



Little River Band of Ottawa Indians

375 River Street
Manistee, MI 49660
(231) 723-8288

Resolution # 03-1112-378

Approving application of the balance of the Litigation Sinking Fund to the outstanding note on the construction of the Little River Casino Resort. Approving application of future required payments to the Litigation Sinking Fund to the outstanding note on the construction of the Little River Casino Resort.

WHEREAS, the Tribe's status as a federally-recognized Indian tribe was reaffirmed and restored by Congress pursuant to Public Law 103-324, Stat. 2156 (25 U.S.C., 1300k et seq.)(hereinafter "Little River Act"); and

WHEREAS, the Tribe adopted a new Constitution, pursuant to a vote of the membership on May 27, 1998, which Constitution became effective upon its approval by the Assistant Secretary-Indian Affairs on July 10, 1998; and

WHEREAS, the Tribal Council, pursuant to Article IV, Section 7(a) of the Constitution, has the power to provide for the general welfare of the Tribe and its members; and

WHEREAS, the Tribal Council, pursuant to Article IV, Section 7 (i)(2) of the Constitution, has the power to manage any funds within the exclusive control of the Tribe and to appropriate such funds for the benefit of the Tribe and its members; and

WHEREAS, the Tribal Ogema has determined that funds held in the Litigation Sinking Fund under the lending agreement dated June 21, 2001 will not be released for unrestricted use by the Tribe.

WHEREAS, the Tribal Ogema has determined that reducing the amount of outstanding debt associated with the construction of the Little River Casino Resort is in the best interest of the Tribe.

WHEREAS, the Tribal Ogema has determined that monies held in the Litigation Sinking Fund earn less than the amount paid for interest on the outstanding note they support which results in a loss to the Tribe equal to the difference between the interest cost, determined by applying the current rate of interest on the outstanding note, on an amount equal to the Litigation Sinking Fund balance and the corresponding interest that can be earned by keeping the Litigation Sinking Fund on deposit.

WHEREAS, the application of the current balance in the Litigation Sinking Fund of \$8,122,710 to the principle balance of the outstanding note as allowed under Sections 2.05 and 2.09 of the loan agreement dated June 21, 2001 is estimated to save approximately \$1,230,000 in interest costs over the remaining life of the loan.

NOW THEREFORE IT IS RESOLVED THAT the Tribal Council of the Little River Band of Ottawa Indians hereby authorizes the Chief Financial Officer to make appropriate arrangements with the servicing financial institution, National City Bank, to apply the balance of the Litigation Sinking Fund to the outstanding principle balance of the note, and,

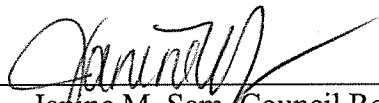
IT IS FURTHER RESOLVED THAT the Tribal Council of the Little River Band of Ottawa Indians hereby authorizes the Chief Financial Officer to negotiate arrangements with the servicing financial institution, National City Bank, to apply future required Litigation Sinking Fund deposits in a manner that will maximize the reduction in interest costs on the outstanding note, and,

IT IS FURTHER RESOLVED THAT the Tribal Council of the Little River Band of Ottawa Indians hereby authorizes the Tribal Speaker and Tribal Ogema to execute all documents necessary to facilitate the application of Litigation Sinking Fund amounts to the outstanding note, and,


IT IS FURTHER RESOLVED THAT the Tribal Council of the Little River Band of Ottawa Indians hereby authorizes the payment of future Litigation Sinking Fund amounts required under the loan agreement dated June 21, 2001 directly from the Little River Casino Resort and that these amounts will be accounted for as debt service costs paid prior to the calculation of all regular distributions made to the Tribe by the Little River Casino Resort.

CERTIFICATE OF ADOPTION

I do hereby certify that the foregoing resolution was duly presented and adopted by the Tribal Council with 6 FOR, 0 AGAINST, 0 ABSTAINING, and 3 ABSENT, at a Regular Session of the Little River Band of Ottawa Indians Tribal Council held on November 12, 2003, at the Little River Band's Community Center in Manistee, Michigan, with a quorum being present for such vote.



Janine M. Sam, Council Recorder




Patricia Ruiter, Council Member

Attest:

Presentation of Resolution Budget Modification to Tribal Ogema:

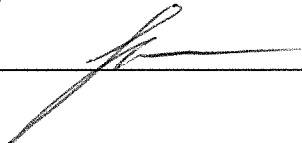
Pursuant to Article V, Section 5(a)(6) and Section 5(c) of the Tribal Constitution, the foregoing Resolution modifying the Operating Budget for Fiscal Year 2003 as set forth in Resolution #03-0226-55, has been presented to the Tribal Ogema by the Tribal Council Recorder for his/her approval.

Date delivered to Tribal Ogema: Nov 13, 03

Signature of Council Recorder: 

Action by the Tribal Ogema: ☒ Approved ☐ Disapproved (attach comments)

Date: 11/13/03

Signature of Ogema: 

Distribution: Council Records
Tribal Ogema
Tribal Court
Legal Department
Accounting Department