development, construction and operation of a custom designed home manufacturing facility and a custom countertop manufacturing facility for the welfare and benefit of the Tribes; and

WHEREAS, The Tribal Business Council has heretofore adopted Resolution No. 99-22-DSB, on the 11th day of March, 1999, wherein the Council determined it necessary and advisable that the Three Affiliated Tribes proceed with the issuance of Industrial Development Revenue Bonds in an aggregate principal amount not to exceed \$5,000,000 pursuant to the applicable provisions of the Internal Revenue Code of 1986, as amended (the "Code"), for the purpose of defraying the cost of acquiring, constructing, improving, and equipping the manufacturing facilities specifically described hereinbelow;

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

1. The Three Affiliated Tribes of the Fort Berthold Reservation, a federally

recognized Indian Tribe (the "Issuer"), in accordance with its Constitution, By-Laws and Section 7871 of the Code, proposes to issue its bonds to finance the acquisition, construction, improvement and equipment of a manufacturing facility for the production of custom designed homes to be located in Twin Buttes, North Dakota (the "Home Project"), and the acquisition, construction, improvement and equipment of a manufacturing facility for the production of custom countertops for custom designed homes to be located in Mandaree, North Dakota (the "Cabinet Project" and, with the Home Project, the "Projects"), which are to be owned and operated by the Issuer. The Bonds will be issued pursuant to a Trust Indenture by and between the Issuer and U.S. Bank Trust National Association (U.S. Bank Trust National Association and its successors and assigns forever, as trustee under the Indenture, is hereinafter referred to as the "Trustee"), dated as of October 1, 1999 (the "Indenture"). The Bonds (as defined below) will be secured by the general revenues, receipts, income, funds and assets of the Issuer including the Project Fund and the Reserve Fund (as defined in the Indenture) and the Revenues and Collateral (as defined in the Indenture). The Bonds will be a general credit obligation of the Issuer and the Issuer pledges its full faith and credit (but not taxing power) to the payment of the Bonds, all of which are pledged by the Issuer.

2. The Issuer has determined that it is in the best interests of the Issuer and the public welfare of the members of the Issuer that it issue its General Credit Manufacturing Bonds (Twin Buttes Custom Homes Project) Series 1999A (the "Series 1999A Bonds") and its Taxable General Credit Manufacturing Bonds (Twin Buttes Custom Homes Project), Series 1999A-T (the "Series 1999A-T Bonds" and, with the Series 1999A Bonds, the "Bonds") in the aggregate principal amount not exceeding \$4,800,000 and \$200,000, respectively, to finance the acquisition and construction of the Projects and certain other costs provided for in the Indenture.

3. The following documents in substantially final form (including the exhibits referred to therein) have been submitted to the Issuer for approval:

a. the Indenture providing for the issuance of the Bonds, prescribing the form thereof, and pledging to the payment of the Bonds, the Revenues described therein and the full faith and credit of the Issuer; and

b. a Continuing Disclosure Certificate (the "Continuing Disclosure Certificate") of the Issuer; and

c. an Investment Banking and Bond Purchase Agreement (the "Purchase Agreement") by and between the Issuer and Miller & Schroeder Financial, Inc. (the "Underwriter") providing for the purchase of the Bonds by the Underwriter; and

d. a draft of the Confidential Private Placement Memorandum describing the Bonds, the Project and certain related documents; and

e. a Disbursing Agreement (the "Disbursing Agreement") dated as of October 1, 1999 among the Issuer, Trustee, Miller & Schroeder Investments Corporation and Commonwealth Title Insurance Corporation (the "Title Company"); and

f. a Collateral Trust Agreement (the "Collateral Trust Agreement") dated as of October 1, 1999 between the Issuer and Community First National Bank; and

g. a Security Agreement (the "Security Agreement") dated as of October 1, 1999 from the Issuer to the Trustee securing the Bonds.

The agreements described and referred to in paragraphs (a) through (g) above, shall hereinafter sometimes be referred to collectively as the "Agreements".

4. It is hereby found, determined and declared that:

a. The issuance of the Bonds and the acquisition and construction of the Projects is in the best interests of the public welfare of the Issuer, generally, and is in accordance with the purposes and the procedures of the Issuer's Constitution, By-Laws and the Code; and

b. The Issuer has held two (2) public hearings regarding the issuance of the Bonds in accordance with the provisions of Section 147(f) of the Code, the initial public hearing having been held on the 3rd day of December, 1997, upon publication of timely and adequate notice, and the second public hearing having been held on the 7th day of May, 1999, upon publication of timely and adequate notice; and

c. The Projects financed by the Bonds constitute manufacturing facilities within the meaning of the Code; and

d. The implementation of the Projects, and the issuance and sale of the Bonds by the Issuer, the execution and delivery of the Agreements, and the performance of all covenants and agreements of the Issuer contained in the Agreements and of all other acts and things required under the Constitution and By-Laws of the Issuer to make the Agreements and the Bonds valid and binding obligations of the Issuer and a general obligation of the Issuer, in accordance with their terms, are authorized by the Issuer's Constitution and By-Laws; and

e. It is desirable that the Series 1999A Bonds in the principal amount not exceeding \$4,800,000 be issued by the Issuer, on substantially the terms set forth in the Indenture with interest rates not to exceed an average rate of 7.25%, with such final terms and rates as are approved by the Chairman and Secretary with the execution and delivery of the Purchase Agreement as indication of their approval of such final terms and rates; and

f. It is desirable that the Series 1999A-T Bonds in the principal amount not exceeding \$200,000 be issued by the Issuer, on substantially the terms set forth in the Indenture with interest rates not to exceed an average rate of 8.5%, with such final terms and rates as are approved by the Chairman and Secretary with the execution and delivery of the Purchase Agreement as indication of their approval of such final terms and rates.

