

SQUAXIN ISLAND TRIBE

RESOLUTION NO. 01- 40
of the
SQUAXIN ISLAND TRIBAL COUNCIL

WHEREAS, the Squaxin Island Tribal Council is the Governing Body of the Squaxin Island Tribe ("Tribe"), its members, its lands, its enterprises and its agencies by 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 with protecting and managing the lands and treaty resources and rights of the Tribe including those expressed in Section 1 (b) and (i) of the Constitution; 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 treaty land and treaty resources of the Tribe; and

WHEREAS, the Tribe and Bank of America, N.A. ("Bank") have negotiated an agreement wherein the Bank will provide funds to the Tribe for the purpose of refinancing debt to the Mashantucket Pequot Tribe payable by the Tribe's Gaming Enterprise, dba Little Creek Casino as evidenced by the following documents:

1. Promissory Note dated as of June 1, 2001, in the original principal amount of \$10,700,000.00 (Ten Million Seven Hundred Thousand Dollars) made by Borrower and payable to Bank ("Note");
2. Commitment Letter by Bank to Borrower dated May 16, 2001 ("Commitment Letter");
3. Business Loan Agreement between Bank and the Borrower dated as of June 1, 2001 ("Loan Agreement");
4. Security Agreement between Bank and Borrower dated as of June 1, 2001, ("Security Agreement"); and
5. ISDA Master Agreement and Schedule between Bank and Borrower dated as of June 1, 2001 ("ISDA Agreement")

collectively ("Principal Loan Documents"); and

WHEREAS, in order to induce Bank to complete this loan and execute the Principal Loan Documents and perform the same it is necessary for the Council to ratify and approve the terms of the Note and to authorize the Tribe to negotiate and execute final versions of the Loan Agreement and Security Agreement; to issue a limited waiver of sovereign immunity; to authorize arbitration of certain controversies that could arise regarding the transaction; to consent that the Tribe be sued in federal, state and tribal courts pertaining to the transaction; to consent to the application of the Washington Uniform Commercial Code and other substantive laws of the State of Washington – all in order that the Bank may be induced to make the loan as evidenced by the Note and in order that Bank may be assured it may enforce the Note against the Tribe.

NOW, THEREFORE, BE IT RESOLVED AND ENACTED By the Council as follows:

Section 1. Principal Loan Documents. The terms and conditions of the above-described drafts of the Principal Loan Documents are hereby authorized and ratified. The Chairman, or in his absence the Vice-chairman, is hereby authorized to execute and deliver on behalf of the Tribe the Note, the Loan Agreement, the Security Agreement and the ISDA Agreement, as well as any revisions of the same prior to their execution as they shall determine, together with any and all other documents, financing statements, consents, representations and warranties required by Bank or its representatives in order to effect the transactions and the making of the loan. In addition, the Chairman, or in his absence the Vice-chairman, is hereby authorized to (a) enter into any swap transaction, forward transaction, foreign exchange transaction or any combination of the foregoing transactions or option to enter into any of the foregoing transactions, including, without limitation, any commodity swap, commodity option, equity or equity index swap, equity or equity index option, bond option, interest rate option, cap transaction, floor transaction, collar transaction, currency swap transaction, cross-currency rate swap transaction and currency option, or any similar transaction (each a "Transaction"), with Bank of America, N.A. and (b) to execute and deliver (i) any agreement or document (including, without limitation, a master agreement and confirmations of any Transaction) that in the opinion of the officer executing or delivering any such agreement or document may be necessary or appropriate in connection with any Transaction and (ii) any amendment or revision to any such agreement or document which in the opinion of the officer executing or delivering any such agreement or document may be necessary or appropriate.

Section 2. Choice of Law Authorization.

A. The parties to any contract, agreement, or other like document related to the transaction described in Section 1 of this Resolution or other transactions relating thereto, including the Tribe and any department, program, or corporation of the Tribe, are hereby permitted and authorized to include in the document a stipulation providing that a designated body of laws will govern the interpretation and enforcement of the document(s), and

B. The Tribal Court shall, in cases brought before the Court over which it has jurisdiction and involving the document, use the designated body of laws for the interpretation and enforcement of the document.

Section 3. Choice of Law. The Note and the other Principal Loan Documents shall create the rights and remedies that would apply and shall be governed by and construed in accordance with the laws of the state of Washington (without regard to principles of conflict of laws), including the Washington Uniform Commercial Code.

