



Little River Band of Ottawa Indians

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Manistee, MI 49660
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Resolution # 04-0709-294

Approving Loan Documents Related To The Refinancing Of Certain Taxable And Tax-Exempt Loans And The Financing Of Certain Expansion Projects For The Little River Band of Ottawa Indians (The “Tribe”) And A Limited Waiver Of Sovereign Immunity Related To Such Loan Documents

WHEREAS, the status of the *Gaá Čhíng Ziibi Daáwaa Aníshinaábek* (Little River Band of Ottawa Indians) as a sovereign and Treaty-making power is confirmed in numerous treaties, from agreements with the initial colonial powers on this land, to various treaties with the United States; and

WHEREAS, the Little River Band of Ottawa Indians (the “Tribe”) is a federally recognized Indian Tribe whose status was reaffirmed and restored by Congress pursuant to Public Law 103-324, 108 Stat. 2156 (25 U.S.C. §§ 1300k *et seq.*); and

WHEREAS, the Tribe adopted a Constitution pursuant to a vote of the membership on May 28, 1998, which became effective upon its approval by the Assistant Secretary of Indian Affairs on July 10, 1998; and

WHEREAS, the Tribe adopted amendments to the Constitution on April 26, 2004, which became effective upon approval by the Department of the Interior on May 13, 2004; and

WHEREAS, pursuant to Article IV, Section 5 of the Constitution, the Tribal Ogema is authorized to represent the Tribe in its relations with other organizations and manage the economic affairs and enterprises of the Tribe, subject to limits in the Constitution and in a manner consistent with the ordinances and resolutions of the Tribal Council; and

WHEREAS, under Article IV, Section 7 of the Constitution, the Tribal Council is authorized to authorize agreements and contracts negotiated by the Tribal Ogema on behalf of the Tribe, and to manage and appropriate funds within the control of the Tribe for the benefit of the Tribe and its members; and

WHEREAS, the Tribe intends to embark on certain expansion projects regarding its existing hotel and casino, to refinance debt relating to the hotel and casino, and refinance tax-exempt debt relating to certain public purpose improvements previously constructed by the Tribe (collectively, the “Expansion and Refinancing”); and

WHEREAS, representatives of the Tribe have negotiated a Loan Agreement, a Security Agreement, a Construction Note, a Term Note, a Tax-Exempt Note, an Account Control Agreement, and related documents (collectively, the “Financing Documents”) between the Tribe and certain financial institutions and National City Bank of the Midwest (the “Agent”) in connection with the financing of the Expansion and Refinancing, whereby (i) National City Bank and other lenders described in the Loan Agreement (together, the “Lenders”) will provide approximately \$57 million in taxable and approximately \$2.5million in tax-exempt loans for the Expansion and Refinancing (the “Financing”), (ii) the Tribe will agree to repay the Financing, and to grant to the Lenders security interests in the revenues and assets of the Tribe’s casino enterprise to secure such repayment, (iii) the Tribe will waive its sovereign immunity to allow the Lenders to enforce their security interests and their right to repayment, with recourse for such waiver limited to revenues and assets of the casino enterprise, as described in the Financing Documents; and (iv) the Tribe will consent to arbitration and, as described in the Financing Documents, to the jurisdiction of certain state and federal courts for resolution of disputes and enforcement of remedies under the Financing Documents, and will waive the jurisdiction of the Tribe’s courts and waive rights to have disputes heard before the Tribe’s courts, all to the extent and as described in the Financing Documents; and

WHEREAS, the Tribal Council has reviewed the Financing Documents, and (i) finds the Financing, and the terms and conditions contained in the Financing Documents, to be reasonable and acceptable, (ii) finds that the Financing and entering into the Financing Documents will help the Tribe generate and sustain the revenues needed for an effective Tribal government, provide necessary employment opportunities and tribal services for tribal members, and promote tribal self-sufficiency, and (iii) finds the limited recourse waiver of sovereign immunity and the consents to and waivers of jurisdiction contained in the Financing Documents to be reasonable and acceptable; and

WHEREAS, on the basis of the foregoing, the Tribal Council wishes to approve the Financing and the Financing Documents and to grant the Tribal Ogema and the Tribal Council Speaker, acting together, the authority to conclude and execute the Financing Documents on behalf of the Tribe.

