



Little River Band of Ottawa Indians

PO Box 314
Manistee MI 49660-0314
(616) 723-8288

Resolution No. #98-1213-02

**Authorizing the Tribal Chairperson/Speaker to Execute
Mortgage Documents with Huntington National Banks
to Complete the Acquisition of the
Manistee Forge – East Lake Property and
Agreeing to a Waiver of Sovereign Immunity and
Pledge of Security to Permit Enforcement of Such Loan Documents**

WHEREAS, the Tribe's status as a federally-recognized Indian tribe was reaffirmed and restored by Congress pursuant to Public Law 103-324, 108 Stat. 2156 (25 U.S.C. §1300k et seq.)(hereinafter "Little River Act"); and

WHEREAS, the Tribal Council has adopted a Reservation Restoration Plan, which, establishes as a priority, the acquisition of lands for economic and community development purposes; and

WHEREAS, the Tribe has authorized the purchase of a parcel of land within the Manistee Reservation, known as the "Manistee Forge – East Lake Property", for the purpose of securing land for development of a manufacturing facility to provide jobs and housing opportunities for Tribal members; and

WHEREAS, the Tribe desires to purchase such property for \$925,000.00, plus \$7,955.00 in transfer taxes, for a total purchase price of \$932,955.00, plus other closing expenses in accordance with the terms of the Option/Purchase Agreement previously authorized by motion of the Tribal Council; and

WHEREAS, the Tribal Council intends to utilize up to \$233,000.00 of the Tribe's share of the judgment funds from Dockets 18-E, 58 and 364, of which \$1,500,000.00 is programmed for land acquisition, towards the purchase of the Manistee Forge – East Lake Property; and

WHEREAS, the Tribe must execute a Mortgage Agreement and Promissory Note in an amount up to \$750,000.00 to cover the balance of the costs of acquiring the Manistee Forge – East Lake Property; and

WHEREAS, Huntington National Bank has tentatively agreed to provide the Tribe with a Loan in the amount required and to proceed with the negotiation and execution of a Mortgage Agreement, Promissory Note and Assignment/Security Agreement with representatives of the Tribe; and

WHEREAS, the Little River Band of Ottawa Indians, as a federally recognized Indian Tribe, is immune from suit for damages in federal, state or tribal courts; and

WHEREAS, Article XI, Section 1 of the Little River Band of Ottawa Indians' Constitution provides that the Tribal Council shall not waive or limit the right of the Little River Band to be immune from suit, except as authorized by tribal ordinance or resolution or in furtherance of tribal business enterprises; and

WHEREAS, the Tribal Council understands that the Manistee Forge – East Lake property, rents earned from businesses located on that property and the ninety percent (90%) of earnings from the Reservation Restoration Trust would be provided as security for such Mortgage and Note and that, in the event the Tribe defaults on repayment of the Mortgage and Note, the amount due may be recovered from solely from such security and that Huntington National Bank may only seek enforcement and collection of such amounts to be repaid from earnings the Reservation Restoration Trust, rents received by the Tribe from the Manistee Forge property and the Manistee Forge – East Lake Property; and

WHEREAS, the Tribal Council further understands that the Tribe would be agreeing to waive its sovereign immunity from suit in state or Tribal courts for purposes of enforcement and/or interpretation of the terms of the Mortgage Agreement, Promissory Note and Assignment/Security Agreement and that the Tribe would agree to have those documents construed and enforced in accordance with the laws of the State of Michigan; and

WHEREAS, the Tribal Council has determined that the specific waiver of sovereign immunity requested by Huntington National Bank in the Mortgage Agreement, Promissory Note and Assignment/Security Agreement, for the specific purpose of enforcement and/or interpretation of the Mortgage and Note, is in furtherance of important Tribal purposes; 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(c) of the Constitution, has the power to acquire lands which are deemed beneficial to the Tribe; and

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WHEREAS, pursuant to Article IV, Section 5 (a)(4) and Article V, Section 5(a)(3) and (8) of the Tribal Constitution, the Tribal Ogema, or in his/her absence, the Council Chairperson/Speaker is authorized to represent the Tribe in its relations with other organizations and manage the economic affairs/enterprises of the Tribe, in a manner consistent with the Tribal Constitution and resolutions of the Tribal Council.

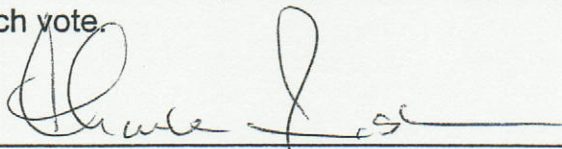
NOW THEREFORE IT IS RESOLVED THAT the Tribal Council of the Little River Band of Ottawa Indians hereby authorizes Chairperson/Speaker Robert Guenthardt to execute the Mortgage Agreement, Promissory Note and Assignment/Security Agreement to allow performance and payment by Huntington National Bank of a Loan in an amount not to exceed \$750,000.00, in whatever amount is determined necessary to acquire the Manistee Forge – East Lake Property for the purposes described;

IT IS FURTHER RESOLVED THAT the Tribal Council, by authorizing the Tribal Council Chairperson/Speaker to execute such documents, expressly agrees to waive its sovereign immunity from suit for the sole purpose of enforcement and/or interpretation of the terms of the Mortgage, Note and Assignment/Security Agreement.

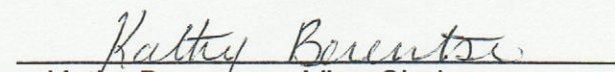
IT IS FURTHER RESOLVED THAT the Tribal Council directs the Tribal Attorney to approve all documents prior to the closing and to represent the Tribe in the negotiation and approval of the loan documents at Closing.

CERTIFICATE OF ADOPTION

I do hereby certify that the foregoing resolution was duly presented and adopted by the Tribal Council with 5 FOR, 1 AGAINST, 1 ABSENT, and 0 ABSTAINING, at a Regular Session of the Little River Band of Ottawa Indians Tribal Council held on December 13, 1998, in Manistee, Michigan, with a quorum being present for such vote.


Charles Fisher, Council Secretary/Recorder

Attest:


Kathy Berentsen, Vice-Chairperson
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OCEANA, OTTAWA AND WEXFORD COUNTIES
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