Section 4. Waiver of Exhaustion of Tribe Remedies; Tribal Court Jurisdiction. The Council for itself and on behalf of the Tribe consents and agrees that it shall not be necessary in any litigation or arbitration or dispute resolution proceedings pertaining to the transactions described in Section 1 of this Resolution or other transactions relating thereto, that there first be any deferral to or exhaustion of remedies in the Tribal Court of the Tribe, any other tribal court or dispute resolution tribunal, or the Council. The Council agrees for itself and on behalf of the Tribe not to assert that the Tribal Court of the Tribe or any other courts or dispute resolution tribunals created by the Tribe, including but not limited to the Council itself, shall have jurisdiction as an adjudicative tribunal over any case or controversy or proceeding pertaining to said transaction or the Principal Loan Documents unless the same is initiated by or consented to in writing by Bank.

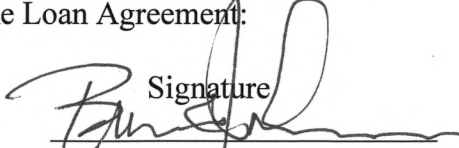
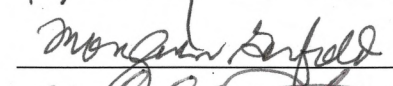

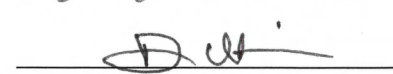
Section 5. Waiver of Sovereign Immunity; Consent to be Sued; Arbitration. The Council, for itself and on behalf of the Tribe, expressly and irrevocably waives its sovereign immunity from suit for claims by Bank with respect to the obligations and indebtedness evidenced by the Promissory Note and other documents related to this transaction, and consents to be sued in the courts of the state of Washington to compel or enforce arbitration as described and under the terms of the Note, the Commitment Letter, the Loan Agreement and the Security Agreement executed herewith. If it is determined that the foregoing court does not enjoy proper jurisdiction, then the Tribe consents to suit to compel or enforce arbitration in any federal or tribal court of competent jurisdiction, including the Squaxin Island Tribal Court. The Tribe hereby waives any requirement of exhaustion of tribal remedies.

Provided, the waiver of sovereign immunity expressed herein is limited to the Bank and its successor and assigns as lender under the Principal Loan Documents.

Provided further, recourse of the Bank under this the waiver of sovereign immunity is limited to the net gaming revenues of the Little Creek Casino and all personal property associated with the gaming operations of the Casino.

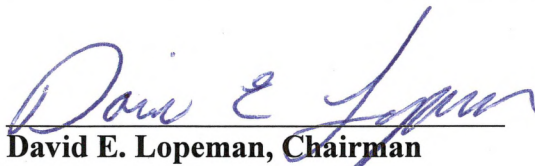
Section 6. Court Jurisdiction. The Council, for itself and on behalf of the Tribe, consents and agrees that the United States District Court for Western District of Washington, the United States Claims Court (in actions that would be within its jurisdiction where the United States is the only defendant), the federal appellate courts, and the Washington courts of general jurisdiction, including their appellate courts, shall have jurisdiction in any litigation regarding the transactions or subject matters or proceedings described in this Resolution. This consent and agreement will not extend to any other transactions or subjects. However, at the Bank's election, the Tribal Court of the Tribe or such other civil court or dispute resolution tribunal established by the Tribe shall have jurisdiction over such matters.

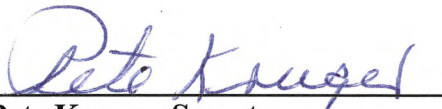
Section 7. Bank Instruction Authority. In and by the Authorizing Resolution, the Tribal Council has authorized the following individuals, whose true signatures appear opposite their names, to give instructions to the Bank on behalf of the Tribe for advances or repayments or for the designation of optional interest rates under Section 1.4 of the Loan Agreement:

<u>Name</u>	<u>Title</u>	<u>Signature</u>
<u>Bruce Johnson</u>	<u>Director SIGC</u>	
<u>Mary Ann Garfield</u>	<u>General Manager, LCC</u>	
<u>Michael Peters</u>	<u>Asst. Gen. Man., LCC</u>	
<u>Dennis Wisner</u>	<u>Dir. of Fin. (CFO), LCC</u>	

CERTIFICATION

I, The Squaxin Island Tribal Council, hereby certify that the above Resolution was duly enacted by the Squaxin Island Tribal Council on June 1st, 2001; a quorum being present with a vote of 5 for, 0 against, 0 abstaining, _____ not voting.


