



Little River Band of Ottawa Indians

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

Resolution # 04-0630-275

Approving the use of Funds Released from the Cash Flow Sinking Fund, in the Approximate Amount of \$3,643,607, to Reduce Debt, and Set Aside the Remaining Funds for Future Appropriation

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 Council previously authorized the Chief Financial Officer to negotiate favorable terms for use of sinking fund deposit amounts required under the original loan agreement for the financing instrument commonly known as the taxable loan, and;

WHEREAS, after discussion with National City Bank representatives a formal request was made on March 2, 2004 to have the requirements for sinking fund payments under the taxable loan agreement waived, and;

WHEREAS, as a result of the above request a waiver of sinking fund payment requirements was received on April 21, 2004 from National City Bank that now makes available a total of approximately \$3,643,607 for use by the Tribe, and;

WHEREAS, the Tribal Ogema, in consultation with the Chief Financial Officer, has determined that the funds released as a result of this action should be utilized to reduce the overall borrowing costs of the Tribe and provide set aside the remaining funds for future appropriation.

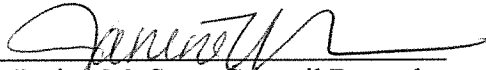
NOW THEREFORE IT IS RESOLVED THAT the Tribal Council of the Little River Band of Ottawa Indians hereby authorizes the funds released from the sinking fund requirements in the amount of \$3,643,607 to be utilized as follows:

- o \$1,610,000 to payoff the balance of the junior (Comerica) loan in the amount of \$1,604,897.68 plus accrued interest to the time of payment,
- o The balance of the funds, approximately \$2,033,607, to be placed in a reserve fund until such time as the Tribal Council directs the use of the funds, which requires an authorization by resolution to allocate and expend the funds, and;

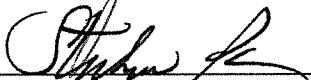
IT IS FURTHER RESOLVED THAT the Tribal Council of the Little River Band of Ottawa Indians hereby authorizes the Tribal Ogema to execute any and all documents necessary to facilitate the payments outlined above for the junior (Comerica) loan and the taxable loan.

CERTIFICATE OF ADOPTION

I do hereby certify that the foregoing resolution was duly presented and adopted by the Tribal Council with 8 FOR, 0 AGAINST, 0 ABSTAINING, and 1 ABSENT, at a Regular Session of the Little River Band of Ottawa Indians Tribal Council held on June 30, 2004, at the Little River Band's Dome Room in Manistee, Michigan, with a quorum being present for such vote.



Janine M. Sam, Council Recorder



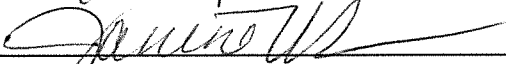
Stephen Parsons, Council Speaker

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 2004 as set forth in Resolution #03-1217-424, has been presented to the Tribal Ogema by the Tribal Council Recorder for his/her approval.

Date delivered to Tribal Ogema: 7-1-04

Signature of Council Recorder: 

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

Date: 7/8/04

Signature of Ogema: 

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