



SQUAXIN ISLAND TRIBE

RESOLUTION NO. 11- 60

of the

SQUAXIN ISLAND TRIBAL COUNCIL

WHEREAS, the Squaxin Island Tribal Council is the Governing Body of the Squaxin Island Tribe, its members, its lands, its enterprises and its agencies by the authority of the Constitution and Bylaws of the Squaxin Island Tribe, as approved and adopted by the General Body and the Secretary of the Interior on July 8, 1965; and

WHEREAS, under the Constitution, Bylaws and inherent sovereignty of the Tribe, the Squaxin Island Tribal Council is charged with the duty of protecting the health, security, education and general welfare of tribal members, and of protecting and managing the lands and treaty resources and rights of the Tribe; and

WHEREAS, the Tribe is a federally-recognized Indian Tribe possessing reserved powers, including the powers of self-government; and

WHEREAS, the Squaxin Island Tribal Council has been entrusted with the creation of ordinances and resolutions in order to fulfill their duty of protecting the health, security, education and general welfare of tribal members, and of protecting and managing the lands and treaty resources of the Tribe; and

WHEREAS, the Squaxin Island Tribal Council is the controlling shareholder in Skookum Creek Tobacco Co., Inc., a corporation chartered under Squaxin Island Tribal Law; and

WHEREAS, Skookum Creek Tobacco Co., Inc. manufactures cigarettes, and desires to qualify its cigarettes for sale throughout the United States; and

WHEREAS, several states have indicated that in addition to a waiver of sovereign immunity by the corporation with respect to its assets, a limited waiver of sovereign immunity by the Tribe itself is a condition precedent to state certification of Skookum Creek brands; and

WHEREAS, an ad hoc working group of the National Association of Attorney General's ("NAAG"), including representatives from Oklahoma, Ohio, Pennsylvania, South Dakota, Nebraska, West Virginia, Tennessee, South Carolina, and Arizona, has prepared a waiver of sovereign immunity, and indicated its use will be acceptable for this purpose; and

WHEREAS, the draft waiver obligates the Tribe to accept shareholder liability for the actions of Skookum Creek with respect to Skookum Creek's liability to a state government under its state qualifying and complimentary legislation, which compel the payment of a per cigarette amount into escrow for Skookum cigarettes sold within the state, to the full extent shareholder liability is applicable to the Tribe under the "piercing the veil" doctrine.

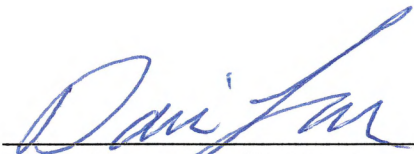
WHEREAS, the state of Pennsylvania requires use of one NAAG waiver with certain modifications, that on review, the Tribal Council has determined are acceptable to the Squaxin Island Tribe.

NOW THEREFORE BE IT RESOLVED, that the Squaxin Island Tribal Council hereby grants its consent to the substantive terms of the attached Waiver of Sovereign Immunity by the Squaxin Island Tribe.

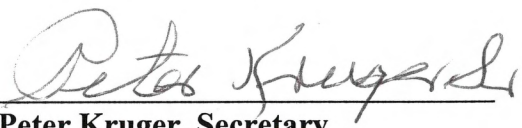
NOW THEREFORE BE IT FINALLY RESOLVED, that the Tribal Council hereby authorizes its Chairman, David Lopeman, to sign Waivers of Sovereign Immunity by the Squaxin Island Tribe, in favor of the State of Pennsylvania.

CERTIFICATION

The Squaxin Island Tribal Council hereby certifies that the foregoing Resolution was adopted at the ^{telephone poll} regular meeting of the Squaxin Island Tribal Council, held on this 18 day of August, 2011, at which time a quorum was present and was passed by a vote of 4 for and 0 against, with 0 abstentions.



David Lopeman, Chairman

Attested by: 

Peter Kruger, Secretary




Arnold Cooper, Vice Chairman

Waiver of Sovereign Immunity by the Squaxin Island Tribe

The Squaxin Island Tribe, a federally-recognized Indian tribe (Tribe) and the controlling shareholder in Skookum Creek Tobacco Co., Inc. (Corporation), an entity incorporated under the Squaxin Island Tribe Business Corporation Ordinance, hereby provides the following limited waiver of its sovereign immunity. It expressly, totally waives its immunity from suit, liability, judgment and collection with respect to the obligations of the Corporation to fully comply with requirements imposed upon the Corporation as a manufacturer of cigarettes sold in the State of Pennsylvania by the Tobacco Product Manufacturer Directory Act, 35 P.S. 5702.101, et. seq. and the Tobacco Settlement Agreement Act, 35 P.S. 5671, et. seq., to the full extent that the Tribe would be liable for the Corporation's duties and obligations under the piercing of the corporate veil doctrine. In waiving its immunity, the Tribe agrees that any action or proceeding against it arising from the enforcement of the provisions of the Tobacco Product Manufacturer Directory Act, 35 P.S. 5702.101, et. seq. and the Tobacco Settlement Agreement Act, 35 P.S. 5671, et. seq., and any rules promulgated pursuant to these statutes may be commenced against the Tribe in any state court within Pennsylvania, and that the laws of the State of Pennsylvania will govern such proceedings.

This waiver is evidenced by Attachment 1, which is a copy of a resolution (statute or motion) enacted by the Squaxin Island Tribal Council, the tribal entity authorized to waive immunity on behalf of the Squaxin Island Tribe. The resolution (statute or motion) is accompanied by Attachment 2, a letter of counsel addressed to the State of Pennsylvania c/o the Pennsylvania Attorney General from the Tribe's legal counsel evidencing counsel's written legal opinion that the Tribal entity waiving immunity by enacting the above referenced resolution (statute or motion) is authorized to waive the Tribe's immunity under tribal law, has the ability to bind the Tribe and that all procedures required by Tribal and Federal law were followed and that the waiver of immunity is binding and enforceable under Tribal and Federal law. The Tribe agrees to give officers, representatives or designated agents of the Commonwealth of Pennsylvania access to Tribal lands in order to enforce judgments against the Corporation.



David Lopeman, Chairman
Squaxin Island Tribe