David E. Lopeman, Chairman

Attested by: 
Pete Kruger, Secretary


Andy Whitener, Vice Chair

Chapter 4.52

ARBITRATION CODE

Sections:

4.52.010	Authority
4.52.020	Scope of Code
4.52.030	Agreements to Arbitrate are Enforceable
4.52.040	Law to be Applied
4.52.050	Stay of Proceedings and Order to Proceed with Arbitration
4.52.060	Advice of the Court
4.52.070	Time Within Which Award Shall be Rendered
4.52.080	Application for Order Confirming Award; Record to be Filed with Clerk of Court; Effect and Enforcement of Judgment
4.52.090	Arbitration Award Not Appealable
4.52.100	Jurisdiction of the Tribal Court in Actions to which the Tribe is a Party; Qualification of Judges
4.52.110	Waivers of Sovereign Immunity Must be Express and Unequivocal

4.52.010 Authority

The Squaxin Island Tribal Council's authority to adopt the ordinance codified in this title is found in the Squaxin Island Tribal Constitution and in the inherent sovereign authority of the Squaxin Island Tribe.

4.52.020 Scope of Code

This Code applies to any written contract, agreement or other instrument entered into (a) by the Squaxin Island Tribe (the "Tribe"), or (b) by any other person, in a transaction that is subject to the jurisdiction of the Tribe, in which the parties thereto agree to settle by arbitration (x) any claim, dispute or controversy arising out of such contract, agreement or other instrument, or (y) any other claim, dispute or controversy existing between them at the time of the agreement.

4.52.030 Agreements to Arbitrate are Enforceable

An agreement in any written contract, agreement or other instrument, or in a separate writing executed by the parties to any written contract, agreement or other instrument, to settle by arbitration any claim, dispute or controversy thereafter arising out of such contract, agreement or other instrument, or any other transaction contemplated thereunder, including the failure or refusal to perform the whole or any part thereof, or a written agreement between two or more persons to submit to arbitration any claim, dispute or controversy existing between them at the time of the agreement, shall be valid and enforceable, and shall be irrevocable except by written agreement by all parties.

4.52.040 Law to be Applied

A. In any contract, agreement or instrument described in Section 4.52.020 of this Code, the parties may agree upon the jurisdiction whose substantive law shall govern the interpretation and enforcement of the contract, agreement, instrument or claim, dispute or controversy. Such choice of law shall be valid and enforceable, and not subject to revocation by one party without the consent of the other party or parties thereto, provided that the subject matter of the contract, agreement, instrument or claim, dispute or controversy, or at least one of the parties thereto, shall have some contact with the jurisdiction so selected.

B. In any proceeding under this Arbitration Code, whenever the contract, agreement or other instrument sets forth a choice of law provision, the Tribal Court shall apply the procedural rules of the Tribal Court and the substantive law of the jurisdiction selected in such choice of law provision; provided that no procedural rule of the Tribal Court shall bar, delay or impair any action, proceeding or remedy where such action, proceeding or remedy would not be barred, delayed or impaired by the procedural rules of the courts of the jurisdiction whose substantive law applies.

C. In any proceeding under this Arbitration Code, whenever the contract, agreement or other instrument does not set forth a choice of law provision, the Tribal Court shall first apply the substantive law of the Tribe, including any applicable choice of law principles, and then the substantive law of the State of Washington, including any applicable choice of law principles, provided that such law does not conflict with this Arbitration Code or other applicable tribal law.

4.52.050 Stay of Proceedings and Order to Proceed with Arbitration

A. If any action for legal or equitable relief or other proceeding is brought by any party to any contract, agreement or instrument described in Section 4.52.020 of this Arbitration Code, the Tribal Court Judge who is presiding over the pending action or proceeding shall not review the merits of the pending action or proceeding, but shall stay the action or proceeding until an arbitration has been had in compliance with the agreement.

