



MILLE LACS BAND OF CHIPPEWA INDIANS

Legislative Branch of Tribal Government

RESOLUTION 04-04-111-91

A RESOLUTION DECLARING PRELIMINARY INTENT OF THE MILLE LACS BAND OF CHIPPEWA INDIANS TO ISSUE IT'S GOVERNMENT BONDS (IN AN AMOUNT CURRENTLY ESTIMATED NOT TO EXCEED \$20,000,000) UNDER THE AUTHORITY OF THE TRIBAL TAX STATUS OF 1982 FOR PURPOSES OF A SUBSTANTIAL INFRASTRUCTURAL UPGRADE, THE CONSTRUCTION OF COMMUNITY FACILITIES, AND OTHER ESSENTIAL GOVERNMENTAL PURPOSES.

- WHEREAS, The Indian Tribal Tax Status Act of 1982 (26 U.S.C. 7871 *et. seq.*) grants Indian Tribes and their political subdivisions the authority to issue tax-exempt bonds for essential government purposes; and,
- WHEREAS, the Mille Lacs Band of Chippewa Indians (the "Band") has been designated by the Internal Revenue Service ("IRS") as a tribal entity eligible to issue bonds under the Indian Tribal Tax Status Act of 1982 (rev. Proc. 84-36, 1983-2 C.B. 606); and,
- WHEREAS, the Band has chartered the Mille Lacs Band Capital Improvements Corporation ("CIC") specifically for the purpose of issuing tax-exempt government bonds under the authority of the Tribal Tax Status Act of 1982, and using the proceeds of such bonds for essential government purposes that will contribute to an improved quality of life on or near the Mille Lacs Indian Reservation; and,
- WHEREAS, the Band has requested the IRS approve the Capital Improvements Corporation as a tribal subdivision eligible to issue bonds pursuant to procedures set forth by the IRS (Rev. Proc. 84-37, 1984-1 C.B. 513); and,
- WHEREAS, due to the crucial need for the improvements contemplated by the bond issue described in this resolution, the Band has determined it cannot wait for IRS approval of the CIC as an eligible tribal subdivision for purposes of issuing bonds, and must therefore, issue the bonds, qua Band, contemporaneous with efforts to win approval from the IRS to designate the CIC as such an eligible entity; and,
- WHEREAS, it is the intention of the Band to assign all of its right and responsibilities of the above referenced bonds (the "Bonds") to the CIC as soon as the CIC wins approval from the IRS as an eligible tribal subdivision for purposes of issuing bonds; and,
- WHEREAS, it is the intention of the Band to immediately expend general governmental funds for costs associated with the development and planning of the essential governmental functions contemplated to be funded with the Bonds; and
- WHEREAS, it is the intention of the Band to be reimbursed these costs with the proceeds of the Bonds; and,
- WHEREAS, the Band will pledge an amount of money necessary to repay the Bonds from profits of the Grand Casino Mille Lacs, according to the terms and conditions of the bond issue; and,

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WHEREAS, this resolution shall constitute the Band's official notice of intent to issue the Bonds as one or more series of taxable or tax-exempt bonds for a capital improvements project in an amount currently estimated not to exceed \$20,000,000 (a summary of the project is attached hereto as exhibit "A" and incorporated herein by reference) of essential government purposes; and,

WHEREAS, the Band Assembly finds that pursuing such plans is in the best interest of the Band.

NOW, THEREFORE, BE IT RESOLVED, that the Band declares its intention to issue tax exempt government bonds for the purposes more particularly described above and in exhibit "A". This resolution is intended to constitute "official action" for the Bonds within the meaning of the federal treasury regulation section 1.103-8 (a) (5) and the "official intent" within the meaning of proposed federal treasury regulation sections 1.103-17 and 1.103-18, but shall not constitute a legally binding obligation of the Band to issue any bonds, and no liability shall be incurred by the Band as a result of the failure to issue the Bonds or from failure to issue the bonds in an aggregate principal amount less than \$20,000,000.

WE DO HEREBY CERTIFY, that the foregoing resolution was duly concurred with and adopted at a regular session of the Band Assembly in Legislative Council assembled, a quorum of Legislators being present held on the 29th day of August, 1991, at Vineland, Minnesota by a vote of 3 FOR, 0 AGAINST, 0 SILENT.

IN WITNESS WHEREOF, we, the Band Assembly hereunto cause to have set the hand of the Speaker of Assembly to be affixed to this resolution.



David G. Matrious, Speaker of Assembly

In concurrence with the action of the Speaker of Assembly, we, the Administrative Policy Board hereunto recommend to set the hand of the Chief Executive to this resolution.



Marge Anderson, Chief Executive

OFFICIAL SEAL OF THE BAND