5. The Agreements, in substantially the forms on file with the Issuer on the date hereof, are hereby approved. Such of the documents as require the execution of the Issuer are hereby authorized and directed to be executed and delivered in the name and on behalf of the Issuer by its Chairman and Secretary upon execution thereof by the other parties thereto, upon final approval of the form thereof by the Chairman and Secretary. The Bonds and the Agreements shall be executed and delivered as provided therein. Copies of all the documents necessary for the consummation of the transactions described herein and in the Agreements shall be delivered, as provided herein and in the Agreements.

6. The form and terms of the Agreements may be varied prior to execution and delivery by the parties thereto, provided that any such variance shall not be, in the opinion of the Chairman and Secretary, after consultation with Tribal legal staff, materially adverse to the interests of the Issuer. The execution and delivery of the Agreements as provided in this Section 6 shall be conclusive evidence of the determination that any such variance was not materially adverse to the interests of the Issuer.

7. There shall be issued forthwith The Three Affiliated Tribes of the Fort Berthold Reservation General Credit Manufacturing Bonds (Twin Buttes Custom Homes Project) Series 1999A, in a principal amount not exceeding \$4,800,000, substantially in the form set forth in the Indenture and this resolution and made a part hereof as if fully set forth herein. The Series 1999A Bonds shall be dated as specified in the Indenture and shall mature on the dates (subject to redemption on such earlier dates as provided in the Indenture), bear interest and be payable at the rates, all determined as set forth in the Indenture.

8. There shall be issued forthwith The Three Affiliated Tribes of the Fort Berthold Reservation Taxable General Credit Manufacturing Bonds (Twin Buttes Custom Homes Project) Series 1999A-T, in a principal amount not exceeding \$200,000 substantially in the form set forth in the Indenture and this resolution, the terms of which are for this purpose incorporated in this resolution and made a part hereof as if fully set forth herein. The Series 1999A-T Bonds shall be dated as specified in the Indenture and shall mature on the dates (subject to redemption on such earlier dates as provided in the Indenture), bear interest and be payable at the rates, all determined as set forth in the Indenture and this resolution.

9. All actions of the members, employees and staff of the Issuer heretofore taken in furtherance of the Projects and issuance of the Bonds are hereby approved, ratified and confirmed.

10. The sale of the Bonds to the Underwriter at the price or prices set forth in the Purchase Agreement, plus accrued interest, if any, is hereby approved, and the Bonds are hereby directed to be sold to the Underwriter, upon the terms and conditions set forth in the Purchase Agreement. The Chairman and Secretary of the Issuer are hereby authorized and directed to prepare and execute by manual or facsimile signature the Bonds as described in the Indenture and to deliver them to the Trustee for authentication and delivery to the Underwriter, together with a certified copy of this resolution, and the other documents required by the Indenture.

11. The Chairman and Secretary and other officers of the Issuer are authorized and directed to prepare and furnish when the Bonds are issued, certified copies of all proceedings and records of the Issuer relating to the Bonds and such other affidavits and certificates (including but not limited to those required by bond counsel) as may be required to show the facts relating to the legality, tax exemption and marketability of the Bonds as such facts appear from the books and records in said officer's custody and control or as otherwise known to them; and all such certified copies, certificates and affidavits, including any heretofore furnished, shall constitute representations of the Issuer as to the truth of all statements made by the Issuer and contained therein.

12. In the event any of the officers of the Issuer authorized to execute documents on behalf of the Issuer under this resolution shall for any reason be unable to do so, any member of the Tribal Business Council of the Issuer, or any other officer of the Issuer, is hereby directed and authorized to do so on behalf of the Issuer, with the same effect as if executed by the officer authorized to do so in this resolution.

13. All legal provisions in the Agreements are hereby approved; more specifically and expressly, (a) the limited waivers of the sovereign immunity of the Three Affiliated Tribes contained in the respective Agreements are hereby approved, (b) the Issuer is hereby authorized to submit disputes arising in connection with the Agreements to arbitration with the force and effect as provided for in the respective instruments, and (c) each of the Agreements shall be governed by such laws as are provided therefor in the respective instruments.

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 15th day of October, 1999; that the foregoing Resolution was duly adopted at such Meeting by the affirmative vote of 4 members, 2 members opposed, 1 members abstained, 0 not voting, and that said Resolution has not been rescinded or amended in any way.

Dated this 15th day of October, 1999.

Daylon Spotted Bear
Secretary, Tribal Business Council

ATTEST:

[Signature]
Chairman, Tribal Business Council