THEREFORE, the Tribal Council of the Little River Band of Ottawa Indians hereby resolves as follows:

1. Findings. The Tribal Council hereby determines and finds that (i) the Recitals in this Resolution are true and correct in all material respects; (ii) the Tribal Council is the duly elected and governing body of the Tribe, with full power and authority to adopt this Resolution and to authorize execution of the Financing Documents on behalf of the Tribe, (iii) the Financing Documents and the borrowing transactions contemplated thereby are in the best interest of the Tribe and its members.

2. Approval of Documents and Authorization of Tribal Representative. The Tribal Council hereby acknowledges that the proposed forms of each of the Financing Documents have been presented to the Tribal Council, and the Tribal Council hereby approves such documents and all agreements and terms therein and all transactions therein authorized or contemplated; The Tribal Council hereby authorizes and grants to the Tribal Ogema and the Tribal Council Speaker, acting together (the Ogema and Speaker, acting together, the "Tribe's Representatives"), all requisite authority and power for and on behalf of the Tribe (i) to execute and deliver the Financing Documents, and (ii) to take such other actions or enter into such other agreements, including any filings with federal, state, or tribal governmental authorities (the "Related Documents"), in connection with the transactions and documents herein approved as the Tribe's Representatives shall deem consistent with the terms of the Financing Documents and necessary or desirable. The approval herein granted with respect to any agreement or instrument shall also extend to any modification, amendment, or change thereto as as the Tribe's Representatives, acting together, deem necessary or desirable to close the Financing and consistent with the terms of the Financing Documents presented to Council, execution by the Tribe's Representatives to be conclusive evidence that any such modification, amendment or change is consistent with the terms of the Financing Documents presented to Council

3. Approval of Waiver of Sovereign Immunity and other Legal Provisions. The Financing Documents and Related Documents contain provisions in Section 11.24 of the Loan Agreement, which is incorporated by reference into all of the Financing Documents to which the Tribe is a signatory, providing (a) for a limited waiver of the Tribe's sovereign immunity, with recourse limited to revenues and assets of the Tribe's casino enterprise, as provided in Section 11.26 of the Loan Agreement; (b) a waiver in Section 11.24 of the Loan Agreement of rights to have disputes heard before a Tribal Court or other Tribal tribunal, (c) a consent in Section 11.24 of the Loan Agreement to arbitration or other forums for resolution of such disputes and proceedings for the enforcement of remedies; and (d) a consent in Section 11.18 of the Loan Agreement to the application of the laws of the State of Michigan for purposes of governing the interpretation and enforcement of the Financing Documents; all on the specific terms contained in the Loan Agreement and the other Financing Documents and Related Documents. Such provisions are hereby unconditionally and irrevocably approved and shall constitute the law of the Tribe so long as the applicable documents in which such provisions appear or are referenced shall be in effect, subject to such modification from time to time as is permitted under the Financing Documents or any Related Documents.

4. Non-Impairment; Enforceability of Obligations. The Tribal Council hereby surrenders and waives the right of the Tribe to pass or adopt any law, ordinance or resolution or approve or allow any other action of any nature of the Tribe, or of any branch, division, authority, agency, subsidiary, board, department, committee, commission or other instrumentality of the Tribe, or any entity wholly-owned or wholly-controlled, directly or indirectly, by the Tribe, their successors and assigns, or of any office, employee, or agent, of the foregoing (collectively, "Tribal Entities") that shall impair the contractual rights of any third party under any of the Financing Documents or any Related Documents, and if any

future Tribal Council should ever do so, the same may (a) result in an immediate event of default, with the consequence that the loans made pursuant to the Financing Documents may become immediately due and owing in full, and (b) violate the federal Indian Civil Rights Act. Upon execution and delivery of any Financing Document or Related Document as herein authorized, such document shall become a valid and binding obligation of the Tribe, enforceable in accordance with its terms for purposes of Tribal law and the laws of all other applicable jurisdictions.

5. Determination. The Tribal Council hereby determines that no laws, ordinances, resolutions or other actions of the Tribal Council or any other tribal entity, either written or established by custom or tradition: (a) prohibit the Tribal Council from approving the matters herein approved or the execution, delivery or performance of the Financing Documents or any Related Document by any party and the consummation of the transactions therein contemplated; or (b) create any obligation of the Tribal Council to submit these matters for approval of or consent from any tribal entity, or any vote by members of the Tribe.