B. A party to any contract, agreement or instrument described in Section 4.52.020 of this Arbitration Code claiming the neglect or refusal of another party thereto to proceed with an arbitration thereunder may make application to the Tribal Court for an order directing the parties to proceed with the arbitration in compliance with their agreement. In such event, the Tribal Court shall order the parties to arbitration in accordance with the provisions of the contract, agreement or instrument and the question of whether an obligation to arbitrate the dispute at issue exists shall be decided by the arbitrator(s).

4.52.060 Advice of the Court

At any time during an arbitration, upon request of all the parties to the arbitration, the arbitrator(s) may make application to the Tribal Court for advice on any question of tribal or state law arising in the course of the arbitration, provided that such parties shall agree in writing that the advice of the Court shall be final as to the question presented and that it shall bind the arbitrator(s) in rendering any award.

4.52.070 Time Within Which Award Shall be Rendered

A. If the time within which an award is rendered has not been fixed in the arbitration agreement, the arbitrator(s) shall render the award within thirty (30) days from the date the arbitration has been completed. The parties may expressly agree to extend the time in which the award may be made by an extension or ratification thereof in writing.

B. An arbitration award shall be in writing and signed by the arbitrator(s). The arbitrator(s) shall provide written notice of the award to each party by certified or registered mail, return receipt requested.

4.52.080 Application for Order Confirming Award; Record to be Filed with Clerk of Court; Effect and Enforcement of Judgment

A. At any time within one (1) year after an arbitration award has been rendered and the parties thereto notified thereof, any party to the arbitration may make application to the Tribal Court for an order confirming the award.

B. Any party applying for an order confirming an arbitration award shall, at the time the order is filed with the Clerk of the Tribal Court for entry of judgment thereon, file the following papers with the Clerk: (1) the agreement to arbitrate; (2) the selection or appointment, if any, of the arbitrator(s); (3) any written agreement requiring the reference of any question as provided in Section 5; (4) each written extension of the time, if any, within which to make the award; (5) the award; (6) each notice and other paper used upon an application to confirm; and (7) a copy of each order of the Tribal Court upon such an application.

C. An arbitration award shall not be subject to review or modification by the Tribal Court, but shall be confirmed strictly as provided by the arbitrator(s). The judgment confirming an award shall be docketed as if it were rendered in a civil action. The judgment so entered shall have the same force and effect in all respects as, and be subject to all the provisions of law relating to, a judgment in a civil action, and it may be enforced as if it has been rendered in a civil action in the Tribal Court. When the award requires the performance of any other act than the payment of money, the Tribal Court may direct the enforcement thereon in the manner provided by law.

4.52.090 Arbitration Award Not Appealable

No further appeal may be taken from an order issued by the Tribal Court pursuant to this Code enforcing an agreement to arbitrate or an award issued by an arbitrator.

4.52.100 Jurisdiction of the Tribal Court in Actions to which the Tribe is a Party; Qualification of Judges

A. The Tribal Court shall have exclusive Tribal Court jurisdiction over any action to enforce an agreement to arbitrate, to compel arbitration pursuant to such an agreement to arbitrate and to enforce an award made by an arbitrator pursuant to such agreement to arbitrate, contained in any contract, agreement or other instrument described in Section 4.52.020 of this Arbitration Code to which the Tribe is a party; provided that the Tribal Council ("Council") has

explicitly waived the defense of tribal sovereign immunity in the contract, agreement or other instrument; and provided further that the said contract, agreement, or other instrument does not expressly prohibit the Tribal Court from exercising jurisdiction thereunder.

B. The jurisdiction of the Tribal Court under this Arbitration Code shall be concurrent with the jurisdiction of any state or federal court to the jurisdiction of which the Council shall have explicitly consented in such contract, agreement or other instrument. Any consent to the jurisdiction of a state or federal court contained in a contract, agreement or other instrument described in Section 4.52.020 of this Arbitration Code to which the Tribe is a party shall be valid and enforceable in accordance with its terms.

4.52.110 Waivers of Sovereign Immunity Must be Express and Unequivocal

Nothing in this Arbitration Code, or in any arbitration or other provision of any contract, agreement, or other instrument, shall constitute a waiver, in whole or in part, of the sovereign immunity of the Squaxin Island Tribe, its subsidiaries, departments, affiliates, agents, officers or employees, but any such waiver must be explicit, unequivocal and in writing, and can only be enforced in accordance with its express terms.