6. Full Faith and Credit. The Tribal Council and the Tribal Court of the Little River Band of Ottawa Indians shall give full faith and credit to any award, order or decree rendered by any federal or state court in accordance with this Resolution and any Financing Documents or Related Documents and, to the extent reasonably necessary, the Tribal Council or Tribal Court, as applicable, shall issue orders, writs of attachment, replevin or other rulings and exercise such legal powers to enforce and effectuate the same. To the extent reasonably necessary, the Tribe's police powers shall be exercised to secure and support any such enforcement efforts, and all police or other law enforcement officials of the Tribe shall carry out any orders that may be entered by the Tribal Council or the Tribal Court pursuant to this Resolution and the Financing Documents or Related Documents.

7. Effect of this Resolution. Until all obligations of the Tribe under the Financing Documents or any Related Document have been performed in full, (a) the provisions of this Resolution shall constitute the law of the Tribe and may be relied on by the other parties thereto, and their respective successors, assigns and participants (the "Contract Parties"), (b) the provisions of this Resolution shall constitute the terms of an agreement and contract between the Tribe and the Contract Parties, and (c) the provisions of this Resolution shall not be rescinded, amended or modified in any manner that may result in a material adverse effect on the Contract Parties without the written consent of each Contract Party so affected thereby.

8. Arbitration Code. The Arbitration Code and related amendments adopted by the Tribe pursuant to Resolution No. 01-04-04-07, No. 01-0425-09, and No. 01-0618-01, and codified in Ordinance No. 01-300-02, creates a process whereby the Tribe, and any other party to a written contract or other written agreement associated with the Tribe, may agree to resolve disputes arising under their contracts and agreements without requiring court

proceedings, and have those decisions of arbitrators recognized and enforceable in Tribal Court, or in other courts if so specified in the written contract, as is the case with the Financing Documents. The Arbitration Code codified in Ordinance No. 01-300-02 shall apply to any dispute arising from the Financing Documents or any Related Documents and shall constitute the law of the Tribe. Pursuant to Section 10.02 of the Arbitration Code, the Tribal Council hereby determines that it is the best interest of the health, peace, moral, education and general welfare of the Tribe and its members to waive Tribal court jurisdiction to the extent specified in the Financing Documents, and to waive the notice requirements of Section 4.03(c) of the Arbitration Code, provided that the Federal Arbitration Act shall apply to any modification or vacation of any arbitration award arising out of the Financing Agreements.

9. Secured Transaction Code. The Tribal Secured Transaction Code adopted by the Tribe pursuant to Resolution No. 04-0709-293, and codified in Ordinance No. 04-800-01 , sets forth the procedures regarding any secured transaction related to the Financing Documents and any Related Documents. The Tribal Secured Transaction Code established in Ordinance No. 04-800-01 shall constitute the law of the Tribe related to the secured transactions entered into and to be performed pursuant to the Financing Documents and Related Documents.

10. Repealer. Any laws, ordinances, rules, regulations, decisions, orders, judgments, resolutions or other action of the Tribe, any branch, division, authority, agency, subsidiary, board, commission or other instrumentality of the Tribe, or any of the officers, employees, or agents of the foregoing, whether written, unwritten or established by tradition that are in effect and are in conflict with or inconsistent with the terms of this Resolution, the transactions contemplated herein, or any provision set forth in the Financing Documents or any Related Document are hereby to such extent repealed and annulled with regard to their effect on the Financing Documents or any Related Document, and this Resolution shall supercede the same.

11. Miscellaneous.

11.1 If any provision of this Resolution or the application of any provision of this Resolution is held to be invalid, the remainder of the Resolution shall not be affected with respect to the same.

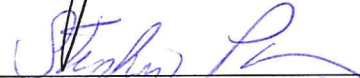
11.2 This Resolution shall become effective as of the date and time of its passage and approval by the Tribal Council.

CERTIFICATE OF ADOPTION

I do hereby certify that the foregoing resolution was duly presented and adopted by the Tribal Council with 7 FOR, 2 AGAINST, 0 ABSTAINING, and 0 ABSENT, at a Regular Closed Session of the Little River Band of Ottawa Indians Tribal Council held on July 9, 2004, at the Little River Band's Conference Room in Manistee, Michigan, with a quorum being present for such vote.



Jamie M. Sam, Council Recorder



Stephen Parsons, Council Speaker

Attest:

Distribution: Council Records
Tribal Ogea
Tribal Court